

## Uniform Accounting

The question of municipal or public ownership of public utilities is of the greatest interest to all residents of urban municipalities.

The Ontario Legislature last year appointed a special committee on municipal trading or municipal ownership or operation of public utilities, their report recently presented and distributed contains an epitome of the periodical or other literature on the subject.

Statistics relating to the activities of Ontario municipalities are given. These are, however, incomplete and unreliable for the purposes of comparison owing to the want of uniformity in methods of book-keeping.

One authority quoted in the report "believes that there should be uniformity and publicity of accounts of corporations performing quasi public service and of municipalities so that correct comparative statistics may be obtained as a basis for intelligent discussion and legislation." This leads us to suggest that the Provincial Government should publish annually full statistics in reference to the cost of public services. Until this information is available the results of municipal ownership and operation must be regarded as a controverted question.

In England, the local Government board obtains all statistics required, and the municipal year book distributes the information.

In the United States considerable attention is being devoted to the question. A law adopted in Ohio in 1902

created a bureau of inspection and supervision of public offices and provides for the establishment of uniform systems of public accounting, auditing and reporting. The movement began some years ago largely in the desire of municipal officers to make comparisons of their work with others in the same line. Various societies have reported in favor of it and several States have similar laws under consideration. The step taken in Ohio is the greatest advance which has been made.

A member of the Ohio bureau of inspection refers to the advantages of uniform reports as follows :

"Uniform reports, based upon accounts which will admit of an intelligent audit, at once become trustworthy sources of information to the people, and from these reports, after careful verification by state examiners, will be compiled comparative tables, giving to the public in a comprehensive form the receipts and from what source, and the expenditures, detailed as to each distinct purpose, so that the actual cost of each separate function of local government may be made known to those interested. These expenditures, set up in 'deadly parallel,' will enable the citizens of the various counties and cities of the state to make the intelligent comparisons of the cost of different purposes of their own local government with that of counties and cities of like population and conditions.

Whether or not the municipal ownership of public service industries be advisable will be shown by reports which will give the actual cost to the people of all service rendered the public by such industries, that comparisons may be made with the cost of like service secured through contracts with private parties. The greatest good to the public, however, from the enforcement of this law, will result from the assistance given to well-intentioned public servants in the discharge of their official duties, thereby resulting in an improved public service."

## The Business Tax

In order to understand the necessity for additional business taxation in cities, towns and villages, the reasons leading up to incorporation and separation from the rural districts of which they formed a part, must be considered. In a country village, sidewalks, lights, road improvements, a public well and drainage are usually provided by the township authorities and voluntary subscriptions of those interested. As the village grows, the proportion of those who will not subscribe increases, the township council is not as liberal as the villagers think it should be and incorporation follows for the purpose of compelling all who are directly interested to pay a share of the cost of necessary improvements in the way of taxation.

Incorporation as a village, town or city directs attention to the fact that there has been a concentration of population and that the administration of local affairs must be improved. The Municipal Act provides for this by enlarging the scope of local authorities as an urban community increases in size.

The incorporation limits of a village may include a farm, the village tax rate is generally higher than that of the township with the result that the farmer who was satisfied with the township conditions pays a tax out of all proportion to benefit received. The same may be said of the owners of vacant land they do not derive the full benefit of the improvements or conveniences for which they have to pay.

It is in recognition of the principle of payment for value received that additional taxation is proposed in urban communities by the occupants of real property for business purposes.

The assessment commission proposed to make the occupants of both residence and business properties pay an additional tax at a uniform rate. The Legislative Committee decided to exempt the residences, and in the public discussions reported, the house tax, which appears to be necessary to produce equality, has not been considered. The business tax proposed is based on the value of the premises occupied for the purposes of business; businesses have been classified and the rate proposed varies from 25 to 125 per cent. The objections offered are in reference to the percentage to be paid.

The amount of tax a merchant or manufacturer may have have paid on personalty should not be considered in determining the business tax.

The industrial development of the Province favors exemption of all personal property. The value of land or immovable property is determined by movable or personal property located on or convenient to it.

---

The several departments of THE MUNICIPAL WORLD are always full of valuable technical and professional information.

---

Stratford carried the by-laws ratifying the appointment of Park and Water Commissioners.

---

THE MUNICIPAL WORLD is always practical in its solution of the problems of civil law and procedure.