

we learn that a quarter of an acre of land at the corner of two business streets in Chicago was worth only \$2,000 in 1830, and in 1894 was valued at \$1,250,000, we can realize that its owner possesses the unearned increment, since this value equals 4,000 years' labor at \$1.25 per day. But we do not require to go to Chicago to find illustrations of land values taking on a phenomenal increase, since in the city of Ottawa we find with a population of 100,000 concentrated on 4,984. that some hundreds of acres of suburban land are being held, in some cases five miles from Sparks and Elgin corner, at \$500 to \$1,000 an acre, and small lots of 25 feet frontage, or 1-16 of an acre, are held as high as \$400 in every outer ward of the city, or at \$6,000 an acre. When we inquire what has made such prices, I shall not say values, we say:

1st. Increase of population.

2nd. The limited areas of land within a certain radius creating a natural monopoly.

3rd. The assessment of such lands below the prices at which they are held.

4th. The laying of taxes upon houses and improved property, or upon the energy or capital of producers.

5th. The ability of holders of such lands to pay taxes through, in many cases, the high rentals they are obtaining from houses crowded upon small lots and from the overcrowding of rented houses by as many as 829 persons being crowded into 56 boarding-houses containing 354 rooms.

Hence it at once becomes plain, before we attempt to deal with the questions of houses and of overcrowding, that we must in some manner solve the problem of land values, since it is idle to speak of model workingmen's houses if the value of land or the cost of building materials, upon which rents are based, prevent new houses being constructed, or at such cost as to make rents prohibitive.

Land is the one kind of property about which persons and parties of every kind have discussed and disputed and economists have theorized; but the one element which makes it unique and places it in a category by itself is that *it is not a product of labor.*

The growth of population, especially the building of railways, the general accumulation of wealth through industries and the development of social law and order, are the chief elements causing the growth of land values, and these have to a degree never before experienced been operative in Canada during the past ten years, while the benefit to holders of land in cities and the injury to those not holding it have both been made especially apparent.