

Relief cannot be secured in sufficient amount by a further reduction in tax levies. Controllable expenditure has in most cases been reduced to a minimum. The state of the loan market makes extensive borrowing an impossible solution of the present difficulty. Assessments of land values, which make up almost the entire tax base, are too high already. There is no legal obstacle to higher tax rates, but there is an insurmountable economic obstacle, in that such a course would in all probability result in the surrender of more land for taxes rather than in an increase of revenue. No relief, but instead sudden and complete disaster, would probably follow any attempt to realise immediately upon the lands which are being surrendered to the municipalities for taxes. To offer them in large quantities for the amount of the charges against them means that the city itself establishes a price for realty at a small fraction of the values which it seeks to maintain on its assessment rolls as true market values. How an enormous shrinkage in the assessment base and a further demoralisation of realty values could be prevented in such a situation is difficult to see.

The financial problem, of course, varies considerably from city to city in seriousness and urgency. The accumulated arrears, for example, are much more of a menace in some cities than others. A mere comparison of the statistics of arrears, however, does not tell the whole story, for much depends upon the method of financing arrears in vogue in the various cities. Weyburn, it is true, has accumulated arrears to an amount which exceeds considerably the current year's levy. But in Weyburn the pressure of tax sale has not yet been applied, so that a larger proportion of the arrears may be collectible than in the other cities. Moreover the city would not be embarrassed seriously at once by a failure to collect its arrears for it has not spent them in advance. In other words, arrears collected are available for future needs. Contrast with this the situation in Regina, the city which makes the best showing for financial strength on the basis of its success in collecting its taxes. Practically all of its arrears, which are substantial, have been already spent, that is, loans have been secured from the bank in anticipation of collections and the money paid out from the treasury. The bank, therefore, is in a position to dictate to some extent the policy of the city in regard to its uncollected taxes and to any property the city may acquire by the tax sale process. If the arrears cannot be collected, future provision must be made to meet the financial problem thus developed. The other cities lie between these two extremes. Moose Jaw makes a modest levy (\$50,000) at the behest of the bank to finance tax arrears. The Saskatoon arrears appear for the most part in the form of deferred payments to sinking and depreciation funds, although a substantial sum, secured by arrears, is due the bank. The arrears are a staggering problem in Prince Albert, where the loan from the bank approximates \$450,000, and almost a trifling one in North Battleford, where the bank debt is only about \$40,000. Swift Current, with a note at the bank of about \$150,000, secured by arrears, has a situation more urgent than several of the other cities, but not at all unmanageable, provided collections are more complete in the future.

On the basis of these facts, as well as others too numerous to set forth in detail here, the conclusions are reached, first, that even those municipalities which are most favourably situated must somehow secure more money than they are at present collecting; and, second, that the present

tax syst
In other
the direc
is increas
as they a
worse, w
to secure
Of the m

The
of the p
the own
there are
all is beir
to others
Indeed i
burdened
is now o
pay his t
[Exp
involves
ideals]
or unfav
An inve
of certai
a dogma
would an
and idea
of the in
the func
fundame
urged in

It w
that the
data we
the taxe
the own
because
revenues

It s
the abov
The first
burden o
presumal
or "ben
meet exa
a uniform
capital v
does is t