competence the city got only $17,000,000 out of a $20,000,000 bond issue; whereas had the City Treasurer possessed even a glimmer of real financial ability, or had he even listened to the disinterested advice of the local bankers, he would have realized an average of ten points higher on his issue? They did not. Hence two million dollars to be set down to the Indifference of a city which cared so little about its financing as to leave such important matters in the hands of a servant who was not big enough for his work.

THIS is not to argue that towns and cities can be run with no waste. This is not to argue, either, that every citizen should swear himself in as a special constable, auditor and moral guardian to his city fathers. For if a man can lose money by Municipal Indifference he can lose just as much and more by becoming a crank and taking time off from business to tell people, from the height of a soap box, what he thinks of the Mayor and his mismanagement. This is not to commend office-chasers, or persons who habitually attack everything, and slander good men just in order to make a speech. But it is to point out that between that restful indifference which is so freely indulged in on the one side, and that renegade criticism which stands on the other side there is a *via media*.

In 1908 the municipalities of Canada borrowed $47,433,911; in 1909, $36,278,528; in 1910, $35,748,690; in 1911, $47,159,288; and in 1912, $48,414,962. In those five years Canadian municipalities borrowed $215,035,379. What percentage of this did they lose by bad financing? Who supervised the flotations?—a company of amiable amateur city treasurers. Said a big financier in Eastern Canada not long ago, "Twenty million a year is wasted every year through municipal indifference. But do these towns care? Not a bit. They are making money for themselves—these citizens so called. If the tax-rate gets too high, they will unload, if possible, on somebody else. Citizen after citizen will keep on unloading such property and moving to places where the tax-rate is not so high, with the result that the price of land in the original community drops and trade languishes. If it be a young western community, such as one or two I have in mind, they drop completely out of sight and become deserted villages."

"Twenty million a year!"

Mr. Average Citizen snorts, "Well, I don't see what I can do about it," and goes out to cut grass.

THIS subject is very pertinent just now. Three years ago to get money for municipal affairs you needed only to send a well-dressed, smooth-tongued gentleman to Threadneedle Street, have him hold up your bonds—properly engraved, of course—and ere three days had passed every bond would be swallowed up and the greedy multitude of investors would be staring like frogs after swallowing a fly, calling for more. It scarcely mattered what you wanted the money for, or for how long, or upon what real security, if any. The rate of interest was of some importance, but Canada was the magic word. Canada was all that mattered. That single group of letters slit the purse-strings and the money ran out. The Canadian municipalities that were thus supplied were some of them foolish and some wise. Some spent the money carefully, taking pains to see that it went only for those things which it was primarily intended for and not on a crop of other schemes suddenly hatched under the influence of so much easy money present. As a matter of fact these municipalities were by far in the majority. But others, possessed suddenly of $500,000, for which nobody seemed especially responsible and which seemingly was not costing anybody anything, built fancy school houses and paid fancy salaries to fancy teachers, and in the immortal words of the local scribe referring to a corn roast—"A good time was had."

Have any Canadian municipalities defaulted recently on the interest on their bonds? Not yet. But among the small fry they have sometimes come very close to it. To default means far more in Threadneedle Street than it may seem to the loafers and the business people in these badly-run municipalities. "What's that to do with me?" exclaims the postmaster, the constable and the fire-brigade. Nothing. The bond-holders may lose their money. The town may lose its name. The credit of the whole Dominion of Canada—and credit is almost as essential to Canada as population—is besmirched. The townsmen may pick up stakes and move to Regina or Saskatoon or Toronto or Moncton. *They* lose nothing but their small investment in real estate—which to tell you the truth some of them were only gambling on anyway. At the worst, posterity will have to pay up. Long suffering posterity.

