

3.—Municipal Public Finance.

The existence of local self-governing units has always been characteristic of democratic societies, and nowhere more so than in Canada. The struggle for responsible government was naturally accompanied by an agitation for local self-government in the cities and towns of Canada, and after responsible government had been conceded, a complete system of municipalities was established throughout the old province of Canada by the Municipal Act of 1849¹. Under the division of powers made by the British North America Act between the Dominion and the Provincial Governments, legislation regarding municipal government, being a local matter, was naturally assigned to the provinces, which differ considerably with regard to their types of municipal organization. Thus in Prince Edward Island the only incorporated municipalities are the city of Charlottetown and 6 incorporated towns. In Nova Scotia there are no rural municipalities smaller than counties. In British Columbia, 8 of the 33 cities have fewer than 1,000 people, while there are no towns at all; again, in the same province the rural districts are mainly administered from the provincial capital, there being only 30 rural municipalities. Finally, in Saskatchewan and Alberta there exist local improvement districts, areas which have not as yet been organized into rural municipalities, where the taxes are levied, collected and expended by the Provincial Government. Such districts, however, may be regarded as on the way to become self-governing rural municipalities and their statistics are therefore included in Table 29, which gives statistics of the numbers and types of municipalities in 1924, except that the Quebec figures are for 1923 and the New Brunswick figures for 1921.

29.—Number of Municipalities in Canada and in each Province, by classes, circa 1924.

Provinces.	Cities.	Towns.	Villages.	Counties.	Township Municipalities.	Rural Municipalities.	Local Improvement Districts.	Total Number of Municipalities.
P. E. Island.....	1	6	—	—	—	—	—	7
Nova Scotia.....	2	42	—	—	—	24	—	68
New Brunswick...	3	23	4	15	—	—	—	45
Quebec.....	23	86	277	74	—	973 ²	—	1,433
Ontario.....	25	147	152	38	563	—	—	925
Manitoba.....	4	30	21	—	—	121	—	176
Saskatchewan.....	7	80	364 ¹	—	—	301	18	770
Alberta.....	6	54	126	—	—	169	249	604
British Columbia..	33	—	5	—	—	30 ³	—	68
Canada.....	104	468	949¹	127	563	1,618⁴	267	4,096

¹ Includes 6 summer resort villages in Saskatchewan. ² Includes 9 independent rural municipalities in Quebec. ³ Municipal districts. ⁴ Includes 9 independent rural municipalities in Quebec and 30 municipal districts in British Columbia.

1.—All Municipalities.

Municipal Assessments.—Throughout the Dominion, the chief basis of municipal tax revenue is the real estate within the limits of the municipalities, though in certain provinces personal property, income and business carried on are also taxed. General taxes are normally assessed at the rate of so many mills on the dollar of the assessed valuations, while in the Prairie Provinces the values of improvements made to real property are often rated at a very low figure, *e.g.*, in Saskatchewan and Alberta, where the taxable valuations of buildings are less than 10 p.c. of the taxable valuations of lands, as shown in Table 30.

There are various reasons for fluctuations in assessment valuations, due to differences in laws and varying practices with regard to assessment as between

¹ For a brief outline of the rise of the municipal system in Ontario, see 1922-23 Year Book, p. 108.