

CHAPTER FROM THE BOOK:

THE FOUNDATIONS OF FREEDOM: THE LAND AND THE PEOPLE

A Series of Essays on the Taxation of Land Values

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The Leaven Works

By L.D. Taylor

”The Kingdom of Heaven is like unto leaven which a woman took and hid in three measures of meal, till the whole was leavened.”—Jesus Christ.

An ounce of practice is worth a pound of precept. It is more than thirty years since the late Henry George set forth a great idea, the idea that was to redeem civilization by giving back to the great working masses of humanity the hope which the steam wheels of modern progress had well nigh crushed out of them. Not until Henry George died, however, was any large attempt made to put his theory into operation.

Here and there small communities had shown that the leaven was working, but not until the year of grace 1910 did a city of metropolitan proportions attempt the experiment of basing its taxation on Land Values alone. Early in that year Vancouver, the western terminus of the Canadian Pacific Railway, the commercial metropolis of British Columbia, took the bold step of abolishing the taxation of improvements.

It was as a stone cast into still waters; there was a splash for a moment and then for some time nothing seemed to happen. But the ripple had been carried on its course across the surface, and by and by was reflected back, and Vancouver woke up one day to find that this simple reform effected by the mere stroke of a pen had caused quite a commotion among the civic Governments of the continent.

Eastward, Alberta and Saskatchewan looked across the Rockies to Vancouver’s method of taxation, and saw that it was good. Either now or very shortly in both Provinces the taxation of improvements is to be abolished.

In Ontario, where the municipalities are chained down by a rigid law which compels them to Tax Land Values and improvements alike, an effort was made during the recent general election to obtain for all the cities and towns of the Province the right to please themselves as to whether they taxed improvements or not.

To the south of Vancouver the great cities of Seattle and Tacoma have boldly torn the page from the book of their British Columbia neighbour; in Oregon they are campaigning to make the Vancouver system the law of the State; and in California beginnings of an agitation to the same end are very perceptible.

The greatest city on the continent, New York, itself, has not thought it beneath its dignity to take a lesson from the Pacific Coast, and the Commission of Congestion has recommended as one of the first steps to obtain relief for the crowded inhabitants a gradual reduction of taxation of improvements, until the whole burden is placed upon the land.

Beyond the confines of the continent of North America interest in the Vancouver experiment has manifested itself in the form of inquiries from National Governments and municipal authorities addressed directly to the Vancouver City Hall.

The ripples have returned. Had the results of the Vancouver experiment been confined to Vancouver, the Government of British Columbia might possibly have paid no attention to what was going on under its very nose. A prophet hath no honour in his own country, but the example of other Provinces was not to be overlooked, and the authorities at the Capital, beginning to realize that the Provincial system of taxation was both archaic and chaotic, appointed a commission with the mandate—"Go forth and find a remedy." The report of the commission has just been published. The tax of \$3.00 a head on all adult males is to go; the tax on personal property is to go; the limit of exemption of incomes from taxation is to be raised; and, most striking of all, for it is not mere expedient tinkering but genuine reform, improvements on the lands that the Government levies on directly are to be exempt from taxation.

Thus it will be seen that in Vancouver and in the Western Provinces and States of North America, we are fairly on the way to the Single Tax. We have, however, far to go before Henry George's principles are put into practice to their full extent. True, Vancouver has based its taxes for revenue purposes on Land Values only, but the taxes so raised are but a very small proportion of the rental value; and, since the income tax must be paid to the Province by the landowner, and all sorts of excise and customs duties to the Dominion both by him and everybody else, it is well that Vancouver does not seek to trench upon the rental value to any greater extent than absolute necessity requires. For the time being no more can be done so far as the civic authorities are concerned. The next steps must be taken by the Provincial Government

and the Dominion Government. But to accomplish the latter the Constitution of Canada must be made over, the British-America. Act must be rewritten, and only The Imperial Parliament itself can do that.