Municipal Indifference lets flighty aldermen propose public works which a town or a city or the district really does not need. It lets amateur financiers float the bonds. It permits slovenly councils to go ahead spending the money without caring a farthing whether there is a sinking fund or not. Municipal Indifference cries "Boost! Boost! Let's all boost together, boys. Get the hook for the Knockers!" And when the Municipally Indifferent have saddled their community with a needless trunk sewer, or pavements out to some sky-line sub-division, and local improvements ten miles from the post office, thinking all the while what a bully citizen everybody is and how fine it is to be a real converted booster—Mr. Professional Booster cleans up on his sky-line lots, resigns from the council on account of ill-health, or pressure of business affairs, and toddles off to the Riviera with his wife, who used to be a saleslady, but now wears slashed skirts, to spend his earnings.

Even supposing the money is wanted for a necessary work, and supposing the community is well able to afford it, Municipal Indifference blinds the community to the best methods of raising the money. And finally, having raised it, it is poured into the top of the city hall and disappears—does anyone *really* know how? I am not suggesting dishonesty, though goodness knows it is common enough and easy enough for the clever thief. Does the city purchase supplies as it should? Does it engage and supervise labour as it should? Does it keep track of the costs as it should? Is there any incentive to heads to see that their departments are efficient?

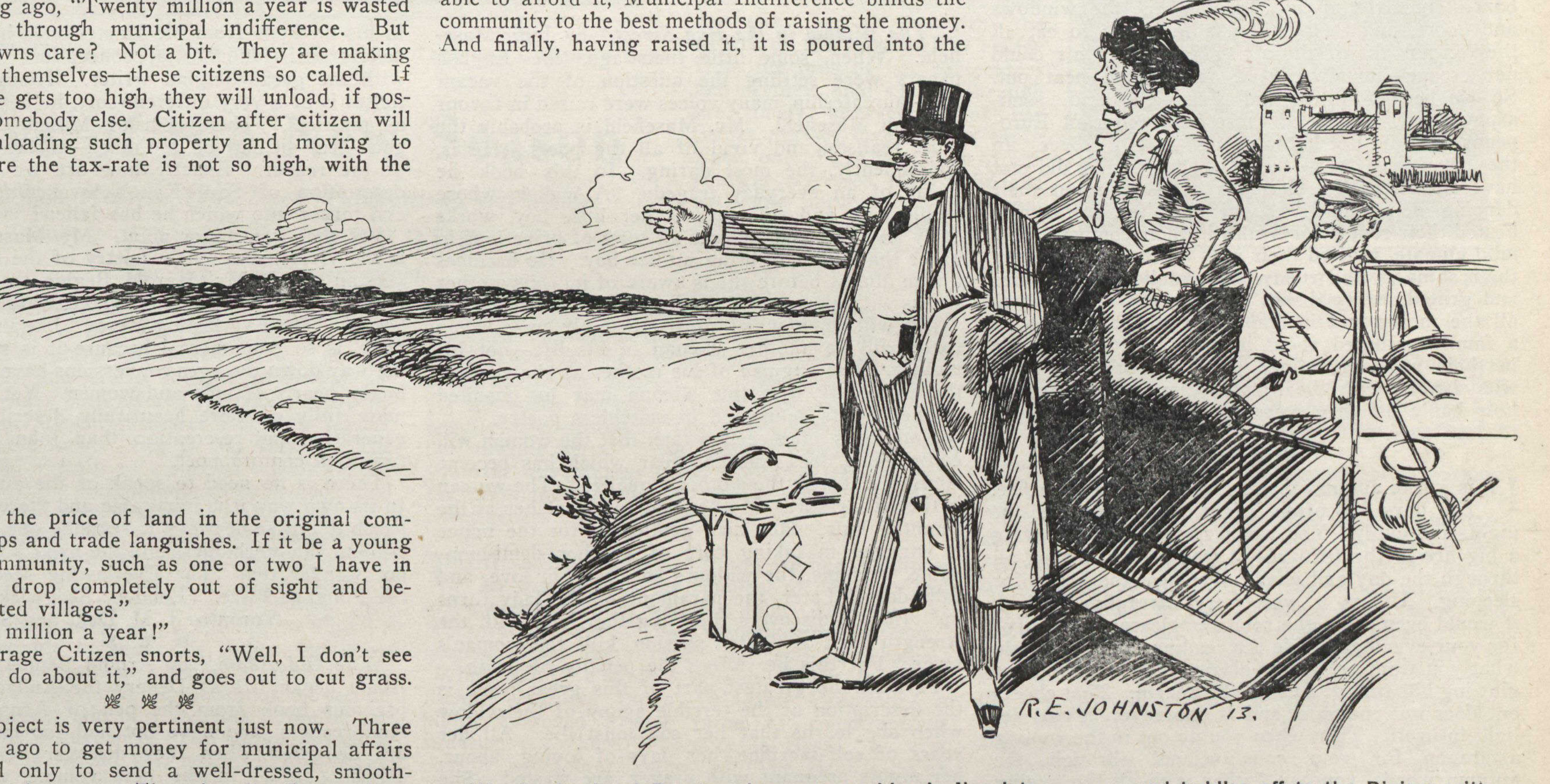
NOT long ago a town on Vancouver Island hired an engineer to lay out streets. The town lay on steep hills. The engineer, for a fee of ten thousand dollars, figured out everything and threw in a nice water-colour drawing, showing just how the beautiful town would look when finished. But he had provided for deep cuts to be made at certain points, which cuts left the real estate of a certain councillor high up in air. The engineer was fired, together with his fee. Another was engaged. He, too, with fee, was fired; same reason. A third was hired. He made a plan that hurt nobody's property except humble folk who didn't want to sell out, but intended standing by the town. These humble folk, you say, were the real citizens of the town. They were not. They were so Municipally Indifferent that they allowed the aldermen to squander $25,000 in getting a plan. There were enough of them to oust the aldermen or to show that they disapproved of the waste. But they did not make a protest. That town to-day, although otherwise a good place, is "flat," "dead broke," "busted."

