

BOARD TO CONTROL MUNICIPAL LOANS

Some Criticisms of the Plan Answered by Mr. Wynne-Roberts

Municipal loans in relation to city development was the subject of an address by Mr. R. O. Wynne-Roberts, consulting engineer, to the Moose Jaw Board of Trade this week. Mr. Roberts paid particular attention to the proposals to inaugurate central authorities to supervise municipal loans. Dealing with various criticisms of the scheme, the first comment was that a federal local government board would be more on the British lines than provincial boards would be. This was not correct, said Mr. Roberts, for England and Wales, Scotland and Ireland have separate boards. "Each board is generally based on the same idea with regard to the approval of schemes and the authorization of loans, but the procedure differs in some respects," he continued. "For instance, in England and Wales, few schemes, if any, are approved or loans sanctioned without holding local enquiries, but in Scotland local enquiries are held when the loans are obtained from the Public Works Loans Boards, which is a Government department. Provincial boards would be strictly on British lines.

Abstract and Concrete.

"The next comment is that the Local Government Board should be Federal because municipal loans are of national importance and not local. In the abstract this may be right, but the British North America Act of 1867 expressly conferred upon the Provincial Governments full powers with reference to municipal institutions and this was incorporated in the Saskatchewan Act of 1905. It is evident that if anything is to be done to assist the municipalities the work must devolve on the Provincial Governments. The third comment is that the consolidation of municipal loans will not be of advantage.

"Usually consolidation of acts, powers, authorities and finance tends towards greater strength and stability. With the consolidation of municipal loans the same advantage should accrue, for the large number of loans leads to competition, disadvantage and the depression in value. How municipal loans can be consolidated is a matter for careful consideration. It may be best to divide the villages, towns, and cities into classes according to population, assessment, or location. It may be advantageous to consolidate loans for specific works, for instance, reproductive works might be put into one category and non-productive class into another category, and a third into a composite class. Furthermore, public health work might be placed in one division and other works kept separate. All this is a matter of great importance, and will doubtless be fully considered by the Government or the new Board.

Impairment of Credit.

"The fourth comment is that the Government cannot guarantee the municipal loans without impairing its own credit. This question is worthy of some consideration. The new board will investigate all schemes, and when satisfied that they are satisfactory, that they are necessary, that they are adequate and reasonable, that the cost is carefully estimated, and that the securities are ample, it will approve of the schemes and authorize the loans. If the Government, through its new Board is prepared to go thus far, why not go a little further and give the investing public a guarantee to show good faith in what they pass?

"The loans which the British Local Government Boards sanction are accepted by the Public Works Loan Commissioners and the loan advanced by them. In a like manner what the Saskatchewan Board sanctions may be accepted by the Government and guaranteed. Each village, town and city will give evidence as to the assessments, liabilities, growth, properties, etc., at the enquiries, and if these are found to be satisfactory, then they are made more satisfactory by a guarantee. It will mean a double security for the investor, and it may possibly improve even the government securities. The credit of a government is intimately associated with that of the municipalities, and no government can afford to allow anything to occur which may affect either. This is the view taken by the Russian and British Governments, and this is what is developing in the United States.

Free From Politics.

"The fifth comment is that if the new Board is to be of value, it must be strict, impartial and judicious in its actions. These three conditions are desirable, but care must, however, be taken to ensure that the change is not too sudden or drastic. It has taken the English Local Government Board 42 years to attain its present pre-eminent position as a controlling body. It has taken the Dominion Railway Commission some years to reach its present position. Every public

utility commission has taken time to establish confidence, and it will require time and patience for the Saskatchewan Board or any board to secure full confidence and develop strength, and the stronger it becomes the more confidence it will acquire.

"The new Board will be measured by its freedom of action and its independence within certain prescribed limits. When the Dominion Railway Commissioners were first appointed, their powers were limited, but as the confidence of the public was strengthened so were their powers increased. They were appointed by a political party, which I know not or care, but they do not come within the range of party politics, nor would either party allow the Commission to be mixed up with politics. Its freedom of action and its independence within statutory limitations, are recognized and appreciated by all. In a like manner the new Board will be gauged by its impartial judgment, which villages, towns and cities will in the absence of special reasons wisely acknowledge otherwise the value of such an institution will at once be discounted.

"No Russian municipality can borrow money without fully satisfying the Government, that the scheme for which money is required is satisfactory, that the securities are ample and and that the municipality can afford the additional expenditure. The Russian Government has a large debt, most of which is financed in London. It has never defaulted in its payments and to safeguard its own credit it will not allow any municipal authority to take any risk of failure in payments."

BANK BRANCHES OPENED AND CLOSED.

During October 28 branches of Canadian chartered banks were opened and 3 closed. The following gives details of the branches opened and closed this year:—

	Opened.	Closed.
January	34	15
February	29	16
March	25	6
April	28	4
May	20	8
June	22	10
July	20	8
August	21	6
September	20	12
October	28	3

Houston's Bank Directory gives the following particulars for October:—

Branches Opened—28.

Candahar, Sask.Imperial Bank of Canada.
 Controcoeur, Que. ...La Banque Nationale.
 Dinsmore, Sask.Union Bank of Canada.
 Dummer, Sask.Union Bank of Canada.
 East Sherbrooke, Que.Royal Bank of Canada.
 Edmundston, N.B. ...Banque Provinciale du Canada.
 Field, B.C.Imperial Bank of Canada.
 Ganges Harbor, B.C.Merchants Bank of Canada.
 Hamilton, Ont., King St. EastMerchants Bank of Canada.
 Kent Bridge, Ont. ...Merchants Bank of Canada.
 McLean, Sask.Imperial Bank of Canada.
 Maisonneuve, Que. ...Merchants Bank of Canada.
 New Glasgow, Que. ...Merchants Bank of Canada.
 Ormstown, Que.Merchants Bank of Canada.
 Port Arthur, Ont. ...Royal Bank of Canada.
 Price, Que.La Banque Nationale.
 Raymond, Alta.Merchants Bank of Canada.
 Retlaw, Alta.Canadian Bank of Commerce.
 St. Appolinaire, Que.La Banque Nationale.
 St. Cuthbert, Que. ...Banque d'Hochelaga.
 St. Elizabeth Joliette Co. Que.La Banque Nationale.
 St. Justin, Que.Banque d'Hochelaga.
 St. Leon, Que.Banque d'Hochelaga.
 St. Octave, Que.La Banque Nationale.
 Shaunavon, Sask.Merchants Bank of Canada.
 Starbuck, Man.Merchants Bank of Canada.
 Walkerville, Ont.Dominion Bank.
 Wynyrd, Sask.Imperial Bank of Canada.

Branches Closed—3.

Lethbridge, Alta.Bank of Toronto.
 Pincher Station, Alta.Merchants Bank of Canada.
 Sweetsburg, Que.Canadian Bank of Commerce.

The Evergreen Farmers' Institute has been incorporated in British Columbia, with head office at Holberg.