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Equitable Plan Of Assessment Is Desirable Here

Saint John Apparently Needs Revaluation of All Property

Commendation of the constructive criticism, which "The Maritime Broadcaster" has been printing is contained in many letters received from readers. Recently much has been written concerning the unhealthy taxation condition in Saint John. Letters containing facts about assessments have been received and the writers are thanked for their communications. Writers of letters can be assured that any information is desired and they can be assured that the strictest confidence will be maintained as to the sources of information.

No true citizen objects to paying his fair share of taxes. Many do feel that their burden is heavy when compared with others. An equitable system of taxation seems highly desirable, so that all persons will be treated fairly.

There is need of revaluation of real estate. This has been suggested time after time and the so-called Brittain report has that as its main recommendation. An illustration of the need of revaluation is seen in the case of two dwellings. One two family brick house, in which the owner occupies one flat and rents the other for \$75 a month is assessed on a valuation of \$7,500. Another two family wooden house is similarly occupied by the owner in one flat while the other is rented for \$32.50 a month, and this property is assessed on a valuation of \$6,000. The brick dwelling therefore would have a rental income for the two flats of \$1,800 a year, or 24 per cent. of the assessed value. On the other hand, the wooden house would have a rental income of \$780 a year, or 13 per cent. of its assessed value.

Is there any fair minded man who would say that these two properties were equitably assessed? Does not such a condition call for revaluation? If the owner of the brick house is paying a fair tax, the owner of the wooden house is paying far too much. If the owner of the wooden house is paying a proper tax then the owner of the brick house is getting off too easily.

If a man builds a house to rent he does so as an investment, so the rent he charges is based upon the cost so as to give him a fair return on his investment. So the cost determines the rent, therefore the rent charged can well determine the assessment value.

If it is assumed that the assessed value of the brick house in question is correct then in the same ratio of rent to value, the wooden house should be assessed for \$3,700 instead of \$6,000. Usually to determine the assessed value of premises the rental is taken to be 12½ per cent. Thus if a house rents for \$50 a month it would have an assessed value of \$4,000.

Revaluation of property in Saint John on such a basis not only would reduce the tax rate, but more important, everyone would be treated alike.

THE VERY LIFE-BLOOD OF MARITIMES BEING DRAINED BY OTHER COUNTRIES

\$50,000,000 Yearly Goes Outside Provinces For Foodstuffs That Can Be Produced Here---Action Necessary.

More than \$50,000,000 each year is going out of the Maritime Provinces to pay for food products that could be raised right here at home. This money goes to other provinces in Canada and to foreign countries.

These three provinces, which are fitted by nature to produce practically all our needs, find it necessary to bring in great quantities of eggs, butter, pork, beef, vegetables, which could be produced right at home.

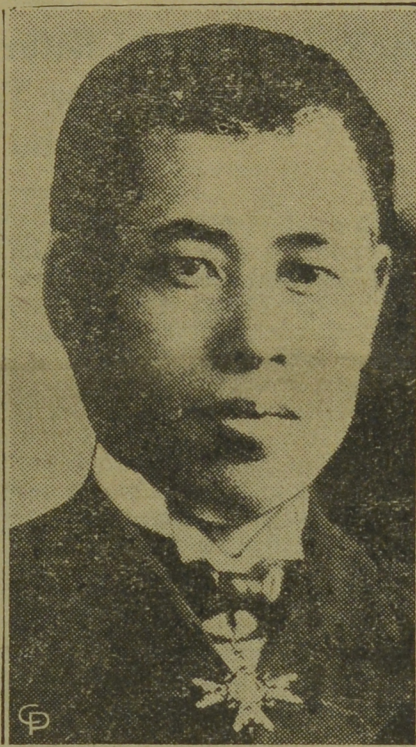
If these provinces could arrange matters so that these articles would be produced here and purchased by our own people, we would have \$50,000,000 placed in circulation at home. Just think what a wonderfully prosperous place this would be if this money were kept at home for only one year.

But there is a sadder side to the picture than that. When we purchase \$50,000,000 worth of goods, we are sending out that money never to return. We are getting that money from our natural resources. In other words, we are eating up our capital to the extent of \$50,000,000 each year. No wonder we are looking for prosperity. No wonder our young people are leaving home to seek a living in other places. No wonder our buying power is getting lower and lower.

Just picture what it would mean if that \$50,000,000 were placed in circulation here. It would bring about a realization of practically all our dreams. It would mean that all our people would be working and drawing incomes. It would mean the establishment of industries. It would mean that the farmer would be in a position to buy. It would increase the buying powers of every man, woman and child in the Maritime Provinces.

