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## Untaxing Improvements

### Successful Experience of British Columbia's Third Ranking City\*

By W. M. MOTT  
Mayor, New Westminster, B. C.

A third of a century ago—on May 22, 1911—the following resolution was passed by the City Council of New Westminster:

*"Whereas the ratepayers of the City of New Westminster have signified their desire to have improvements exempt from taxation;*

*"And whereas this Council deems it in the best interests of the City and a just system of taxation;*

*"Be it resolved that a By-law be prepared fixing the tax rate on Real Estate at 30 mills subject to a discount of 5 mills if paid on or before the 1st day of August, 1911, and that all improvements, save and except those improvements which may be on or in the streets and upon leased property upon which no land tax is being paid to the City, be exempt from taxation for the year 1911."*

Today the Royal City of New Westminster is still operating under the Single Tax System. Since 1911 to the present year, 1944:

Assessed value of land increased	70%
Assessed value of improvements increased	357%
Tax rate increased	134%
Population increased	80%

The above figures clearly show the steady growth of New Westminster.

Today we have 84 manufacturing plants established in our city, with a capital investment of \$20,000,000. They produce a gross annual value of products amounting to \$39,000,000 and provide gainful employment for 8,500 people.

Eighty-six percent of our householders own their own property, which we believe is the highest percentage in Canada. Land speculation has entirely disappeared since the adoption of Single Tax. Today, the supply of non-productive or vacant property is rapidly diminishing; also a negligible amount is reverting to the city for non-payment of taxes.

### Improvements Encouraged

Our citizens have no hesitation about improving their property, knowing this will not increase their annual taxes. This is evident to anyone paying a visit to New Westminster. In every part can be found lovely homes surrounded by charming gardens where a profusion of flowers that can only be found in a contented city can be seen.

The manufacturers and business men are in an enviable position, since they can and do make improvements to their plants without the fear of increased taxation, a deterrent to all businesses desiring to expand. Further, from a competitive standpoint, our manufacturers are favored over those who must pay taxes on improvements.

In addition, our Council is authorized to submit a by-law to the rate-payer and upon obtaining a three-fifths affirmative majority, to grant the affected industry a fixed assessment on land for a period not exceeding ten years, in addition to the regular exemption of improvements. This illustrates our willingness to encourage bona fide prospective industries.

The financial condition of New Westminster compares quite favorably with any city in North America for low per capita tax figures. We also have one of the highest percentages of tax collections.

We feel very confident that the abolition of taxes on the products of labor has been of material assistance in building up our city to the position she holds today—the third ranking city in British Columbia. *Buildings may come and buildings may go, but land is with us forever.*

\* EDITORIAL NOTE: In our issue for March, 1935 (page 44) THE AMERICAN CITY published an enthusiastic comment from the then Mayor of New Westminster, F. J. Hume, regarding the experience of that British Columbia city with the untaxing of real estate improvements.

New Westminster's present Mayor, W. M. Mott, has now brought the story up-to-date for the benefit of THE AMERICAN CITY's readers.

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