

### 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 1849\*. 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 six incorporated towns. In Nova Scotia there are no rural municipalities smaller than counties. In British Columbia, seven of the 33 cities had fewer than 1,000 people in 1921, while there are no towns at all and only six villages; 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 30, which gives statistics of the numbers and types of municipalities in 1926, except that the New Brunswick figures are for 1921.

#### 30.—Number of Municipalities in Canada and in each Province, by Classes, 1926.

Provinces.	Cities.	Towns.	Villages.	Counties.	Rural municipalities.	Local improvement districts.	Total number of municipalities.
Prince Edward Island.....	1	6	—	—	—	—	7
Nova Scotia.....	2	43	—	—	24	—	69
New Brunswick <sup>1</sup> .....	3	23	4	15	—	—	45
Quebec.....	24	93	286	74	989 <sup>2</sup>	—	1,466
Ontario.....	26	146	156	37	563 <sup>3</sup>	—	928
Manitoba.....	4	30	21	—	121	—	176
Saskatchewan.....	7	80	367 <sup>4</sup>	—	301	18	773
Alberta.....	6	54	125	—	169	229	583
British Columbia.....	33	—	6	—	30	—	69
<b>Canada.....</b>	<b>106</b>	<b>475</b>	<b>945</b>	<b>126</b>	<b>2,197</b>	<b>247</b>	<b>4,114</b>

<sup>1</sup> From Census returns of 1921. <sup>2</sup> Including 9 independent rural municipalities. <sup>3</sup> Officially known as townships. <sup>4</sup> Including 6 summer resort villages.

#### 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 the table on pp. 797-799 of the 1926 Year Book.

\* For a brief outline of the rise of the municipal systems of the provinces of Canada, see 1922-23 Year Book, pp. 102-115.