While the present drain goes (Continued on Page 13, Col. 1)

Japanese Envoy



Rear Adm. ISOROKU YAMAMOTO, who is Japan's head delegate to the preliminary naval conference which is scheduled to open in London in October. He will carry Japan's proposals for the preliminary conversations including the reported plan concerning Tokio's purported desire to abrogate the Washington Naval Treaty. At one time he was naval attaché in the Japanese Embassy at Washington. He became a rear admiral in 1930. Admiral Yamamoto was one time chief of the first air corps of the Imperial Japanese navy.

Ontario By-Elections Suggest Few Changes

Rumblings of the coming federal election are being heard. The Financial Post commenting on the results of the recent by-elections in Ontario, says they are accepted in Ottawa as evidence of a change in government within the next twelve months. This will bring about a drastic lowering of customs tariffs, together with substantial increase in British preferences and a reciprocal trade agreement with the United States. All of which appears to have a strong appeal to the Maritimes. For instance, if Canada would lower the duties on automobiles and other commodities from the United States, Canada would receive substantial concessions in the United States markets for cattle, dairy and other farm products.

The one great need of the Maritimes is a market for agricultural products, fish, lumber, and to be able to purchase machinery and automobiles at lower prices.

Mr. Bennett has negotiated a Trade Agreement with France by which there is to be an exchange of wine for wheat. Perhaps when he gets home he will make a dicker with Uncle Sam to take Maritime soft coal for hard coal and Maritime fish and potatoes for automobiles and machinery.

DRIVERS, TAKE CARE

The number of automobile accidents call attention to the need of more care in operating motor vehicles. Now that the fall season is here slippery pavements make driving more difficult and more care on the part of the driver is necessary. All cars should be operated at lower speed than usual until conditions become settled.

Sinking Fund Is Earning Money For Saint John

New System at City Hall Cuts Hazard on Investments.

Sinking funds and the payment of civic and municipality debts are subjects which concern practically every person who pays taxes. In different communities there are different ways of handling sinking funds and paying off the debts. The system in vogue in Saint John should be of interest to other communities as well as the citizens of Saint John.

When a representative of "The Maritime Broadcaster" called upon James W. Brittain, mayor of Saint John, and asked how His Worship had made money for the city through the sinking fund he replied that, while he was head of the treasury department, the chamberlain, A. Gunter McMulkin, and the comptroller, Arthur C. Burk, had given him their special co-operation and they had been able to save a little money in some places and earn a little in others for the citizens. But His Worship pointed out that he and his colleagues did not keep buying and selling bonds in the sinking fund just for the purpose of making money but they had to buy bonds, which came due when the city bonds matured so that they would have funds to meet the city obligations. No action of any kind is taken in regard to the sinking fund unless the mayor, the chamberlain and the comptroller are in agreement and usually final action is only taken on the authority of the City Council, when large amounts are involved.

Ordinarily the taxes collected pay for the current expenses of the city, or they are supposed to. But there are times when some extraordinary expenditure must be made, and it seems advisable not to tax for it all in one year. Then money must be borrowed, and as evidence of the debt, bonds bearing a certain rate of interest are issued and sold. These bonds are really mortgages against the property of the citizens.

In order to provide for the payment of the bonds when they come due certain sums are collected in taxes each year and placed in what is called the sinking fund. Under present conditions it is necessary to collect \$8.80 each year for every thousand dollars of bonds issued.

But this sum alone will not pay the debt. Then the mayor, the chamberlain and the comptroller must do some extra work, for they must put the \$8.80 to work so that it will earn interest. In order to do this other bonds bearing interest are purchased.

In years gone by the cash in the sinking fund has been invested in different bonds. But there is a restriction on this, for under the laws governing investment of sinking funds Saint John is permitted to buy only bonds of the Dominion of Canada, any province of the Dominion of Canada and municipal and school bonds in New Brunswick.

At the present time Saint John holds the following bonds at the face value designated:

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ITALIAN ROYAL FAMILY ENJOY VACATION TOGETHER



Their Majesties, the King and Queen of Italy, photographed with other members of the Italian royal family during a vacation near Rome recently. Left to right, seated—Countess Calvi di Bergolo, holding her son, Contine Pier Francesco; Her Majesty the Queen; King Victor Emmanuel; H.R.H. Princess Mafalda of Assisi; Queen Giovanna of Bulgaria, holding Princess Mari Luisa; left to right, seated on the ground, are—Contessina Maria Lodevica; Calvi di Bergolo; Prince Enrico D'Assia; Prince Maurizio D'Assia; Contessina Guia Calvi di Bergolo; H.R.H. Princess of Savoy, and H.R.H. Prince Umberto of Savoy.