In a big city in the west, Municipal Indifference allows a sort of Tammany Hall to control its patronage. As a result the $700,000 appropriated by the city for the building of a certain trunk sewer was squandered on day-labourers who were "needed" by the local Tammany. Another $400,000 had to be raised to complete the work. Municipal Indifference doped the intelligent people of that city so that they did not even whimper, though they passed the sewer gang at work every day.

TO-DAY the raising of money for Canadian municipalities is not easy. Big cities like Vancouver, Winnipeg and Toronto have been having their own troubles in raising money. Sound business concerns are compelled to be conservative in their expenditures. Money is not "tight," but it is frightened, and one of the things contributing to this elusive state is Municipal Indifference.

Your town, Mr. Average Citizen, may not be sinning in any one of the ways I have indicated. It may not be borrowing too much, or unwisely. It may not be spending carelessly or foolishly. There may be, probably is not any grafting, any over-employment, any theft. But such ideal conditions are by no means likely and the Municipal Indifference which seems to mark every village, town and city in Canada tends to promote abuses whether they already exist or not.

Two men were talking. They were Torontonians. It was January 2nd.



"Mr. Professional Booster cleans up on his sky-line lots . . . and toddles off to the Riviera with his wife."

"Well," said one, "I see Bobby Brown was elected again."

(Bobby Brown being the wrong name.)

"Yes," sighed the other. "Poor fool! But I helped elect him."

"You voted for him?"

"Oh, yes."

"But why?"

"Why?—well, Bobby needs the money."

Bobby needs the money. Could you have a more nearly perfect specimen of Municipal Indifference? Yet the same man will argue till he is black in the face about the need for "tubes" in Toronto. He will abuse the Street Railway Company and carp at the Assessment Department. He will go to protest meetings called to denounce the condition of his street and protest with great indignation if the Assessor raises him $2 a foot frontage over last year. The "tubes" for the city of Toronto may be a good thing and necessary. The Assessment Department may have sinned. But thanks to this man's Municipal Indifference—going on the principle of "Bobby needs the money"—the "tubes," if they are ever built, will cost perhaps twice what they should.

Editor's Note: Mr. Cooke's second article, in a series of four, will discuss "Municipal Prudence."