

chance of standing well with the large mortgage and loan companies by making this move, supplemented by a promise to tax improvements and lessen the assessments on ground values. Ninety per cent. of the residents of South Vancouver immediately formed themselves into a protective association, and went on record as opposed to the taxation of improvements.

Every municipality in British Columbia, together with the Provincial Government, had a falling off of its revenue from 1913 to 1918. Not every municipality exempted improvements. Those that taxed improvements were hit as hard as those that did not. Upon the signing of the Armistice in 1918 the affairs of all cities and municipalities in British Columbia began to mend, and in another year will have become normal.

The South Vancouver Protective Association, composed of residents who own their own houses, are almost to a unit in favour of the exemption of improvements from taxation, realizing, as they do, that they are now paying the piper, for the benefit of non-resident vacant lot owners, all of whom initiated the various extravagant improvements during boom days, all of whom could vote on money by-laws, and who planned the campaign in much the same manner as do political parties, having headquarters in Vancouver, with committees to see that every owner of a lot in South Vancouver was taken to the polls. It was the vote of these outsiders that legalized the money by-laws for improvement, that should not have been undertaken for years; the consequence being, that when they could not dispose of their holdings, they began a campaign to place the burden of taxation on the residents of the district. Large mortgage companies loaded up with these agreements of sale, and the large holding companies devised the scheme of not paying their taxes, and thus force the municipal government to seek aid from the outside. As soon as the Commissioner began to tax improvements, these corporations began to pay up their arrears, and money began to come into the municipal coffers.

#### LAND VALUE TAXATION JUSTIFIED

Lieut.-Colonel William Grassie, in a special article on the "Real Estate Situation," contributed to the *MANCHESTER GUARDIAN*, Canada Number, 15th June, 1920, says:—

A great wave of real estate speculation set in about 1910, which continued without interruption till the summer of 1913 when the apex was reached. . . . Even if the war had not intervened the day of financial reckoning could not have been postponed. The war merely precipitated matters and confronted Canada with realities. . . . In the spring of 1917 it was generally admitted that the zero mark had been reached, and since that date there has been steady improvement, until to-day property revenues are nearly back to their pre-war level. Holders of vacant city and town property were in an even worse position than owners of revenue-bearing properties. Taxes were high and had to be paid, and many owners of such property were forced to sacrifice their holdings. As late as the spring of 1919 one could buy for cash choice sites for as low as from one-fifth to one-tenth of the price paid in 1913. But now, surveying the situation in 1920, few can deny that the process of liquidation has not been beneficial, and that in the real estate situation there is now an inherent soundness which was hitherto absent.

The Taxation of Land Value, where it was enforced, effected its purpose. The speculation in land was checked, penalized and disrupted. Some municipalities did not courageously deal with those owners of vacant lots who defaulted, but they did apply the law in some degree, and with sufficient weight to make the holding of idle land a profitless business—and "few can deny that the process of liquidation has not been beneficial." A. W. M.

*Evening Session—17th August*

CHAIRMAN: MR. E. J. McMANUS

## THE ATTITUDE OF THE BRITISH POLITICAL PARTIES TO LAND VALUE TAXATION

ADDRESSES BY MR. ANDREW MACLAREN, M.P.,  
AND MR. P. WILSON RAFFAN

MR. ANDREW MACLAREN, M.P., who represented Burslem, spoke for the Labour Party, and began by sketching the background of the sentiments that dominated the leaders of the working-class movement, drawing the contrast between the teachings of Karl Marx and the teachings of Henry George. He said he was in the Labour movement himself to advance the philosophy of Henry George. He related the progress that had been made in the Labour ranks towards acceptance of Taxation of Land Values and the placing of that policy in the Party's programme. As an instance of what was happening, Mr. Ramsay MacDonald in a debate in the House of Commons on the Land Valuation on 3rd July, had pledged the Party as its leader, in these words: "I am in favour of the Taxation of Land Values. The landlords' section of this House knows that if the decision of the country is that a Government is to come in with that in its programme, it is going to be carried out." Mr. Snowden said: "The Financial Secretary has only just discovered that those who support the Taxation of Land Values, and a valuation, do so in order that it may be used to carry out their desires. We have never made any secret of that. We hold that the whole economic value of land belongs to the community." The speaker went on to explain that the Labour Party in the House of Commons had appointed an Inquiry Committee whose conclusions were first, Land Valuation; second, a Budget Tax on Land Values; and third, the local rating of Land Values. There were other proposals which they would not approve; but the important thing was that the Taxation of Land Values came first. He said that in the work he was endeavouring to carry on in Parliament he was specially gratified to have the assistance and association of Josiah C. Wedgwood.

MR. P. WILSON RAFFAN, EX-M.P., who spoke for the Liberal Party, said it was a Party with a great tradition. It had secured the enfranchisement of the people, fought for religious freedom and toleration, wiped the stain of slavery from the British flag and laid the foundation of popular education. "Freedom" had been its watchword, and it would be in the line of its tradition if it now bent its energies to secure the economic freedom which would result from the restoration to the people of their rights in the land. The lessons which Henry George taught were not, unfortunately, assimilated by the Liberal