

Single Tax in British Columbia

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The article on Single Tax in British Columbia appearing in your June issue, contains many statements which intentionally, or otherwise, are incorrect.

It is a curious fact that most opponents of the so-called single tax find it necessary to bolster up their arguments with inaccuracies and illogical deductions. Your correspondent seems highly pleased to find that the Vancouver Daily World, formerly a champion of the single tax, has changed its opinion. If the Vancouver Daily World were an individual, the point would be well made, but since the day that the World was controlled by Mr. L. D. Taylor, who strongly supported the single tax, there has been a complete change of management and ownership, and therefore the altered policy means nothing.

Your correspondent states that by 1918 the increase of taxes on the land meant so much more unimproved land being thrown back on the city's hands. He quite overlooks the fact that as much land reverted to the municipality where improvements were taxed as in the municipalities where improvements were not taxed, and that the long period of depression during the war was the cause, the boom in land values of many years before, being a main contributing factor.

Since 1918, at which time South Vancouver commenced to tax improvements, this municipality has had a large amount of unimproved property come back on its hands and people desiring to buy such properties for building purposes, have, in many cases, preferred to purchase in localities where improvements are not taxed. To give one from many possible illustrations, I had a case last month where a resident of South Vancouver owning a 40-ft. lot on a rough graded street in South Vancouver informed me that the taxes on that lot and his home amounted to \$69.00.

He purchased 40 feet cleared on a local improved car line street in the district of North Vancouver and his taxes amount to \$27.60. He can reach the centre of Vancouver from his new location in less time than from his South Vancouver home.

South Vancouver, unfortunately, has not yet regained its credit, and it is still necessary for the Provincial Government to stand behind South Vancouver in its financial affairs.

The suburb of Vancouver which is making the biggest strides today in building development is Point Grey, with Burnaby and North Vancouver following some distance behind—all single tax municipalities. For your correspondent to say that the tax rate has increased twice as quickly in the municipalities which have maintained the single tax, is to convey a wrong impression. It is bound to be true that if a portion of municipal taxes is raised from a source other than land, the rates should be proportionately lower in that municipality than in a municipality where the land alone is taxed. But what about the people who live in the municipality?

In the municipalities where improvements are taxed, their rate has gone up to a degree which alarms them and the only effect is to ease the burden on the owner of the unproductive land. Surely

the people residing in the municipality, the people who have made it a municipality, are paying heavily for being foolish enough to build.

In all municipalities, through divers causes, much land has reverted to the municipalities. Leaving alone the point of view of the individual who has lost his property and the fact that this reversion causes temporary embarrassment to the municipality, is this altogether an undesirable state of affairs?

The municipality owning land is not tempted to prevent development by holding for a speculative price and is in a position to encourage settlement without loss to its ratepayers.

Your correspondent concludes by remarking that "there is developing in the single tax districts a strong feeling against continuing to exempt improvements." If your readers are prepared to swallow this, that is their privilege, but can you imagine the population of such a municipality demanding that the vacant property around them pay less taxes and that they should assume the burden. Unless they are all descendants of the late Don Quixote there must be something wrong with their make-up.

There is not the same demand today for vacant land in the municipalities where improvements are taxed as in the single tax districts, but no matter which system of taxation is in force, a man will reside in the locality which suits his business, his ideas of a place to live, and his pocket. Where the first two can be satisfied in more than one municipality, the single tax municipality will get the preference.

This is not a defence of the system of raising municipal revenue from land alone. Such a system is not equitable and this is demonstrated more and more as the years go by. Means must be found to pay for education, hospital management and other services by a fairer distribution than is provided by taxing the land alone, but taxing improvements, while to some extent producing the money, is a makeshift and an admission of incompetence.

To give one other illustration, I will take the case of Jones and Brown. These gentlemen purchase dilapidated houses—we will say for the sake of example, in South Vancouver. Each has in the bank \$500.00, which he decides to invest. Jones purchases Victory Loan Bonds at a discount and finds that the Government is paying him nearly 6 per cent. per annum and exempts that income from income tax.

Brown repairs and redecorates his house inside and out, fences the ground and cultivates it. The municipal authorities charge him an additional \$10.00 a year on his tax bill. Which is the better citizen, and which is the greater asset to South Vancouver?

If we could get rid of all theorists on the single tax system, and all advocates of the improvement tax, or at least get them to forget their theories, and tackle this taxation problem without prejudice, we would be a long way towards solving the vexed