

Taxes on buildings take a large part of the rental income; they are abnormal and burdensome upon owners of existing buildings and an effective preventive to new building operations.

There is, however, a decided and widespread tendency to relieve existing and proposed buildings of this expense by reducing—or eliminating—this restrictive tax. This has already been effected with gratifying results in some sections of the country, and as a consequence New York, Boston, Pittsburgh, Cleveland, St. Louis, Kansas City, Seattle, Portland, &c., are now seriously considering the adoption of a similar system of taxation. Bills embodying this idea are now before the legislatures of certain states, and so strong and determined is the support given this measure, that it may soon be adopted in some sections, which will force others to do likewise in order to compete.

As evidence of actual results and indication of this tendency, the Tax Commissioner of Houston, Texas, states: "The effect resulting from partial exemption on improvements on land and personal property in Houston, Texas, has been magical.

"In the first six months of 1912 there were 219 more buildings erected than in the corresponding period of 1911, and the value of these buildings erected in 1912 amounted to three times the value of the buildings erected in 1911, which goes to show that the partial exemption of improvements and personal property from taxation had the effect of stimulating the building industry."

Another striking illustration of the effect of untaxing buildings is the marvellous increase in building operations, improvement in quality of construction, and volume of bank clearings recently experienced in Western Canada, as shown by the following reports:—

	Building Permits.		Bank Clearings.
	(1911)	(1912)	(1912)
Vancouver, B.C. . . .	\$17,652,642.00	\$19,428,432.00	\$633,115,777.00
Edmonton, Alta. . . .	3,660,327.00	14,446,819.00	220,727,617.00
Calgary, Alta. . . .	12,907,528.00	20,394,220.00	275,491,303.00
Winnipeg, Man. . . .	17,716,750.00	20,475,350.00	1,537,817,524.00
Victoria, B.C. . . .	4,260,315.00	8,208,155.00	183,544,238.00
Regina, Sask. . . .	5,099,348.00	8,047,309.00	115,727,647.00
Moose Jaw, Sask. . . .	2,475,730.00	5,279,797.00	83,090,448.00
NOTE.—Permits for 44 cities, 1911, were \$135,000,000.00. Permits for 46 cities, 1912, were \$196,000,000.00. Total, \$331,000,000.00.			

In explanation of these remarkable results, about three hundred thousand (300,000) good business men and farmers, after careful comparison of all conditions, have recently emigrated to Western Canada. This clearly indicates that this section offered some special inducement over Washington, Oregon, Ontario, &c., especially since the latter territories are better settled and have as good land, climate, railroad facilities, &c., as Western Canada.

In the opinion of their officials and travellers familiar with that country, the untaxing of buildings and personal property, recently effected in those provinces, has proved the deciding inducement. A letter from the Industrial Commissioner of Edmonton states: "A most potent reason for the great building operations in the City of Edmonton is the fact that the Single Tax system is now in vogue in this city . . . and I confidently expect that the building permits for this year (1913) will reach \$20,000,000.00."

As further evidence, the City of Toronto voted on the question of the adoption, in part, of this system of taxation, in January, 1913, and it was carried by the large majority of eighty per cent. of the votes cast. The City of Everett, Washington, also voted in favour of the same system in November, 1912, and these results will influence other cities in the United States.

The erection of over \$330,000,000.00 in new buildings in Canada during the last two years, and the probability that new operations will continue, combined with the possibilities in the United States, certainly have a most decided bearing upon the interests of corporations engaged in the manufacture of building materials, upon all related lines, and also upon the business of fire insurance.

The great increase in the volume of insurance premiums upon American property, during the last twenty years, from \$160,000,000.00 to about \$400,000,000.00, despite the handicaps to the business, shows the field for insurance companies from the normal increase in population and building operations, and the large amount of insurance regularly placed with foreign companies proves the need for new American companies.

