

WHAT SINGLE TAX HAS DONE FOR VANCOUVER.

By L. D. TAYLOR, Mayor of Vancouver.

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The taxing of the "unearned increment," a term used to express the increase in land values uninfluenced by the effort of the owner, is no longer an experiment in Vancouver. Fifteen years ago the City government concluded to encourage building by reducing the improvement tax 50%. The effect was immediate. Huge buildings at once began to rise up where shacks had stood.

In 1906, as a result of the success of the first experiment, an additional decrease of 25%, was made in the improvement tax. At once building operations showed another startling increase — an increase that when compared with the increases shown in the statistics of other cities was wholly out of proportion to the increase of population.

At the beginning the cities of the Canadian West have taken the initiative in promoting the Single Tax policy by putting it into actual operation while other municipal governments have not reached beyond the theoretical. Vancouver's policy of valuing land at full capital value and improvements at only 50%, thereby taxing buildings only half as much as sites, was adopted long before the Single Tax leaders had begun their campaign of education that today reaches around the world. And so satisfactory was this first experiment that when the further reduction of 25% was made so as to tax the capital value of improvements only one-quarter as much as that of sites, the opposition was so small as to be scarcely worth taking into account. The last step taken -- the adoption of the Single Tax system in its entirety -- has placed Vancouver in the unique position of being the only City of metropolitan size on the continent to elect a municipal government on a Single Tax platform. Edmonton is the only other Canadian City in which the system has been adopted without reservation. And the same immediate effect has been felt.

That Single Tax is attracting the attention of economists and municipal governments everywhere is demonstrated by the large number of letters that come into the mayor's office each day inquiring as to the result of the "Vancouver experiment" which, indeed, no longer may be regarded as an experiment at all, since the Single Tax has resulted in such rapid upbuilding of the City that no one, not even extensive land owners, have any desire to return to the non-progressive former scheme of taxation.

The land owners, as a matter of fact, receive greater benefits from the Single Tax

than even the builders and building owners themselves, for while the tax on improvements has been abolished, the land tax has not been increased, and still remains 22 mills on the dollar, just about what it was before the Single Tax was adopted.* With the tax remaining the same, whether a site is improved or unimproved, it is readily seen that lot owners would rather have their property improved and bringing in an income. It is simply a question of which is best policy, to have a dollar lying idle in an old sock, or to have it working, bringing in an income, at a bank.

*This must be accepted as a statement of fact, and not as favoring the taking of no more than 22 mills in the dollar. It is no part of the Single Tax to favor landowners as landowners. But because 99% of landowners have interests as builders, capitalists or laborers, their gain from the application of the Single Tax principle must be quite as great as that coming to the other members of the community. If this tax of 22 mills in the dollar leaves the same amount of economic rent or site value in the hands of landowners as before, or if -- as now seems the case in Vancouver -- the impetus to prosperity caused by the removal of the tax on buildings has been to actually increase economic rent or site value remaining to landowners, there is even greater necessity of keeping on in the way the city has begun, and taking gradually an ever increasing proportion of land values until the full amount is absorbed for public purposes. Otherwise Vancouver faces the inevitable interruption that comes to the prosperity of every "boom town" whose history is a matter of record. -- Editor, Single Tax Review.

The municipal building statistics during the last fifteen years clearly demonstrate the value of the Single Tax in hastening the substantial upbuilding of a city. Before the 50% reduction in the value of building improvements was voted in the year 1895, building operations in the city of Vancouver represented approximately \$200.00 per capita. In the year 1905 the per-capita value of building improvements increased to \$245.00 and in 1905 — the end of the ten year period during which the 50% basis was in operation, the per capita value of improvements had increased to \$284.00. A similar increase was shown immediately following the further reduction of 25%. In 1908 the per capita valuation of building improvements was \$302 66, and in 1909 the figures were \$308.17, and yet these statistics, striking as they seem, do not half tell the story for the reason that the population of Vancouver increased from 17,000 in 1894 to over 100,000 last year, and in the last five years has been trebled. That Vancouver's building operations have exceeded those of any other city in the Pacific northwest is clearly shown by a comparison with the building figures presented by the statistics of the other municipalities. A glance at the following table shows the steady increase since 1895 and shows also the reductions in the assessable property in the proportion of the amount of money spent in improvements:

Year	Real Property Improvements	Total Assess- able property.
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1895	\$13,829,724.	\$ 4,317,660.	\$18,147,384.
1896	13,109,394.	4,278,680.	17,388,074.
1897	13,000,569.	4,441,490.	17,442,359.
1898	12,672,649.	4,551,740.	17,224,389.
1899	12,705,099.	5,011,190.	17,716,289.
1900	12,526,905.	6,726,740.	19,553,645.
1901	12,792,530.	7,440,600.	20,233,130.
1902	12,842,150.	8,223,220.	21,065,370.
1903	13,845,565.	9,091,270.	22,936,835.
1904	14,440,935.	10,247,920.	24,088,855.
1905	16,739,640.	11,804,250.	28,543,890.
1906	25,101,760.	14,087,640.	39,189,400.
1907	38,346,335.	16,381,475.	54,727,810.
1908	41,641,870.	20,127,035.	61,768,905.
1909	48,281,330.	24,405,210.	72,686,540.

Since the reduction of the improvement tax to 25% in 1906, more steel and granite buildings have been erected in Vancouver than during any previous decade, and in proportion to the size of the city, more substantial, costly buildings have been erected in Vancouver during the last four years than in any other city on the coast. Beginning with the election of last January, when the Single Tax system was adopted by the Council in its entirety, permits for buildings have been applied for at a more rapid rate than at any other time since the incorporation of the City, and it is estimated that over a million dollars worth of handsome private residences are either under construction now or will be before the end of the year. Since the first of the year six steel skyscrapers have been projected, two of them already under construction, and plans have been drawn for four more. Modern steel apartment buildings are going up in every section of the city, and frame and brick buildings that for years have stood untouched on Granville Street are now giving way to steel structures. The effect of the Single Tax on building operations has been immediate, but nowhere has the beneficence of the system been more fully felt than among factory workers and wage earners. In Vancouver 75% of the toilers own their own homes. This estimate is conservative, and is based on figures presented by the employers of labor.

Other cities of the west, making efforts to attract capital to them, have discovered that land owners instinctively "boost" prices to the outside purchaser and this stands in the way of the city's progress. With the Single Tax in force, no property owner is going to set up a claim that his property is worth twice its real value, when he knows that such a claim will make him pay twice the amount of property taxes he is now paying. Under the Single Tax, as it is operated in Vancouver, a new sky line is being built up for the city, a sky line of tall, substantial buildings of stone and granite, and under the Single Tax, not only is the man who builds benefited, but also the land owner, the tenant and the man who works with his

hands in the city's factories and saves his money to build his family a place they can call home.