

Virginia Labor and Taxation

THAT the working people of Virginia are beginning to be aroused to the fact that the way out of the industrial paralysis in which the nation finds itself is through the adoption of a proper system of taxation is evidenced by the recent action taken by a number of representative labor bodies in the State.

On the night of March 23, following a campaign that the Richmond newspapers had been carrying on in behalf of increased building, the writer of this article introduced in the Central Trades and Labor Council of Richmond, resolutions placing that organization on record in favor of increasing the rate of taxation upon land values and decreasing the rate upon improvements. These resolutions which were unanimously adopted were in part as follows:

RICHMOND RESOLUTIONS

"WHEREAS, there is an existing shortage of houses in Richmond, a shortage that is not merely adding greatly to the inconvenience of our citizens, but is restricting the extension and growth of the city generally; and

"WHEREAS, we believe that land should be held for use rather than for the speculative increase in price that may arise from the growth and improvement of the city; therefore, be it

"RESOLVED, that the Central Trades and Labor Council, representing the organized workers of Richmond, hereby gives its indorsement to the proposal for decreasing the tax rate upon improvements and increasing that upon land values, to the end that the burden of taxation may be lightened upon those who put land to its fullest use and increased upon those who hold it idle, neither using it themselves nor permitting anyone else to use it.

"RESOLVED FURTHER, that the legislative committee be and is hereby instructed to co-operate with all other organizations that may be interested in bringing about such a change."

These resolutions were given considerable prominence in the *Evening Dispatch*, being run under double column headlines on the front page. Preceding this, however, which in part accounts for the prominence given the story, several local citizens' associations had gone on record in favor of increasing the rate of taxation upon unimproved land. The action of the labor body was therefore looked upon as supplementing that of these other organizations.

On April 5, just a few weeks after this event, the Virginia Federation of Labor in annual convention at Lynchburg adopted resolutions similarly placing this State body on record in favor of the same principle of taxation. These resolutions were as follows:

RESOLUTIONS OF STATE FEDERATION

"WHEREAS, there is at this time a great shortage in houses throughout the entire State, while much land in every city in the State is being held idle by speculators,

awaiting an increase in value, expected to result from the increase in population and community enterprise; therefore, be it

"RESOLVED, that the Virginia Federation of Labor, in annual convention assembled, to remedy this condition, urges an increase in the taxes that fall upon land values and a reduction in those that fall upon improvements, to the end that idle land may be forced into use, thus increasing building construction, and by furnishing employment to thousands of building trades mechanics, relieve at least in some degree the existing unemployment; and be it further

"RESOLVED, that the Executive Board and Legislative Committee be and they are hereby instructed to give their support to any such proposal that may be made in either the cities and counties of the State, or in the General Assembly."

Probably the most thorough-going programme of taxation ever adopted by any organization in Virginia, whether labor or other, is that recently adopted by the State machinists convention and the State metal trades convention. These two organizations, representing the various metal trades unions of Virginia, held their annual conventions in Roanoke and Lynchburg and near the same date, the machinists meeting in Roanoke on June 3 and 4, and the Virginia Metal Trades Council convening in Lynchburg on the following Monday, June 6. Representatives were present at each of these conventions from every section of the State and in that respect they were probably as representative as was the State Federation of Labor. The same programme of taxation was adopted at each of these conventions. This programme not merely indorses the proposal to raise State and local revenues by the taxation of land values, but it indorses the so-called Ralston-Nolan bill that has been reintroduced in the present Congress by Congressman Keller, of Minnesota. This programme of taxation as published in *The Square Deal*, the official organ of the Richmond labor organizations, is as follows:

WHEREAS, the great producing classes of our country, the labor and the farmer, are at present bearing more than their share of the tax burden of the State and nation, therefore be it

RESOLVED, that to afford some relief to these great producing classes and to more equitably distribute the governmental expenses of the State and nation, we hereby declare our belief in the following programme of taxation:

1. We are opposed to the proposal to raise the revenue for the support of the federal government by means of a sales or turn-over tax, or any other form of indirect taxation, believing that all such systems of paying the expenses of government not only bear with much greater weight upon the great masses of the people than upon the privileged few, but that they take from the consuming public, upon whom such a burden finally rests, a very much greater sum than the government ever receives.

