

82 1-2 cents for 96 degrees, which made a preference of 31 cents. Under the new rates proposed, the preferential would be 40 3-4 cents for the 96 degrees, and the general 57 1-2 cents, making 16 3-4 of a preference.

"The privilege of importing raw sugar at preferential rates," Sir Wilfrid Laurier was informed by the Minister, "is abolished." The cement duties question, raised by the West last year, and met by a temporary reduction of the duty by 50 per cent, was settled as follows:—

"The duty on cement is specific, 12 1-2 cents per hundred pounds. A barrel of cement contains 350 pounds. Therefore the duty on a barrel of cement would be 43 3-4 cents. The cost of production of cement, by reason of improved methods, has been somewhat lessened during the past few years.

"In view of that fact, and in view of the fact that the rate is specific, we think that without injuring a Canadian industry or preventing Canadian enterprise from establishing cement plants throughout Canada, we can make a slight reduction in the duty. It is an article almost in universal use. It is used by the farmer; it is used in the construction of buildings, in connection with the paving of our streets and for many other purposes. The production in 1909 was about 4,000,000 barrels, and in 1912 the production had very substantially increased. I shall give the figures later. The British preferential tariff is 8 cents, intermediate 11 cents and general 12 1-2 cents.

"We came to the conclusion that we would be justified in reducing the tariff to British preferential 7 cents, intermediate 10 cents, and general 10 cents, that is to say, in reducing the duty on cement from 12 1-2 cents per hundred pounds to ten cents or from 43 3-4 cents a barrel to 35 cents. The average selling price of cement in the United States is, say \$1.10 to \$1.15 per hundred pounds."

No relief by way of bounty, or at the Customs was granted to the steel industry, but the bounty principle is not altogether abandoned. Hon. Mr. White explicitly stated that the bounty on lead ores would be extended for another four years from June 30 next. The bounty was introduced ten years ago by Mr. Fielding, and a sum of \$2,500,000 set apart for it. At the end of the first five year period this rate was extended, but \$50,000 was diverted to assist in the discovery of a process for the development of a zinc industry in British Columbia. Up to the end of March last, \$1,817,000 had been expended on bounties, and it is expected that \$32,000 more will be paid out to June. This will leave a sum of \$600,000, which will be available for the payment of bounties during the ensuing four years.

Detractors of Canadian credit have been busy in some foreign quarters of late. Some London papers, and one Parisian journal, have been in fact rather eager in manufacturing stories relative to a check in the continuance of our prosperity. These gentlemen will find little to encourage them in this notable Budget Speech. If anything under the sun could convert them into the true opinion that the Dominion is

only now entering upon her due career of progress and development, this admirable annual statement of its affairs should do so. With our great natural resources practically undeveloped as yet, with only some 8,000,000 of a population, where 100,000,000 would by no means be overcrowded, we ask only for peace and the blessing of Providence, to reveal in future years such a prosperity as shall astonish the whole world. No country naturally contains within its borders such elements of commercial success and greatness, as does this Dominion of Canada.

THE MONEY MARKET

No one now doubts that it was folly to expect that money would speedily become easier, when the Balkan war had quieted down. It is not altogether that the "hoarded" capital has failed to return to circulation, for even though the amount so withdrawn did amount to the very large sum of \$300,000,000, which many good authorities doubt, that would not make the difference. But it is difficult for everyone to realize that the whole world is enjoying such a commercial booming, as is probably unprecedented. Money is busy, and therefore dear, and there are the prospects of fine long term investments coming, which will cause many to hold their funds until national war and other loans are announced. On the Street, it is rumoured that a large sum was granted to a local firm during the last few days by one of the banks, as a favour at 9 per cent, and the rumour finds credit. Money is tightly held, and will not be cheapened greatly for some little time to come.

The foreign markets have done little more than mark time during the annual Whitsuntide holidays, which, in England at any rate, practically last throughout the week. Underwriters are being left with greater part of debenture issues still, even when the Rothschilds undertake the flotation of such usually popular issues as Brazilians. Higher prices may have to be offered for some of these, it is thought, and some ideas suggest 5 1-2 for such debentures as sold at 3 1-2 five or six years ago. But we notice that current flotations are worked off gradually, as a rule, in time, and are inclined to a belief that the public will get over its fit of exaltation after a bit. There are symptoms already of easing off in London.

No doubt this is a golden time for placing money for permanent investment. Perhaps the public has been educated up to its advantages. For one thing no one need find fault if the spirit of speculation, which is sending up land values outrageously, and enables foreign mining firms to relieve our people of lumps of cash \$400,000 big at a time, gets a good hard bump. The regular avenues of trade offer abundant opportunities for sane investment, and we are assured that there is accommodation money in the banks for that purpose.

—The Assembly at Albany has passed a Bill increasing the rate of interest on State bonds to 4½ per cent.