

Montreal's Newest Headache

By **BOYCE RICHARDSON**
Fourth of Six Articles

(Abridged)

The Montreal area will have to absorb 1,200,000 new people in the next 20 years. Most of these will go into the suburbs, whose extraordinary development since the war has already led to serious problems. How has this development been handled so far, and are the suburbs equipped for the strain of the next 20 years? Some of the more important questions involved are answered in this six-article series.

The island of Montreal, the centre of the great suburban complex, contains 130,000 acres, of which about 60,000 acres are still not built up.

More than one-third of this vacant land can be expected to be built on within a few years. The new Metropolitan boulevard to the west will lie within one mile of 17,000 vacant acres. And the diagonal Boulevard Leduc in the east, when it is built, will open up 6,000 acres.

It is the strangest fact of municipal government on this beautiful island today that no one seems to care how these 60,000 acres are developed.

The lessons of the past have

not been learned by the governments responsible, and the only people who have given any thought to the future are the land speculators.

Speculator Owners

In April of this year, some 610,000 acres of land within a 40-mile radius of Montreal was owned by speculators.

This included nearly 100 per cent of land available for building on Jesus Island; 60-70 per cent of the South Shore opposite Montreal; 65-70 per cent in the western end of Montreal Island, and 60 per cent in the eastern end; 90 per cent in the St. Jerome and Ste. Therese area; about 80 per cent above St. Jerome; and 75 per cent in l'Assomption County.

Even according to the most optimistic figures, only 75,000

of these 610,000 acres will be built on by 1971. But it is pretty sure that most of the land used for home-building in the next 15 years will have provided its speculative profit, sometimes to three, four or more people, before the home-owner finally takes possession.

Land costs have increased to such an extent that home-builders find themselves in a squeeze. Having paid enormous prices for their land, they find they can build either high-cost, high-quality homes, or that they can jam on to their land as many low-cost homes as possible. One result of this system, if it can be dignified with such a name, is that almost no good housing has been built for working-class people. They are condemned to live in suburbia at its worst — straggling, crowded, ugly, pretentious.

Letters to the Editor

Idle Land Should Carry Fair Share of Taxation

Sir,—The series of articles written by Boyce Richardson on suburban planning which appeared in your paper the week of October 5th, 1959, were very interesting and in some cases very revealing. The figures stating that some 610,000 acres of land in the Montreal vicinity were presently being held by land speculators are very disturbing.

It means that in many cases home-builders, also industrial developers are unable to purchase land at a reasonable price and in many cases not at all, but are forced to leap over these unused acres and build further out on land that they can buy at prices that they can afford. This gives rise to very high cost public services, such as sewage systems, sidewalks and other amenities which make a community livable.

Sidewalks for instance have to be built past the lot held out of use by land speculators and what this does to the tax bills can readily be seen. And who pays the most for these public services under our present tax system? The property owner who builds a good home or factory and generally improves his property. The land speculators pay the least taxes towards the community but reap large benefits in the selling value of their land, because it is situated near an improved community. The sad part is that this state of affairs could be easily remedied if all taxes were assessed on land values equally, whether improved or not. In this way the land speculators who contribute least towards the improvement of a community but whose property is greatly enhanced in value by the efforts of the property owner who improves his property would have to pay his fair share towards the public improvements.

R. Hilling

Proposes Graduated Tax On Land Sale Values

Sir,—I have found the articles by Boyce Richardson on "Suburban Growth" very interesting. In his fourth article, I notice he refers to the great price the owner of a new house has to pay for the land, quoting "It is pretty sure that most of the land used for home building in the next fifteen years will have provided its speculative profit to three, four or more people before the home owner finally takes possession."

I can see many a young couple carrying this debt, probably \$3000 for twenty years or more. It forces the wife to keep on working, it might deny them proper medical care. It might later stop some member of the family from getting a college education if the child were fitted for such, or it will possibly cut out a much needed holiday or rest. But who cares; we can imagine how some land-speculator is enjoying his gains. No need to pay income tax on capital gains, no taxes to the community. I can just see him singing "Skip to my loo, my darling" and going down to Florida for the winter, where he will bask in the sun like a happy old tom cat.

Most of us look on this matter with indifference. The land speculator is a respectable, law abiding citizen, and if he has the capability or intelligence to make a fortune in land sales, then good luck to him.

Unfortunately it has many repercussions besides making the home owner suffer. It affects all society in various ways. Practically all the commodities we buy are marked up due to the high cost of land where these things are manufactured.

The situation can easily be remedied by governments placing a tax on land proportionate to the selling price.

F. R. Stevenson

Rising Tax The Remedy In Land Speculation

Sir,—The facts in the article of Mr. Boyce Richardson's in Thursday's STAR make for interesting but alarming reading.

As he says, the only people who seem to be interested in the problem are the land speculators. Are we going to sit and do nothing while people with a family are crowded into small apartments, because we are too stupid as a people to realize the gravity of this situation? Does this article not make it clear that it is largely because of land speculation that our working people can't have homes. It is a fact that the land speculators hold the majority of all of the available land in and near Montreal, and most of the other cities and towns in the country.

The wrong does not stop there. The people in the building trades and all of the thousands of trades that are necessary for house building are not so busy for the reason stated above.

The way to stop this speculation in land is by taxing it so that the speculator can't hold it, and with it being thrown on the market, the price will drop. This should be done by gradually raising the tax on land, and at the same time lowering it on houses. Even a very gradual tax increase on land will stop the speculators, because they know it will be no use holding it, as the tax will go up and up.

Wake up, Canadians and ask your councillors and legislators to use our tax system for the benefit of all of us. Is the land of this country intended to make a few millionaires, or is it intended that we shall all have a chance to live on it without paying tribute to a few people?

L.K.

Tax on Buildings Tends To Penalize Improvement

Sir,—The awful amount of land speculation reported by Boyce Richardson should alert responsible citizens to a perfectly legal activity within the present framing of our municipal tax laws.

What may be more surprising is that the ideal of planned living, manufacturing and commercial sectors scattered throughout the city would be reduced to the same dreariness and often downright squalor we know now because of the wrong method of collecting municipal taxes.

City taxes are now levied on the building and the ground it stands on. Improvements to the building by extension, alteration or even a common paint job result in increased taxes. How can proprietors of slum dwellings be reprimanded for shying from increasing their expenses?

By collecting municipal taxes only from the ground, existing buildings would be improved and even replaced without fear of bringing higher tax rates. Furthermore speculators would soon dispose of their vacant holdings or put them to use.

Y. V. G.

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