

of Manitoba had been attracting a constantly increasing stream of immigration, and Winnipeg as the chief distributing center of the prairie Provinces was bound to keep pace with that movement. Much of the present depression is of course attributable to the European War.

#### SASKATCHEWAN

A great trek to Western Canada commenced shortly after the beginning of this century. Manitoba had no longer the best homesteads to offer, and the immigrant population was obliged to go further afield. The adjoining land to the west and northwest was therefore next in order. This territory had become so populated that in 1905 it was organized into two Provinces. On September first of that year the Saskatchewan and Alberta Act was passed into law by the Dominion government.

Saskatchewan being nearest to Manitoba had received the first influx of immigration from the east as well as some from the south. The City of Regina, which had been the capital of the North-West Territories, now became the capital of Saskatchewan.

The North-West Territories had already passed an Act granting local option in taxation which permitted two-thirds of the councillors, or one-half of the taxpayers to exempt improvements from taxation.

Since the Province of Saskatchewan has been organized the following steps have been taken:

(1) In 1907 the legislature of Saskatchewan passed an Act which levied a tax of one per cent. upon all land not included within the limit of a town or village school district; the funds so collected to be used for school purposes.

(2) In the rural municipalities the revenue was at first derived from an acreage tax on land alone. The rate was five and one-sevenths of a cent per acre. In 1914 this was changed to a land value tax in the following terms:

“Land shall be assessed at its actual cost value exclusive of any increase in such value caused by the erection of any building thereon or by any other expenditure of labor or capital.”<sup>1</sup>

<sup>1</sup>S. 252. Rural Municipalities Act.

(3) An Act passed in 1914 levies a surtax on all land belonging to people not residing upon the land. This is said to have the desired effect of bringing much land under cultivation.

(4) A Village Act was passed at the 1908-9 session permitting local option in taxation, which directs that:

“If two-thirds of the total number of resident electors in any village petition the Council therefor, the Council may by law provide that assessment in the village shall after a date to be fixed therein be limited to an assessment based upon actual cash value of all lands in the village exclusive of improvements thereon.”

Although the proportion of petitioners is absurdly high this Act is said to have produced the effect of placing one-fourth of the villages under the exclusive system of land value taxation, while sixty per cent. is the highest rate at which improvements are assessed in the remaining three-fourths of the villages.

(5) An unearned increment tax is levied for provincial purposes.

(6) The towns have been granted the right of gradually reducing the tax on buildings provided the reduction is not greater than fifteen per cent. in each year over the previous year. One-fourth of the towns have taken advantage of this right.

(7) The cities are not permitted to assess improvements at a greater rate than sixty per cent. of their value, according to an Act passed at the 1908-9 session of the legislature.

(8) At the 1910-11 session an Act was passed permitting the cities to reduce the assessment of improvements at the rate of fifteen per cent. per annum, with the resulting effect that they have been reducing those assessments as fast as may be expected under a grant so palpably conservative of vested interests, and under civic administrations said to be no less so.

That these various taxation checks upon the business of holding land idle and the accompanying emancipation of wealth and labor have had their effect is seen by their constantly increasing application, as well as by the phenomenal rush of population to the province during its brief existence. Where only two decades ago there was nothing but the wild prairie today there are prosperous farms and populous cities.

But great though the progress of Saskatchewan has been that of Alberta has been much greater still, thanks to the latter's adoption of more nearly correct systems of land value taxation.

#### ALBERTA

Edmonton is the capital of Alberta. It is located on the site of an old trading post of the two monopolies, the Hudson's Bay and the North-West Companies. The former owned a tract of three thousand acres around which Edmonton had developed, but which the company had obstinately refused to open for development, to the great chagrin and mortification of the citizens.

Another grievance, the wrong perpetrated by the Canadian Pacific Railway Company against Edmonton by ignoring that town in the laying of its line and by establishing a rival to it on the other side of the river, had further served to drive the lesson of the arbitrariness of monopolistic powers home to the people of Edmonton.

In the first charter, which they prepared upon the occasion of its incorporation in 1904—a year before Alberta became a Province—care was taken to provide means for curbing monopolies of all kinds.

The new charter provided for a general tax on land values to the exclusion of improvements, but modified by business and income taxes. These last two have since been abandoned, leaving the land value tax to alone provide the necessary revenue.

The well nigh immediate effect of this was that the Hudson's Bay Company got to work breaking up its age-old Reserve and the new city commenced a career of what may almost be called unprecedented prosperity. This was attested to by the rapidly increasing population, which was at first forced to live in tents, as houses could not be built quickly enough. The building industry therefore became highly profitable. Its increase from year to year was rapid as may be judged from the following record during the first two years after the incorporation of the city:

1905—\$750,000; 1906—\$1,868,069; 1907 to August 28th—\$2,027,375.