

35.—Taxation in Improvement Districts of Saskatchewan and Alberta, 1940-42

Province and Year	Tax Levy	Tax Collections Current and Arrears		Taxes Receivable Current and Arrears	Property Acquired for Taxes	Total Taxes Receivable and Property Acquired for Taxes	
		Total	P.C. of Levy			Total	P.C. of Levy
	\$	\$		\$	\$	\$	
Saskatchewan—							
1940.....	551,076	341,679	62.0	1,467,415	131,827	1,599,242	290.2
1941.....	592,844	567,926	95.8	1,716,917	126,092	1,843,009	310.9
1942.....	621,170	594,732	95.7	1,717,207	160,414	1,877,621	302.3
Alberta—							
1940.....	1,786,029	1,302,987	73.0	5,041,966	3	5,041,966	282.3
1941.....	1,878,384	1,537,869	81.9	5,553,856	3	5,553,856	295.7
1942.....	2,039,600	1,956,360	95.9	5,401,034	3	5,401,034	264.8
Totals—							
1940.....	2,337,105	1,644,666	70.4	6,509,381	131,827	6,641,208	284.2
1941.....	2,471,228	2,105,795	85.2	7,270,773	126,092	7,396,865	299.3
1942.....	2,669,770	2,551,092	95.9	7,118,241	160,414	7,278,655	273.6

¹ Includes Public Revenue (Provincial) Taxes of \$63,539 (1940); \$80,529 (1941); and \$60,471 (1942).
² Includes Social Services, Educational and Wild Lands Taxes (Provincial) of \$214,730 (1940); \$196,314 (1941); and \$193,717 (1942).
³ Not reported separately.

Subsection 4.—Municipal Debt

Bonded and Other Debt.—The rapid growth experienced by municipalities in Canada coupled with increased demands and responsibilities for improvements, schools, utilities, and other services or facilities has resulted in the incurring of a heavy burden of debt. Debenture borrowings increased rapidly in the period 1900-12 and again during the 'twenties and early 'thirties. Since 1933, however, the trend has been downward. There are several important factors that have contributed to the decline in municipal indebtedness, not the least important of which has been the measure of control exercised by Provincial Government departments over capital expenditures involving the incurring of debt. In addition there was a more or less orderly retrenchment during the depression years following periods of what proved to be unwarranted expansion, which along with widespread demands to ease the tax burden on real property has resulted in capital undertakings and works requiring debenture financing being severely curtailed. A further significant factor in this regard is that the greater part of the municipal long-term debt is represented by serial or instalment-type debentures, which require yearly repayments of principal. While the benefits of debt reduction are of course manifold, certain expenditures have been sorely needed in many communities for the rehabilitation of existing assets and for new improvements necessitated by the normal expansion and development that has taken place. These were sacrificed in the earlier years mainly in the interest of the taxpayer; and subsequently with the advent of the present war this policy of deferment has been continued if not extended so as to free the financial market to the needs of the Dominion Government in meeting its war financing requirements. Municipalities, however, will no doubt play an important role in post-war construction and reconstruction which should result in a resumption of capital expenditures on a fairly large scale. Having been denied, either voluntarily or otherwise, improvement programs for so long, it is anticipated that there will be a natural tendency to get these under way as soon as possible in correlation with master post-war plans of the Federal and Provincial Governments. Table 36 shows comparative figures of municipal indebtedness for 1941 and 1942, which includes temporary loans and other liabilities in addition to debenture debt. Corresponding figures for 1940