

Municipal Affairs in British Columbia

(By JACK LOUTET.)

Proposal to Guarantee Private Company.

The City of North Vancouver has at present before it a proposal that it should guarantee the 35 year bonds of the Amalgamated Drydock and Engineering Company to the extent of \$750,000, and provide free water and exemption from taxation for a like period. Under the Municipal Act ten years is the limit allowed for freedom from taxes, but this difficulty might be overcome. General opinion in North Vancouver supports the proposals in regard to water and taxes, but on the guarantee of bonds is divided. A majority of the City Council has decided to place an agreement embodying the guarantee before the electorate, but it is stated that this is subject to a satisfactory agreement being drawn up. The Drydock Company has applied for the usual interest subsidy from the government and it is understood has secured this conditionally. Rumors have spread that unless the city guarantee was forthcoming the drydock would be located elsewhere, but the name of the municipality offering better inducements has not been revealed. The Public Works Department, on being appealed to, telegraphed that good reasons would have to be given for any change in plans.

The amount of capital possessed by the company has not yet been revealed, and the impression prevails that bond proceeds would finance the whole undertaking, an unsatisfactory feature from the city's point of view. Arrangements are alleged to have been made for a Vancouver company, the Pacific Construction Co. to undertake the work of construction but on what terms is unknown.

The latest development is the question as to whether the city should negotiate with the Drydock company or the construction company, and arising out of this the negotiations may be dropped entirely. The whole scheme appears to be somewhat nebulous at present and North Vancouver is likely to make haste slowly before further mortgaging the city. The statement freely made that the guarantee is of principal only, and that the present generation will not be called upon to pay it, is a dangerous argument and should not be allowed to have any weight when a decision has to be made. The credit of the city would undoubtedly be affected and future borrowing made very difficult and expensive. The site proposed for the drydock and works is on Burrard Inlet west on the Indian Mission.

The Vancouver Creosoting Company, a new concern, said to be connected with a similar large concern near Seattle is locating on Burrard Inlet in the District of North Vancouver.

This municipality proposes to give water at cost and freedom from taxation for ten years. The company expects to commence operation in May or possibly sooner and will employ from forty to one hundred men, the latter when the complete plant is in operation.

Tax Sales.

It is rumored that the Provincial Government does not intend to pass legislation along the lines proposed by the U. B. C. M. in connection with Tax Scale certificates, but may probably allow borrowing against arrears of Taxes to the extent of 50 per cent by means of certificates secured by hypothecation of the arrears. Certificates would be retired in rotation as the arrears are collected or drawings held quarterly to determine those to be retired. The former system is favored as it enables parties to choose a long or short term investment and would also enable underwriters to retain the low numbers until the others were sold and thus ensure a quick return on the unsold certificates.

Extraordinary weather has prevailed during the past two months in British Columbia and late in January and early in February severe snowstorms made matters difficult in most municipalities on the coast. Victoria was particularly hard hit, the tramways being completely blocked and traffic being seriously handicapped for several days. No serious damage resulted, but the removal of the snow proved an expensive matter. The B. C. Electric Railway Company by strenuous exertions with excellent equipment maintained their schedule in Vancouver and surrounding municipalities, while the jitneys were compelled to cease operation.

In West Vancouver a section of the line of the Pacific Great Eastern Railway Co., which there operates gasoline cars was washed out by the heavy seas and will take some little time to replace.

North of Squamish at the summit twenty-eight feet of snow had fallen and the railway had to cease operations, no rotary ploughs being available.

Taxation of War Profits.

The City of Prince Rupert is leading the way by circularizing all municipalities of B. C. on the question of taxation of war profits. There is undoubtedly a strong feeling throughout the West on this subject. The heavy drain of men and money from a Province which has had little benefit from war orders is keenly felt and only the deep-rooted patriotism of the people prevents stronger expressions of disgust with the manner in which political considerations appear to be interfering with the proper conduct of the war and a fair distribution of the burden. Many municipalities have already expressed themselves in favor of taxation of war profits along the lines adopted by the Imperial parliament and protests have been made against the recent action of the government in refusing to contribute towards the cost of feeding families of interned aliens unless such families reside in the internment camp. In the case of wives and young children of alien enemies it is contended that the police exercise all necessary supervision and in some cases the wives are British born and would be very uncomfortable if interned with German-born women.

Another trouble has been the failure of the government to intern adult alien enemies who openly express themselves as favorable to the Teutonic allies.

It is even alleged that suspected persons have been granted commissions in the army.

Lumber mills on the coast are very busy, but the shortage of logs consequent on the severe weather is preventing as large an output as would otherwise be possible.

Prices of lumber are on the up-grade and orders have been booked which will keep the mills busy for some time.

Unemployment is now approaching normal and the various municipalities have less distress to cope with than last winter. Many municipalities will experience considerable difficulty in financing even the moderate programmes now before them.

By-law balances were largely used up last year and to carry along on income alone with but 40 per cent likely to be collected is a serious problem. Tax sales will produce little or nothing as the difficulties placed in the way of registration of tax sale deeds make the costs excessive while conferring no benefit on anyone.

In some cases buyers have refused to register and the property will have no owner until possibly another tax sale will put the property in the hands of the municipality.

Personal service on all parties interested is demanded, this including judgment creditors of deed holder, agreement holder or sub-agreement holder, and in many cases these cannot be found. Many municipalities have found that they cannot finance the registration of their tax sale deeds and until they can they have neither taxes from the property nor can they sell it.

This condition will be placed strongly before the government at the next session of the legislature.

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