The safety and unusual profits in the fire insurance business and the great enhancement in value of fire insurance stocks, combined with the indicated increase in building operations, render the business, at this time, particularly attractive to capital and worthy of the most serious consideration.

THE SINGLE TAX.

A Ten Minutes' Explanation by A. Damaschke, of the German Land Reform League.

We had not met for some time, and consequently our unexpected encounter at the railway station was a great pleasure. We got into the same train, and he told me that he was going to an exhibition of which he was one of the directors. As soon as we had taken our seats we began to chat.

"Tell me, now, you who have dedicated your life to Single Tax propaganda, what exactly is this thing. I read your article on improvements, on the limitation of mortgages and their reform; but, to tell you the truth, it is not at all clear to me what you are trying to advocate in it, or it may be the Single Tax which is not clear to me."

"Very likely," I replied, "since there are particular points for the complete comprehension of which a knowledge of the principle you refer to is indispensable."

"Very well; give me an explanation of this principle."

"Good heavens, sir! In the ten minutes that we are going to be together you expect me to explain an economic problem about which more than 200 books and pamphlets have been written in Germany alone?"

"Yes, but you know that business men have a natural aversion to purely theoretical discussions. A sure and fundamental proposition ought to be capable of brief and clear definition, and if so ten minutes should be sufficient."

I replied that I wished to satisfy him as completely as possible, that he was quite right, since, indeed, ten minutes would be more than sufficient for a brief explanation. But in the first place I would like him to tell me something about his exhibition.

As may be supposed, he discoursed eloquently on this subject; and gave an animated description of the plans of the buildings and of the advantages to his business which he expected to result from the exhibition which would give the exhibitors an opportunity of displaying their wonderful inventions.

At this point I interrupted him: "How is the cost of this enterprise met?"

"The principal source of income is the rent of each stand."

"But, isn't it difficult to allocate the stands justly, so as not to give, consciously or unconsciously, one exhibitor an advantage over another?"

"More theories! When a business man does a thing, he always sets out from a clear and simple point of view. The stands are let to those who offer most. The man who wants a stand near the entrance, for which there is a considerable demand—for instance, a corner site with good light—must pay more than he would for a site less in demand."

"Then, you don't let out the stands according to area?"

"No, sir! According to their value. Would not a tenant put the same value on a corner site with good light as on a stand three times as large at the rear of the building?"

"Yes; but let us suppose that the man who rents this excellent site is not able to do any business."

"That's his look-out. He who has it must run the risk and submit to his good or bad luck according as he pleases the public taste or no; whether his goods are in much demand or are worthless is his look-out. We cannot do more than give him the same opportunity as the rest. The man that wants much must pay much, but what each individual may make with the chance thus acquired will be determined by his own intelligence, by his personal care and ability. What he is able to get by it will be for his exclusive benefit, and the community has nothing to do with it."

At this moment the train began to slow down.

"I have to leave you at the next station," said my friend.

"I am so glad to have met you, and would have been just as glad to have had you give me some explanation of the Single Tax, while I have done nothing but talk about our exhibition and the way we let out the stands there."

"No, I have said nothing about the Single Tax, because you have yourself done it better than I could. Imagine the land of a country apportioned in exactly the same way as you apportion the stands at your exhibition, and you will understand the principles of the reform I advocate. The taxes, rent or contribution, whatever you like to call it, should be divided according to the demand of each individual for the land. What each can make from the land he uses in his affair, and his application, talent, and economy should not be penalised by taxes. How did you put it? You said yourself: When a business man does a thing, he always sets out from a clear and simple point of view. Exactly. Look at our municipal and national life from the same point of view, and you will be an advocate of the Single Tax. Good-day—and think over that!"

THE LAND INQUIRY.

The following set of questions sent out by the Land Inquiry Committee was published in the BORDER COUNTIES YOUNG LIBERAL of May:—

1. Is it a common view that the present method of including the value of improvements in the rateable value discourages the improvement of property?

