

SASKATCHEWAN'S MUNICIPAL SYSTEM.

Legislation Based on the Recent Report is Being Prepared.

Although the Saskatchewan Legislative Assembly will not meet until some time early next spring, the proposed municipal system of that province is a very live topic throughout Canada, and especially in the West. We understand that legislation, covering much of the ground contained in the recent Royal Commission's Report is under consideration. Mr. S. Spencer Page, the secretary of the Municipal Commission, sends the Monetary Times some interesting particulars concerning the matter.

The Urban Section of the Commission held nine sittings at various centres, and found that the suggestions received by them were confined to comparatively minor changes in the machines now in use in the cities and towns of the Province and no great change is likely to follow as the result of their investigation except in the matter of the assessment of business of all description on floor space instead of stock. Great interest was shown in the discussion of this business tax on floor space. It had been in use in Edmonton for some four years, and had been adopted this year for the first time in Saskatchewan, Regina, and Saskatoon.

System Has Given Satisfaction.

In Regina it gave in its first year universal satisfaction; there were practically no appeals to the Court of Revision on that phase of assessment. A very general and possibly unanimous demand was made for its adoption throughout all the urban communities in the Province. The two cities of Moose Jaw and Prince Albert though now working under rather antiquated charters are both anxious to receive similar powers to those now enjoyed by Regina and Saskatoon. All the Saskatchewan cities and towns have under the Municipal Public Works Act the fullest powers in all the common public utilities of light, both electric and gas, heat, power, and water. A considerable change will also, it is expected, be made in the form of local government of villages. It is proposed to create a council of three instead of the "one man rule" under which they have been working, and to considerably increase their powers of self-government.

The Rural section held seventeen sittings and found that their work was of a very different nature to that of the Urban section. A very general demand was evident for a system of local government of much wider range than that at present in existence. The demand was almost unanimous and includes the right to issue debentures to a limited extent, but does not include the right to bonus or exempt from taxation. The present Local Improvement districts consist in the main of four townships making a square of twelve miles controlled by four councillors who elect one of their number as chairman. The council has practically no power except to make roads. The demand for a district of larger area than the old ones was quite evident and in that respect the size likely to be adopted will be nine townships, a square of eighteen miles, which afford the most convenient and most economically managed area. A council of six elected by divisions and a reeve elected from the whole area is suggested as the ruling body.

Council Will Have Wider Self-Government Powers.

To the council will be deputed much wider powers of self-government than was possible under the old arrangement. It is proposed to lay out the whole province on a uniform plan so that any isolated area that might be organized at the present time may eventually become part of a uniform system without any readjustment of boundaries. It is suggested that the new municipalities shall be primarily known by numbers which shall be an index of the location of the municipality. Names will eventually be chosen by the councils and will become by proclamation together with the number of the formal style of the municipality. It is proposed to continue the present flat-rate of taxation with a slight increase in the maximum. Experience shows that the existence of a maximum rate does not lead to a general adoption of that maximum. Some fifty out of about three hundred districts last year reached the maximum of \$8 per quarter-section, while twenty-seven still only collected the minimum of \$2. The average for the whole province was \$5.09.

The opinion has been unanimously expressed that all books of record, accounts, etc., should be uniform for each of the three classes of urban municipalities and that a system of thorough annual inspection of all municipal books of account by government officials should be established at the outset. To give effect to this idea it would be necessary for the government to issue sample sets of books the use of which by the municipalities would be obligatory. The officials referred to should cover the province in a regular and automatic way just as the school inspectors do. Their appointment would not in any sense do away with the local audit. Their work would be largely educational and would inevitably tend to great improvement in municipal book-keeping.

It is recommended that no provision be made in the city, town and village Acts for a sinking fund for the repayment of debentures but that provision may be made to postpone payment of principal on debenture account for a certain stated period.

One special recommendation with regard to villages is that they shall be permitted to issue debentures for public improvements, this power to be limited by the provision that the total amount outstanding for debentures shall not exceed ten per cent. of the assessment value.

Another recommendation is that all accounts of rural municipalities and school districts be subject to inspection by permanent government inspectors, and that sufficient provision be made so that all municipal accounts may be inspected once each year, but if such inspection is not made, it shall not in any way affect the affairs of the municipality. Without implying the existence of abuses, the commissioners think that the adoption of this plan will result in a noticeable toning up of the whole system of municipal accounting. The local auditor will be the more disposed to call the attention of the secretary-treasurer of the municipality to matters connected with his method of keeping the accounts, because he, the local auditor, will be aware that his work is to be passed in review by the government inspector. Provision may be made for the appointment of temporary inspectors, but in the case of such appointments an inspector would not review the accounts of the municipalities in the neighborhood where he resides.

When a Village Becomes a Town.

It is recommended that a village may be created when there is a population of at least seventy-five persons residing within an area of not more than 640 acres, and that when there are 125 persons residing within such area the Lieutenant-Governor-in-Council shall forthwith create such village.

It is also thought that before a village can be incorporated as a town, there should be a population of at least 500 residing within an area of 640 acres. When the population of a village reaches 1,000, it is suggested that it shall be created a town municipality. That a population of five thousand be necessary before a town can become a city, is also recommended.

PUBLICATIONS REVIEWED.

MONEY AND INVESTMENTS.

A reference book for the use of those desiring information in the handling of money or the investment thereof. Such is the sub-title of the excellent volume written by Montgomery Rollins, and published by Dana, Estes & Co., of Boston. The book is really an exposition of the many intricate expressions and terms of the financial world. The volume also contains some valuable suggestions concerning investment and speculation, and a short, though instructive article, "Prosperity and the Future." The following explanations will give an idea of its scope: **Panic**.—In a stock exchange panic, or money panic, or whatever the case may be, the procedure and results in a financial way are about the same as in a theatre panic. People sell who need not have done so; sales are made which afterwards prove to be needless; unnecessary losses result: the large majority try to do the same thing at once. There are so many more sellers than buyers—so many more people than theatre exits—that securities are sold at any prices obtainable. Failures result; prices drop to an unnatural level; all confidence is lost, and financial self-preservation is the predominating factor. **Credit Currency**.—Currency issued by a bank, the security for which is only the general assets of the institution. The notes of the Bank of France are so secured and are strictly speaking credit currency, whereas notes of the Bank of England are substantially gold certificates, as against all additional notes above a certain fixed amount there is a deposit of gold coin and bullion. United States gold and silver certificates are in no sense credit currency, as each one represents a like sum of gold or silver deposited to secure it. They are the nearest approach to near money without being actual money that exists. **Bonus**.—In matters financial this has several uses. It may be a premium given for a loan, for a charter or other privileges granted a corporation; it may be an extra dividend to shareholders, or may be stock thrown in with the sale of bonds or other stock, and in this last use perhaps it is most common. An illustration would be: A banker offers a client, say, \$10,000 bonds of a certain railway or other corporation, which bonds in themselves might not be very attractive to the investor; in order, therefore, to accomplish the sale of the same with greater ease, the banker gives, or throws in, as a "bonus" a certain amount of stock, probably of the same corporation. Another use is in the case of a holder of a mortgage or a note that may not be due for some time, and on which the maker desires to anticipate payment. The holder may consider it a good investment and not wish to give it up unless he is given some extra consideration for so doing. Such a consideration would be called a "bonus."