News of Municipal Finance

History of Calgary Light and Railway Departments Outlined—Net Surpluses Since Inception—Street Railway Has Deficit This Year—Taxation Measures Recommended for Vancouver—Toronto's Collections Eighty-Seven Per Cent. of Total Levy—Kitchener Tax Arrears Are Small

Kitchener, Ont.—Tax arrears are smaller than they have been for years. The total outstanding is $12,629. Last year the amount was $22,000, and in 1918, $25,000. The total levy is $563,570.

Regina, Sask.—Judgment for $27,440, obtained in Ohio courts by trustees of the Regina public schools against Spitzer, Rorick and Company, bankers, of Toledo, will stand as a result of the Supreme Court's refusal to review the case. The action arose out of a breach of an alleged contract entered into by the investment company to purchase from the school board $500,000 in debenture bonds.

Hull, Que.—The value of property in the city of Hull is placed at $15,918,425, according to the sixth annual report of the assessment department. The value af assessable property is $11,269,035 and exempted property, $4,649,390. This of the assessment department. The value of assessable property amounted to $9,641,127 and the exempted property, $4,159,722. The report gives the area of the city as 4,000 acres and its population as 32,766, and the real estate per capita is placed at $485.82. The population shows a gain of 2,180 in the year.

Swift Current, Sask.—A deficit of $148,430 in the city's sinking fund is shown in the annual report of the city commissioners for the ten months ended October 30 last. The deficit has increased from year to year. In 1918 it was $91,540, and in 1919, $119,297. The city commissioners recommend that the necessary measures be taken to reduce this shortage. The city also has a bank loan amounting to $269,142 outstanding, an increase on this item of about $18,000 over last year.

Toronto, Ont.—Finance Commissioner Ross, in his annual report on taxes collected during the year, says: "The taxes collectable in 1920 amounted to $21,242,951, an increase of $1,780,654 over the levy for 1919, due to increased assessment and rate. The total amount actually received was $18,479,117, or 86.99 per cent. of the total due, as compared with 86.10 per cent. in 1919, there being an increase of $1,722,699, or .89 per cent."

Although there were 3,828 parcels liable for sale, against which taxes outstanding amounted to $334,374, there was received prior to the date of sale no less than $281,492 in respect to 3,462, and only 300 parcels, covering $31,691, were actually sold for taxes. In thirty-five parcels the taxes against which amounted to $7,973, the prices offered were below the arrears outstanding, and were, therefore, acquired by the city. No offers were made for twelve lots.

Victoria, B.C.—The city is putting into effect a scheme which will net a little revenue from the property recently acquired at the tax sale. Two of the houses that reverted with land to the city at the 1919 sale will be repaired at a cost approximating $700, and it is expected that tenants will be found for them. The city also proposes to rent the twenty or more houses that were bought in at this year's sale. They will be repaired and put in a condition that will bear the approval of the health department, and will then be offered to tenants at prevailing rent prices.

The city budget for 1921 shows an increase from $2,291,101 to $2,106,202. The principal increases are shown under city debt, $552,903, as compared with $475,035 for 1920, and education, $583,234, as compared with $488,626 for 1920.

Hamilton, Ont.—A movement is afoot for the establishment of unified control of civic expenditures and the appointment of a commissioner of finance, who, it is contended, would save the citizens annually huge sums of money. In a bulletin just issued, the Citizens' Research Institute of Canada, which has a local advisory committee, point out that the citizens of Hamilton spend each year on current account more than an average of $4,000,000, and borrow, on an average, $1,000,000 per year. "Such expenditures," reads the bulletin, "demand unified control."

The duties of the suggested commissioner of finance are stated to be, among others, the determining of the financial capacity of the community, in order that the city may not be committed in any year to greater undertakings than it can properly finance; the compiling and submitting to the Board of Control and city council of the annual budget recommendations of the city, with recommendations and supporting data; advising the Board of Control and city council how best to fit the budget requirements to the financial capacity of the city.

Vancouver, B.C.—Dr. Horace L. Brittain, who was engaged to advise the city on taxation measures, has issued a lengthy report, outlining the situation. The main features of the plan he recommends for Vancouver are: A real property tax, as at present; a share in provincial income tax on all personal incomes, at increased rates if necessary; a business tax at a flat rate—at two flat rates, in fact, according as to whether the business is incorporated or not. He suggests a minimum income or service tax, applicable to both sexes, this to be substituted for the present provincial poll tax, and the proceeds to be made available to municipalities at least to the extent of 50 per cent. of the amount raised within their limits. Half of the provincial taxes on automobiles and theatres should also go to the cities, claims the expert.

Primarily, the investigator declined to treat with Vancouver taxation as a subject of individual character. Local problems are also provincial and national ones, and all are so closely interwoven that they are treated jointly in the report. He urges upon the authorities of this city their opportunity to perform a great national service by initiating a movement for co-operation in taxation among national, provincial and civic interests.

Calgary, Alta.—Before the Board of Trade recently, R. A. Brown, superintendent of the Calgary municipal railway, outlined the development of the civic light and railway departments since their inception. Speaking of the electric light venture, Mr. Brown stated that the beginning was made in the year 1905, when a by-law was passed to cover the cost of the original equipment. This was for the sum of $60,000, and since that date by-laws have been passed and the equipment added to until to-day the total expended amounts to $2,896,967, less depreciation and sinking fund reserve, making the total value at the end of December, 1919, of $2,181,749. The underground system was then covered by the speaker, showing its present value at $2,481,749. Mr. Brown dealt at some length with this system and showed its real value to the city. The total book value of the electric light plant as to-day he placed at $2,481,794.

With respect to revenue derived by the city from this system, Mr. Brown quoted figures to show the growth of the plant. In the year of its inception the revenue was $23,166 and the surplus $6,648, while in 1920, for the first ten months the revenue amounted to $582,592 and the surplus $25,481. For the whole year he estimated the revenue would amount to $850,000 and a surplus of $50,000 after paying all charges. The net surplus for the fourteen years and ten months of the life of the plant, according to official figures, amount to $301,271. In 1905, when operations first began, the charge for power was 14 cents per k.w. for light and 10 cents for power, while in 1919 the charges were 7 cents for light and for power 1 to 2 cents, depending upon the amount consumed. From a careful study of figures charged by private concerns in different cities in the United States, he estimated that Calgary, during the life of the plant, had saved more than $4,500,000 by running and operating the