

### EDMONTON'S PRESENT FINANCIAL POSITION.

Owing in great part to the lack of continuing penalties and of proper tax enforcement provisions, arrears of taxes accumulated from 1914 to 1917. Of necessity there was a corresponding amount of borrowing for current requirements on short term securities, a great part of it falling due this year. The chief item was two year debentures secured on the 1914-15 arrears maturing July first to a total of \$2,653,000, of which \$2,000,000 were held in the United States having been placed by Messrs. Otis & Company of Cleveland. Through the good offices of that firm the holders of these debentures were approached as to whether they would accept renewal debentures for a further two years or whether they wished payment. With extensions thus secured and an underwriting by Messrs. Otis & Company themselves, \$1,100,000 were renewed for the two years and the balance of \$900,000 was paid in cash out of the collections of these particular arrears before and at a tax sale which is now being held. Incidentally, proper penalties and tax sale provisions were secured at the last session of the Alberta Legislature and under these the tax sale is producing excellent results. The extension debentures bear interest at 6 per cent, and were taken at 98, the price of issue of the original debentures, making about a 7.10 per cent interest basis. At the present rate of exchange and assuming that exchange has become normal at the maturity of these renewals this was much better for the City than borrowing money in Canada even at 6 per cent, and then paying exchange to send it to the United States. Of the remaining 1914-15 tax over debentures held in this country \$316,000 were met out of collections and the balance renewed on the same basis as the above. All of these renewal debentures are redeemable by drawings.

In order to take care of other maturities five year 6 per cent debentures secured on the 1917 tax arrears are being issued and private sales of these have been arranged to the extent of \$626,000 on a basis to yield 6.85 per cent.

At the beginning of the year the city was faced with nearly \$4,000,000 of maturing short term obligations in addition to its current requirements, but the payment of sundry items and the above operations have taken care of all but comparatively small amounts falling due later in the year. In 1919 the amount of such obligations is less than \$200,000 which by comparison is almost negligible. Thus what looked in advance as though it might be something of a crisis in the city's financial position has been successfully passed and this fact is showing itself immediately in an excellent general tone of confidence within the city and outside.

### THE MILLENNIUM.

The Dominie: I'm glad to see you realize what our country is fighting for. This war will make the world a better place to live in.

"Betchure life it will, boss! De wimmin are beginning to do all de work."

### LIQUIDATION SALE STEAM MOTOR TRUCK CHEAP.

**AVELING & PORTER (England) STEAM MOTOR TRUCK**  
Seven ton capacity. Is in complete repair in every respect, having just been gone over by an expert who reports in reference to the running of the truck as follows:

"I am operating a similar truck which costs me about \$2 per day for coal at present prices, oil 40c, labor 30c per hour. If loaded quickly I should expect it to make about seven trips or two miles per day, of if loaded by hand about five or six in ten hours. I find it can be economically run by one man."

The truck has now been running two seasons and cost in 1912, \$4,500. One of these trucks is being operated by one of the local municipal corporations, the Civil Engineer advises with excellent result.

Price asked \$1,250 f.o.b. Montreal.  
For further particulars, apply to  
**SHARP, MILNE & CO'Y, Chartered Accountants,**  
Power Building, Montreal  
**DUNNINGS, LIMITED, IN LIQUIDATION,**  
F. W. SHARP, Liquidator.

### WHAT IS MEANT BY EXPENDITURE.

The evils resulting from vague nomenclature and inconsistent use of supposedly exact accounting terms are not local to Philadelphia. In governmental accounting everywhere (in Canada as well as in the United States) loose and inexact terminology is the rule, rather than the exception.

If we are to have "government of the people, by the people, and for the people"—in other words, if we are to have that truly democratic, service-rendering government which all of us are seeking, the significant facts about government must be presented to the people so simply, so clearly, and so accurately that the people can easily find out what they should know concerning their co-operative undertaking.

Of the many facts of government which the people should know, those relating to the finances and financial operations are, without any question, the most important, for they are inseparably bound up with every activity of government.

How to get these financial facts to the people is a really difficult problem. It is by no means the simple proposition that it at first sight seems to be. Provision must be made for collecting, classifying, recording, and interpreting all the facts, and for selecting and suitably transmitting to the people the most significant of them. The doing of all these things falls within the province of accounting.

Now accounting, particularly governmental accounting, is greatly in need of improvement. Many of the "facts" put forth by governmental accounting are facts in name only. This is very largely due to the lack of a definite terminology—that sine qua non of every true science.

One of the commonest words used in connection with the finances of governments—the term "expenditure"—is a striking illustration of the need on the part of governmental accounting to adopt a definite nomenclature.

The frequency and the glibness with which this term is used would seem to indicate that it had a very definite and a very significant meaning. Yet, perhaps, there are but few words in the entire English language that have a more indefinite or a more significant meaning than has this word "expenditure." Ample proof of this is to be found on all hands. Controllers' and auditors' reports abound with proof, as do also budgets, the deliberations of legislative bodies, books, pamphlets, magazines and newspapers.

Some use the term as though it were synonymous with "expense"; some use it to mean payments of cash; some to mean purchases of land, materials, supplies, services, etc.; some to mean "expense" plus "capital outlays"; some to mean liabilities incurred; some to mean warrants countersigned by the accounting officer; some to mean charges against particular funds or revenues; some to mean purely prospective purchases, payments, etc. Still others use it to mean all sorts of combinations of these and many other things. In truth, there seems to be no limit to the number of definitions that would be required to express the many ways in which it is used.

Yet with all this, the most emphasized—the most talked of—the most readily received "information" given to the people about the finances of their governments is the "amount of the expenditures."

There is a saying to the effect that "You cannot compare ounces and inches." In the absence of any definite or uniform meaning of the word, to compare expenditures of one period of government with those of some other period or government is but to compare ounces and inches.

Let us face the situation frankly and do one of two things:

1. Make the term "expenditure" mean something definite; or
2. Drop it entirely from our vocabulary.—(Philadelphia Bureau of Municipal Research.)

### THE HOUSING PROBLEM AND PRODUCTION.

"The housing problem is becoming more acute in its complex relations and is now being given most serious consideration not only in various civic centres but also by federal governments. It is a recognized fact that men will not remain in any community where they are not comfortably and properly housed. The opportunities to-day are too numerous and transportation too easy for labor to stay in any one spot under discouraging circumstances and undesirable surroundings." — Canadian Lumber and Woodworker.