

TAXING THE UNEARNED INCREMENT

In an address at the annual meeting of the Town Planning Institute, Dr. Adam Shortt offered a suggestion as to financing Town Planning. After urging the idea that every large municipality should protect itself by annexing an adequate area for expansion outside its present limits, he advocated a direct tax on the transfer of property, claiming that by such a course, the land speculator would be made to pay his share of his profits to the municipality which made his vacant land valuable.

With regard to the first part of the Doctor's scheme, the City of Montreal would prove an argument in favor of extending the borders before the adjoining municipalities got deeply into debt, and had to be annexed in order to avoid a worse situation. When Montreal annexed the adjacent cities of St. Henri and Ste. Cunegonde, she shouldered a deficit of over \$50,000 annually, but it seemed better to do this, rather than let them go further on in offering freedom from taxation to any factory that would leave Montreal. When Maisonneuve was annexed, her income did not meet her annual interest charges, leaving nothing for ordinary expenditure.

So Dr. Shortt's argument is valid.

His other suggestion, namely, a tax on the transfer of real estate was tried in the Province of Quebec, when the late Hon. Honore Mercier was Premier; but it was abandoned later on. Dr. Shortt puts forward the idea of what is in other cases termed an "unearned increment tax". That is, a plan by which the proprietor of real estate should pay something to the coffers of the community which has put up the value of his land. And this idea seems to be gaining ground. For it does not seem fair that the man who hangs on to vacant land, allowing his neighbors to increase his values by expending money on building, should sit back and take enormous profits, without expending anything but the original price of the vacant land.

An executor of an estate in Montreal told us of a case in which land purchased by the owner at two and a half cents per square foot, was sold by the executors at ten dollars per foot and fifteen for the two corner lots. In this typical case, the owner simply sat back, and waited for others to put up the value of his land.

"WHAT DOTHT IT PROFIT A NATION— (OR A CITY) ?"

Here is a sonnet written by the late Professor John Stuart Blackie on Berlin, after a visit he paid to the German capital in 1853.

"Statues on statues piled, and in the hand
Of each memorial man a soldier's sword!
Fit emblem of a tame and subject land,
Mustered and marked by a drill-sergeant lord.
And these long lines of formal streets, that go
In rank and file, by a great captain's skill
Were marched into this cold and stately show,
Where public order palsies private will.
Order is strong; strong law the star commands;
But birds by wings, and thought by freedom
lives;
The crystallised stone compact and four-square
stands,
But man by surging self-born impulse strives.
Much have ye done, lords of exact Berlin,
But one thing fails—the soul to your machine!"

BOROUGHES OR WARDS

A very interesting meeting was held in Montreal at the instance of the Charter Commission to discuss the vexed question, "Greater Montreal", and it was well debated from different points of view.

The City of Montreal has gradually annexed several of the adjoining municipalities, and the idea of the City including the whole Island of Montreal, which is approximately some 30 miles long by 8 miles wide, has been suggested. Meantime, the Metropolitan Commission has been created, which is formed of representatives of the cities and towns on the Island, and which has a certain amount of control over the borrowings.

But at a meeting called to discuss annexation, opposition was very evident, although all agreed that some form of co-operative or unified government was desirable.

Sir Hormisdas Laporte, ex-Mayor of Montreal, presided, and Mayor McLagan, Westmount; Mayor Beaubien, Outremont; Mayor Ranger, Lachine, and Mayor Prieur, Pointe aux Trembles, represented the other municipalities.

Apparently, there seemed to be a likelihood of the Borough System, by which the different parts would retain a large part of self-control, being acceptable.

MUNICIPAL STATISTICS

The Dominion Bureau of Statistics has already two reports on cities and on towns having populations of 3,000 to 10,000, and it has just issued a third report, this one on towns having populations of from 1,000 to 3,000. The report covers General Statistics, Waterworks and Fire Departments, Receipts and Expenditures, and Assets and Liabilities.

The following figures, taken from the report, are of interest in comparing the way in which the three classes manage their affairs:—

	TOWNS 1,000 to 3,000	TOWNS 3,000 to 10,000	CITIES
Taxable property ..	\$227,073,141	\$280,394,473	\$2,924,553,003
" per capita ...	\$541.69	\$507.17	\$981.75
Revenue, per capita	17.60	16.97	27.34
Assets, per capita.	89.98	106.31	151.72
Debt, per capita ..	79.69	100.82	202.44

INCREASED USE OF CEMENT

All reliable reports indicate that unprecedented construction activities are general throughout the continent. This is again confirmed by the May bulletin of the U. S. Geological Survey, covering cement production and shipments for that month.

The following figures from the report are presented here for convenient comparison:

	1922	1921
Production in barrels.		
Month of May	11,176,000	9,287,000
Five months to May 31...	35,763,000	33,172,000
Shipments in barrels.		
Month of May	12,749,000	9,488,000
Five months to May 31...	34,559,000	29,498,000
Stocks on hand (barrels).		
May 31	12,897,000	12,450,000

The production of Portland cement during May, 1922, 11,176,000 barrels, is the largest amount ever produced in any single month. May shipments are also in excess of any preceding month; and for the five months ending May 31 they were greater than during any similar period in past years.