

Taxes on Land Only Urged to End Slums

Two opposite views on the was "completely sold on sub-sidized housing" after study- and clearance clashed last night at a meeting of the Al-

umni Group, School of Economic Science. Cont. Jean Newman championed the Metro Toronto's policy of subsidized housing and Robert Clancy, director of social studies at New York's School of Social Science, supported the "land tax only" theory of economist Henry George.

Mr. Clancy invited Toronto and Montreal to set up a citizens' committee to study the mechanics of shifting the tax load from buildings to land as a way of solving the slum problem. He claimed the land tax theory, which has many advocates throughout the world, proved practical in several cities in Australia and in two in Canada—New Westminster, B.C. and Regina, Sask.

New York, to Mr. Clancy, presented a grim picture of slum dwellings operated to some degree by "slumlords" who found quick profit in renting substandard housing to those whose income was too low to buy a house.

With taxes collected on land values only, it would be profitable for the slumlords to improve and expand their buildings and pay no more taxes, he said.

Con. Newman stated she

"Police say they have less trouble in the area now, teachers say the children are better and people are moving out to become taxpayers," she said.

Since city planners advised against lowering zoning standards, she believed some other method had to be found to make low cost housing attractive to builders. She admitted she was "intrigued" by the land tax idea, but couldn't agree it would solve Toronto's slum problem.

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THE GLOBE AND MAIL, SATURDAY, DEC. 12, 1959

Newman Cites Builders' Role In Slum War

Toronto will never get rid of slums by replacing them with public housing alone, Controller Newman said last night.

Speaking to the alumni of the School of Economic Science, Toronto, she said that the city must encourage private builders to participate in slum clearance.

And a U.S. tax authority outlined to the meeting in the Central YMCA a method of eliminating slums.

"Toronto can win its war against slum lords," said Robert Clancy, of New York City, "by taxing their land so highly that they are forced to put good buildings on it."

Mr. Clancy, director of studies of the Henry George School of Science, which specializes in taxation and economic studies, said the policy of taxing land heavily and exempting buildings is being used to eliminate slums in many Australian and New Zealand cities.

Mr. Clancy said that land speculation is public enemy No. 1 in the fight against slums. Exempting buildings from taxation encourages a property owner to improve and maintain his property and increasing land tax creates a second incentive to make buildings yield a higher revenue, Mr. Clancy said.

Two Canadian cities, New Westminster and Regina, applied the theory with good results, he said.

THE TELEGRAM, Toronto, Sat., Dec. 12, 1959

Is Public Housing Aid Or Hindrance?

Acting Mayor Jean Newman last night took issue with a New York housing expert's charge that low-rental projects "do not improve poverty but only disguise it."

"I am sold on the idea of public housing," Mrs. Newman said.

"I cannot agree that developments like Regent Park are facades for slum conditions."

Mrs. Newman and Robert Clancy, of the Henry George School of Social Science, New York, were guest speakers at a meeting of the Toronto School of Economic Science.

IMPROVEMENTS

"Project dwellings have shown immense improvements both socially and financially in the areas concerned," Mrs. Newman said.

Calling for private enterprise to solve housing

problems, Mr. Clancy urged Toronto to adopt the New York plan of higher land tax and exemption on building.

"By raising land taxes you remove profit for the speculator and leave the way free for building improvement," Clancy said.

Describing housing as "Toronto's number one problem," Mrs. Newman admitted the need for private building to lighten the load on public projects.

PLANNING VITAL

She called for a continued high zoning standard and constant planning as "essential to the city."

"I believe in rehabilitation of areas rather than demolition when possible," Mrs. Newman said.

"Above all I feel the time has come for public and private interests to work together in the interests of a better Toronto," she said.