

Monetary Times

Trade Review and Insurance Chronicle
of Canada

Address: Corner Church and Court Streets, Toronto, Ontario, Canada.
Telephone: Main 7404, Branch Exchange connecting all departments.
Cable Address: "Montimes, Toronto."
Winnipeg Office: 1208 McArthur Building. Telephone Main 2663.
G. W. Goodall, Western Manager.

SUBSCRIPTION RATES

One Year	Six Months	Three Months	Single Copy
\$3.00	\$1.75	\$1.00	10 Cents

ADVERTISING RATES UPON REQUEST.

The Monetary Times was established in 1867, the year of Confederation. It absorbed in 1869 The Intercolonial Journal of Commerce, of Montreal; in 1870, The Trade Review, of Montreal; and the Toronto Journal of Commerce.

The Monetary Times does not necessarily endorse the statements and opinions of its correspondents, nor does it hold itself responsible therefor. The Monetary Times invites information from its readers to aid in excluding from its columns fraudulent and objectionable advertisements. All information will be treated confidentially.

SUBSCRIBERS PLEASE NOTE:

When changing your mailing instructions, be sure to state fully both your old and your new address.

All mailed papers are sent direct to Friday evening trains. Any subscriber who receives his paper late will confer a favor by complaining to the circulation department.

TAXATION TANGLE IN THE WEST

Notwithstanding the gloomy predictions concerning the financial soundness of western municipalities, and notably of the cities, indulged in a few years ago, the West is coming to the fore with flying colors. There never was any real difficulty, worth the mentioning, in the financial affairs of the rural municipalities; but conditions were quite otherwise with respect to some of the cities and towns of Alberta and Saskatchewan. The important centres are making rapid headway in setting their financial affairs in order; but to do so it has required strict regulation of expenditures and the careful collection of revenues from taxation.

As is well known, both Alberta and Saskatchewan made large use of the so-called single tax in their municipal fiscal affairs before the outbreak of war. This did not mean that the single tax was relied upon exclusively, even in Edmonton and Vancouver, as a source of income, but that it was possible to exempt improvements in part from the burden of taxation. This permission was made use of extensively; and the burden on real estate shifted to a considerable extent, to land. All went well while the real estate boom lasted; but with the rapid decline in urban land values which culminated with the declaration of war, it was plainly seen that the cities and towns could no longer depend for a stable income sufficient to cover fixed and current expenditures, on the taxation of land values. Within the past year the provincial government of Saskatchewan appointed Professor Haig, of Columbia University, New York, to make a survey of urban taxation in the province, and to present recommendations for a revision of the existing system.

While Professor Haig's report is a carefully prepared document, presenting a clear view of actual conditions in the province, there is nothing new or striking in his recommendations. He recommends that the tax burden be shifted as rapidly as possible from unimproved lands to

PRINCIPAL CONTENTS OF THIS ISSUE

EDITORIAL:

Taxation Tangle in the West	9
Western Immigration and Land Sales	9
Savings Bank Checking Accounts	10
Increase in Fire Insurance Rates	10

INSURANCE:

Weekly Fire Record	16
Automobile Danger Increasing	22
Pensions or Insurance	30

BANKING:

Conscription of Wealth	5
Relation of Savings Deposits	12
Empire Resources and War Debt	24
Legislation Affecting Loaning	28

BOND MARKET:

Interest Payments on Victory Loan	7
Weekly Municipal Finance Record	26
Montreal Bond Issue Fully Subscribed	38
Municipal Statistics of British Columbia	42

CORPORATION FINANCE:

McKinley-Darragh Mines Report	44
Wm. A. Rogers and Company, Limited	44

TRADE AND COMMERCE:

Food Production Problem	18
Asbestos Output Increased	20
New Incorporations	37

buildings; and that each class of property—land and buildings—be taxed according to its faculty, or ability to pay. Should the provincial government legislate in that direction it will relieve those real estate speculators who have clung desperately to their holdings during the past hard years. Moreover, the shifting of the tax burden, in greater measure, to improvements will undoubtedly result in providing a surer and more stable income to the urban municipalities; but it is equally plain that this burden will ultimately rest upon rent payers. This may be just and equitable; but at the same time there seems no sufficient reason for passing legislation as a measure of relief for those speculators who plunged in times of prosperity and now find the burden hard to bear.

One lesson worth while, at least, has been taught the people of Canada, whether of the prairie provinces or elsewhere—that a workable taxation scheme is to be found only in applying the principle of levying rates according to ability to pay. The single tax is no open sesame. Land, like other property, must fluctuate in value as long as risk is inherent in business activity; and if it fluctuates in value, the buoyant revenues that induce reckless financing in flush years may not be available in times of depression. Less reliance upon speculation, and the greater exertion of real productive power, is the *sine qua non* for ultimate economic success for the whole Dominion.

WESTERN IMMIGRATION AND LAND SALES

The record of Canadian Pacific land sales tells a remarkable story of western recovery. In the fiscal year ending June, 1915, the first year of war, the company's sales had fallen to 231,297 acres with aggregate sale price of \$3,742,115. During the next fiscal period (ending June, 1916) the sales increased to 390,715 acres with sale price of \$6,126,108. The next period is the half year ending December, 1916, and the results for this six months nearly equalled the business done in the whole of the preceding year—the sales being 328,574 acres and the