

and buildings held by religious and educational institutions, the proportion is undoubtedly larger than it should be. THE CHRONICLE does not hesitate to re-affirm its long-expressed opinion that all land in this city should be taxed, except that on which are erected churches, hospitals, schools, and strictly religious and charitable institutions. That extensive blocks of idle land, steadily increasing in value, should enjoy all civic services without contributing a dollar to civic revenue, seems unreasonable—especially when, in large measure, such lands are practically held for future profitable sale.

While the population of Montreal proper, at the close of 1908, was given at 352,500, some outlying municipalities have been since annexed. With its immediate suburbs Montreal to-day has a population of between 450,000 and 500,000—and it is probable that within a decade the million mark will have been reached. Meantime it behooves the city of to-day to plan for the Greater Montreal of the future. As the national port of the Dominion—and as a commercial, manufacturing and financial centre—Montreal has every reason to expect great things of the future. Suburbs should be taken in as soon as possible, thus becoming part of a civic whole that will someday have Mount Royal as its centre. Arrangements should be made, too, for acquiring on equitable terms the independent water companies—so as to form one thoroughly up-to-date system.

In the past forty years the revenue of the city has grown from \$778,288 to \$5,258,244. This includes school taxes, which are handed direct to the School Commissioners, with the exception of the amount retained by the city for interest and sinking fund on school bonds.

The net debt increased by about two and three quarter million dollars during 1908, the year-end net figures being given as \$34,412,337—after deducting cash in banks, and amounts due by proprietors, etc. As against this, the city's Waterworks, Parks and real estate are valued at approximately \$25,000,000.

The civic debt is limited to 15 p.c. of taxable property value. If for any reason this limit should be increased, a special tax ought then to be imposed to provide for sinking fund and interest.

School taxes come rather high in Montreal. They are one-half of one per cent. on real estate, while for administration purposes they are only one per cent. The total real estate tax is thus one and one-half per cent., which compares favourably with that of other cities. The citizens of Montreal have at last awakened to the fact that the present system of civic administration is not compatible with the city's size and progress. A change has been ad-

vocated in these columns ever since 1896. The institution of a Board of Control is a move in the right direction, but care must be exercised if proper men are to be chosen. Otherwise the city will not reap the benefit it should. It is doubtful, indeed, whether the method of election is the best available. Still it may be hoped that the effects of improved administration will be evident during the coming year—not least in the condition of our streets and roadways.



#### LET THE BORROWER BE CAREFUL.

The increasing flow of capital from abroad is a most significant feature of Canada's present outlook. That the development of the country's resources should attract overseas investment is natural. The wonder is that the stream of capital was so slow in setting in, rather than that it should now assume flood-tide proportions. And he must be a blue-spectacled pessimist who does not see ample scope for the employment of still larger funds from abroad.

Mr. Adam Shortt is far from being such a pessimist, though some newspaper condensations of his Canadian Club speech at Montreal this week might almost convey that impression. It would be unfortunate if such an impression gained ground, since Mr. Shortt's reputation as a publicist and economist lends weight to all his printed utterances. The point which Mr. Shortt was careful to make was one which THE CHRONICLE has been insisting upon, in season and out; viz., that Canada should not waste its borrowed capital, and should keep in mind the fact that all borrowings call for future returns of interest and to some extent of principal as well. It was in this connection that strong approval was expressed in these columns, a year ago, of the Government's decision to make definite sinking-fund provisions for the Dominion's further borrowings.

In conversation, following his Canadian Club address, Mr. Shortt referred to recent expressions from leading bankers, urging care and discretion in the flotation of securities at home and abroad; and noted with approval THE CHRONICLE'S preaching of the "sound doctrine" that borrowed funds should be employed only in such ways as give credible assurance of future returns.

Whatever there was of warning in Mr. Shortt's address was with regard to possible misuse and extravagance. And, in this connection, he impressed upon organized labour the economic error into which it is liable to fall in the matter of wage demands. If the cost of production, through rise in wages and materials, became so great that the capital of foreign investors could not get its ex-