and city treasurers, and others interested in municipal finance will be ready to admit that they have experienced during the past few years occasional strenuous times with civic balance sheets, and they would probably welcome the establishment of a local government board. In England, we believe, there is a central board for the entire country. In Canada it would probably be found more workable to have a board for each province. One of the chief duties of these boards would be to sanction or disallow proposed municipal loans. Politics being so much more in evidence in our municipal affairs than they are in England, the provincial local government boards would have a delicate duty in considering municipal loans. That might be argued as a reason for a central board for the entire country, where the political influence would be less. The personnel of any such authority would have to recognize the business and not the sentiment of municipal finance always with the final end in view, namely, the maintenance of Canadian municipal credit at home and abroad.

At the civic luncheon given at Edmonton to the Winnipeg business men in May, Mr. Vere C. Brown, a capable banker, who has at heart the interests of the great western country, expressed the view that there was urgent need for legislation providing for the appointment by each of the prairie provinces of a municipal commission, by whom all expenditure for local improvements by urban municipalities would first have to be approved.

The proposal met with pronounced favor, the mayor of Edmonton expressing the opinion that had such legislation been enacted at an earlier date some of the financial difficulties of his own city would have been avoided. It has since been strongly approved by the representative of one of the leading financial houses of London. Mr. Brown amplifies his suggestion in the latest issue of Canadian finance. After discussing the subject at length, he suggests that the duties which would fall upon a commission of the character proposed would come under six main headings:—

(a) To regulate the limits to the boundaries of each municipality, beyond which expenditures for improvements may not be undertaken.

(b) To see that assessments are limited to conservative valuations of property. [In some cases we have high assessments and a low tax rate. A higher tax rate and a lower assessment would remove the ground for a good deal of ill-considered criticism.]

(c) To decide whether any proposed improvements are really warranted and well within the ability of the municipality to pay.

(d) To see that the plans and specifications call for work of an approved character, and that they have been prepared with a reasonable regard to the possible necessities of the future.

(e) To regulate the period of time for which the relative debentures shall be issued.

(f) To regulate the investment of sinking fund moneys.

It should be made clear that in offering his suggestion in the first instance Mr. Brown was mainly prompted by a consideration of the uncomfortable situation which has been created through the inability of many of our municipalities to find a market for their debentures, and of the serious consequences which must ensue if some steps are not taken to place the credit of our municipalities beyond the possibility of criticism. But even if our issues of municipal securities were marketable without question, the fact would remain that the work of a provincial commission, such as proposed, would be of incalculable benefit to the whole community.

Mr. Brown offers no reflection whatever on the amplitude of the security afforded by the issues of debentures by Western municipalities. That they do constitute a first-class security the leading financial authorities of Canada unanimously agree. Insufficient regard, however, has been had to the absorptive power of the securities markets. Hereafter municipalities will have to arrange a firm sale of their securities before embarking on capital expenditures, and our chief concern at the moment should be to see that everything possible is done to further the creation of a sufficiently broad market for such securities.

The municipalities of Canada may, with advantage, discuss these proposals. *The Monetary Times* feels that the adoption of some such idea will enhance considerably Canadian municipal credit.

MONTREAL'S FINANCING

A forecast of the assessment of the city of Montreal makes it evident that the value of the real estate will be about 15 per cent. higher than it was a year ago. This would bring the total assessed value of taxable property to $580,000,000 and that of property which is exempt from taxation to $152,524,000, making a grand total of $732,524,000, or a gain of $94,500,000 as compared with a year ago. The increase of 15 per cent., it is stated in Montreal, is only about half the increase which is occurring in the assessment of Toronto property. The difference between the Toronto and the Montreal methods seems to be that in Montreal the assessment is to the full value of the land and buildings, while in Toronto it is to the full value of the land and only three-fifths of the value of the building. The Toronto plan favoring the industrial rather than the speculative end works to the advantage of the city. Another taxation disadvantage Montreal experiences in comparison with Toronto, is the large amount of exemptions allowed. These are mainly of church property, and it is apparently hopeless to change the situation. Schools and government property are also exempt.

During the year about $20,000,000 in taxable buildings was added to the roll, through construction work, so that the total value of these is about $250,000,000. Meantime, although the city has not over-borrowed according to the by-laws and valuations, it is difficult to get the money necessary to carry on public works planned. The cause is the much-discussed shortage of money. Some time ago, the city authorized two loans, aggregating $14,000,000. These have not yet been floated, and there appears little likelihood of it being possible to float them in the near future. A loan of $11,900,000 should have been issued in May and a special loan of $2,300,000 in connection with the new aqueduct is making no progress. The Bank of Montreal is the fiscal agent for the city, and it wisely advises patience. The debt of the city is now large, being in excess of $60,000,000. That sum will be increased to $75,000,000, and more, when it becomes possible to float the loans. The per capita debt of the city is reported to be $150, so that if the new loans are made, this figure will be increased, despite any gains that occur in population.

LEVEL CROSSING GATES

Mr. Drayton, chairman of the Dominion Railway Commission, seems inclined to lay much of the burden upon the public in the matter of railway crossings. They trespass on the tracks, he says, despite the use of "gates" by the transportation companies. The safety of the public is ensured only when the public are credited with the common sense of sheep—that is, no loophole must be left for hasty or foolish action on their part. In that light, the so-called railway crossing "gates" are a farce, being nothing more than a horizontal bar and a continual temptation to break the law. When the railway companies erect real gates instead of useless sticks, the number of level crossing fatalities will be greatly reduced.