If so, please give any actual instances:—

(A) Where the increased assessments, following structural additions or other improvements, have handicapped business development.

(B) Where owners or occupiers have refrained from spending money on improvements, owing to fear of heavier rates.

2. Is the compensation paid by local authorities in your district for land and other property required for school sites, street widening and other public purposes, excessive?

If so, please give actual instances proving this.

3. Are there any sites actually wanted for the erection of business premises, factories, houses, or public improvements which are being kept vacant:—

(A) By the high price or rent asked?

(B) By restrictions or conditions imposed?

If so, please give instances illustrating this.

4. Is it a fact that tenants of shops and other business premises in your district, when they seek to renew tenancies or leases, have their rents increased on the strength of goodwill which they have created, or of improvements which they have made?

If so, please give details of actual transactions.

5. Please state your views concerning any reforms which you may think necessary, particularly as to:—

(1) The present relationship between landlord and tenant.

(2) The present powers of municipalities to acquire land.

(3) The present rating system.

THE LAND GROUPING EVIL IN HOLLAND. (LINCOLNSHIRE).

An extremely interesting article under the above title appeared in the SPALDING GUARDIAN of February, from which the following paragraphs are an extract. It is based on information supplied by Mr. J. H. Alves, of Spalding, and much of it is official in the sense that it has been obtained from rate books.

The evil of farm grouping—the accumulation of vast acreages of land in the hands of one man—is nowhere so flagrant as in the Spalding Division. It has grown to alarming dimensions during the last decade. Five families are farming, as far as can be traced, 25,000 acres; it may be more. Most of this land they own.

We spoke of it as an evil. Can anyone doubt that it is evil in its tendency and in its result? It is always an injury to the community for a commodity to accumulate in the hands of a few: how much greater is the injury when the land on which the existence of every one of us depends—the basis of life, limited in its extent—is made the subject of a "corner"?

The Village Exploited.

The village has been exploited, its communal life has been robbed of its savour; depression and decay creep over the place, and the small men are crushed beneath the grinding wheels of the new system. The new system builds few or no cottages; it scarcely keeps them in repair. Men are lumped together in the farmhouse and in the labourers' houses, and in consequence many of the good old farmhouses are now nothing more than overcrowded lodging houses. The big employer has little or no local pride or interest. He does not even know his men. They cannot appeal to him—they have to ask the foreman.

The road to a small holding is blocked. It is not only blocked locally by the system of land accumulation, but the accumulator gets on the County Council and controls the machine. He will take care there that none of his land is taken—and none of his big neighbours'.

Sixteen Men where there were Fifty-two.

We will instance two parishes in support of what we have said—those of Deeping St. Nicholas and Holbeach:—

PARISH OF DEEPIING ST. NICHOLAS, 14,818 ACRES.

Name.	Where living.	Acres	Formerly occupied.	Holdings.
H. P. Carter ..	Holbeach	843		3
Dennis & Son ..	Kirton	1,648		6
F. H. Cooke ..	Spalding	891		2
J. E. Eady ..	Littleth	242		3
George Freir ..	"	410		2
T. A. Pick ..	"	407		2
A. J. Preston ..	"	416		3
W. E. Porter ..	"	841		3
H. Pennington ..	"	390		3
S. Worth ..	"	539		2
Ten men now occupy ..		6,627		29

PARISH OF HOLBEACH, 21,400 ACRES.

A. West ..	Moulton	386		3
H. P. Carter ..	Holbeach	1,070		6
A. Worth ..	Fleet	1,408		4
T. M. Worth ..	Sutton B'ge	744		3
G. Caudwell ..	Gedney M'sh	696		3
W. and R. Caudwell ..	"	1,929		4
Six men now occupy ..		6,233		23

We have not a word to say against many of these men personally. It is not our purpose to hold them up to public contempt. Some of them are just successful farmers, and have extended their boundaries in a perfectly reasonable