

IT WORKED!!

Henry George's philosophy really works. It has worked right here in Alberta, in the Town of Milk River. This information comes from the files of the late Mr. Fred Pease.

Fred Pease came to Milk River from Minneapolis, Minn. in 1910, at the age of 21, bringing with him a strong and enthusiastic belief in the merits of land value taxation, derived from his early exposure to Progress and Poverty.

Through Mr. Pease's efforts, a Single Tax group was formed. This group was instrumental in changing the tax structure so that all revenues in Milk River were raised by a taxation on the value of land only — until 1928, when the Village Act of 1927 compelled taxing authorities to assess and tax improvements.

The Single Tax group applied pressure upon the Alberta Government to amend the Village Act to allow exemption of improvements. It wasn't until March, 1935, that the Village of Milk River was able to pass a by-law stating ". . .that the assessment shall be limited to an assessment based upon the ACTUAL VALUE of all lands in the Village, exclusive of the improvements thereon."

The taxation levy for the year 1935 was 100 mills.

The Canadian Pacific Railway owned 50 unimproved lots in Milk River when this taxation scheme went into effect. The C.P.R. appealed

the assessment, but were not granted relief by the Court, so immediately disposed of the lots.

In the years 1935-37, Mr. J. Ben Ellert, (father of Leo Ellert, a Director of this school) held well attended classes.

It is interesting to note that the value of land had dropped from \$84,000.00 in 1935 to \$28,775.00 in 1946. The mill rate in 1946 was 670 mills, 400 for the Village and 270 for the school. This was sufficient for all the needs of the village. It was even more than enough, because in 1946, the Village had \$4,397.00 reserve in the bank, as well as \$8,500 in bonds.

During this period of land value taxation, lots sold by the Village were at assessed values. Private sales were at higher prices, tending to prove that the assessed value was less than market value.

There were no uncollected taxes for the years 1942-45. "Very unusual", quoted the Provincial Inspector.

According to a survey made by Calgary Power Company (which supplied the Village with electrical services), the Village, in relation to its population, was the most compact of any in the Province.

During this period, the Village did not have a water and sewer system. Pressure was steadily being brought upon the Council to install these services—primarily for fire protection.

The Village already had 1/6 of the monies needed for the system. The Council applied to the

Milk River (cont'd)

bank for the additional funds, but the loan was denied on the grounds that the Village did not have sufficient revenues. An appeal was made to the Provincial Government to underwrite the loan. The Council was told that the Province would be happy to underwrite the loan, but they would have to change their taxation system to include improvements in the assessment.

On April 26, 1949, a plebiscite was held in Milk River to change the taxation system to include improvements in the assessment. This enabled the Village to borrow sufficient funds, based on their new combined assessments, to proceed with the water and sewer installations.

The flaw in the system was that the Village did not assess the value of the land high enough to meet their future needs. It became evident when the lots were selling higher than their assessed value at 100%.

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Irish Famine (cont'd from p.7)

beyond.

The Poor Law system which existed in England from Tudor times was introduced to Ireland by the Irish Poor Law Act of 1838. The country was divided into Poor Law Unions, each with an elected board of guardians and each Union had a work-house and levied a poor rate on the Annual Rental Value of property.

When the famine struck, it became the very key stone of the British Government's policy that the Irish landlords should pay the full cost of relief and its administration. The poor rates were increased many times over. "Landlords were liable for all the rates on holdings and cabins of less than £4