

levy being comprised of special frontage and supplementary revenue taxes, such as business and income and provincial revenue taxes.

In commenting on this the comptroller said: "By way of illustrating the vagaries of our municipal assessment and taxation system, it may be mentioned that on a comparison of the present net assessment and tax levy with those of 1914, it is shown that applying the current year's assessment figures to the general tax requirements of 1914 (\$3,347,251), the mill rate would have been 42 mills in that year, while the actual rate imposed was 16.75 on what must now be regarded as an inflated assessment of \$190,669,410. On the other hand, applying the net assessment of 1914 to the general tax requirements of the present year (\$3,541,154), the rate would be only 18.57 mills—this, of course, without taking into account the fact of business and income taxes (\$436,000) this year, which were not in force in 1914. As against this, however, it is necessary to remember that the cost of labor and commodities in 1920 has been on a much higher level than those obtaining in 1914.

"Our tax levy is admittedly high, but we must recollect that for several years the city has been confronted, not with a theory, but with a condition of affairs which is peculiar in certain respects to this city, and the remedy for which must be specially adapted to Edmonton's case. The problem is at the same time largely that of other western cities, most of which are similarly suffering from the effects of previous years' over-expenditures and premature or unnatural development. In the case of Edmonton itself, however, it is no secret that the city's utilities have been designed and installed, not for a population of 60,000 or 70,000, but for one of more nearly 200,000 people, and this fact has to be

taken into account in adjudicating upon the city's financial standing.

"In 1914 the civic census showed a population of 72,516. In 1915 this was placed at 59,339; while in 1916 the federal (interim census) gave the figures as 53,846. The civic census for the present year just recently completed shows 61,045, but it may be mentioned that this census was taken at a time of the year when a good many families were absent from the city on holiday, including school children, school teachers and others, so that the actual population of the city would probably be more nearly 65,000.

"The funded debt of the city was incurred under conditions when the population was over 70,000. That debt remains, notwithstanding that the population in the meantime has suffered a severe relapse, and even still we have a certain percentage of floating population whose permanency of domicile is more or less determined by the opportunities of employment and of trading. It is generally, and rightly perhaps, assumed that very largely a solution to the problem lies in (1) a substantial accession to the city's population; (2) an entirely broader basis of taxation than under the present method, which bears almost wholly upon lands and improvements.

"With regard to the outlook as to civic taxation in the immediate future, it is, of course, already known that the city will be deprived of the personal income tax as a source of supplementary revenue at the end of the current year, so that there will be a loss of approximately \$175,000 on that account. In order to counterbalance this shrinkage in revenue, it would seem necessary to discontinue any further direct levy towards the reserve for uncollectible taxes meantime."

## Government and Municipal Bond Market

**Victory Bonds Have Been Released from Control—Prices Fall on Open Market—Three Municipalities Postpone Issues on Account of the Unsettled Situation—Ontario Floating Six Million Dollar Loan Within the Province**

**V**ICTORY bonds have been released from control. Such was the announcement which stirred up great interest in bond circles this week, and turned a dull market into one of activity. This move on the part of the government came as a surprise, as it was confidently expected that no such action would be taken until the end of the year. Sir Henry Drayton, minister of finance, has made the following statement in this regard:—

"The special market committee's work has been very efficient. Many subscriptions were made in the national interest and by persons whose circumstances did not permit them to hold their bonds. The price of the bonds has not been subject to violent fluctuations, but stabilization of price has been effective. The committee has sold bonds which have come upon the market and placed them in the hands of permanent investors to the extent of \$270,000,000. Stabilization has now continued for more than a year since the last loan, and full opportunity has therefore been given those whose circumstances compel them to liquidate."

Many opinions were advanced as to the reason of the government's action, but the most logical one was that by R. A. Daly, secretary of the special market committee. Mr. Daly stated: "The public had begun to anticipate decontrol, which was generally thought to be slated for the end of the year, by offering their bonds for disposal by the market committee at the present time. Such action was inspired by the fear on the part of some holders that the bonds would fall in price when control ceased, and the view that it would therefore be better to sell now than wait for the change. It was thus necessary for the committee to give up their functions rather sooner than expected, and without any preliminary announcement."

The first day of open trading witnessed violent fluctuations and losses in all issues. This was the natural event, as the market committee had been supporting the prices. The market has become much steadier, however, and within a short time the real condition of affairs should be apparent.

The following figures give a comparison of this week's prices, in comparison with those previously fixed:—

	Jan.	Mar.	Aug.	This week.*	
				High.	Low.
1922 .....	100 ¼	100	98	97	95 ½
1927 .....	101 ¾	100 ½	97	98	94
1937 .....	104 ½	102	98	95	93 ¾
1923 .....	100 ¼	99 ¾	98	95	94
1933 .....	102 ½	100 ¼	96 ½	94 ¾	93
1924 .....	100	98 ½	97	95 ¾	92
1934 .....	100	97	93	91 ¾	89

\*Toronto Exchange.

While the resumption of trading in Victories was welcomed by most bond dealers, it has had an unsettling influence on the general market. Several issues which were due for sale this week, were postponed on this account, including Hamilton \$260,227, York Township \$166,000 and Oakville \$111,000.

The town of Renfrew, Ont., is calling for tenders up till December 13, 1920, for the purchase of \$53,401 6 per cent. 20 and 30 instalment debentures.

Point Edward, Ont., is offering \$24,000 20-instalment debentures for sale. Tenders for the issue will be received until December 11, 1920.