2. We favor the raising of the revenue necessary for the support of the national government by taxes upon unearned incomes, inheritances, and land values. Such taxes will not only place the burden where it belongs, on those special governmental privileges; but they will tend to equalize the

distribution of wealth. We therefore indorse the revenue measures on this subject recently introduced in Congress by Congressman Keller of Minnesota.

3. In the matter of State and local taxation, we favor the gradual decrease in the taxes falling upon labor and industry in general, including improvements of every description, and the gradual increase in the taxes upon land values. Such a system of raising public revenues will tend to force the holders of idle lands whether city lots, farm, mineral, or timber lands, to use them or transfer them to those who will put them to their greatest use. In this way we will solve the housing problem, the fuel problem, the food problem, and open up to honest labor greater opportunities for employment.

Such a programme of taxation as the one here outlined will, we believe, afford a more equitable method of paying the expenses of government and greatly contribute to the solving of many of our social and economic problems.

In each instance, the passage of these resolutions was preceded by an explanation of the object and purpose in view. They were adopted, therefore, by the delegates present with at least some understanding of what they were doing. That they represent the general sentiment of labor in Virginia on the subject of taxation, I am firmly convinced. Whenever and wherever I have discussed the Single Tax with any labor body, I have met with a hearty response. That is to say, this has been true whenever I have talked long enough to explain what the results to labor would be, following the adoption of the Single Tax.

I do not know what labor in other States is doing along this line, but certainly Virginia labor has made a fair start.

HOWARD T. COLVIN.

Civilization's Progress

BIOLÓGIC evolution, in the long and intermittent progress of the ages has always transformed from finiteness toward infiniteness. Otherwise, we might yet be oozing our slow and tortuous way through slimy swamps of the more tropic climes, complacently devouring one another as the easiest way in which to obtain sustenance.

Science shows that we have evolved from the simplest cell toward highly complex, cultured and constructively educated organisms of life. The pathway of ascent has universally, and necessarily, been from non-intelligence and pure selfishness toward increasingly higher degrees of refinement and practical altruism. Considered comparatively only in recent centuries has savagery been slowly giving way to ethical relations.

Civilization will farther advance, solely in proportion, and only as rapidly, as dominating individuals, communities, States and nations intelligently recognize and justly enforce the fundamental obligations and natural economic rights affecting personal effort and social co-operation. These relations, in their highest state of efficiency, are increasingly and primarily dependent upon general equality of economic opportunity.

K. P. ALEXANDER.

AS EX-KAISER kicks against taxes, no further doubt can arise as to his sanity.—H. M. H., in *Cleveland Citizen*.

Effect of Exemptions

THE building reports for the past six months are beginning to show a decided falling off in construction throughout the country, except in New York City and northern New Jersey, where there is an increase in the erection of dwellings. This increase, the report says, is partially due to the exemption of new dwellings from taxation, for a period of five years in New Jersey and ten years in New York. Thousands of one and two family homes are being erected in the outlying districts, to a greater extent than ever in the history of the city. The private houses are being built for occupancy by the owners. In former years most of the housing in New York was provided by investors or speculators, who rented the apartments to others. The exemption applies only to buildings started before April, 1922. There is a movement on foot already to have the time extended, so that many more will be able to take advantage of the saving.

The value of the law exempting new dwellings from taxation for ten years will be shown at the expiration of that period, when the owners will demand that the legislature continue the exemption. People once accustomed to being relieved from taxes, will not willingly support any movement that tends to increase the burden of home-owning. The owners of vacant property took advantage of the law and boosted the price of vacant lots to a point where all the saving from taxes was to be absorbed by the land speculators.

The completion of new transit lines opened up vast tracts of land along the new lines, at a greater distance from the centre of things, with the result that there was competition among the land gamblers, and the prices of lots near the end of transit systems dropped to a lower figure. They were taken up by home builders and developed. Now the land grabbers are howling. In the past few months lots were sold at auction that did not bring 50% of the assessment which the city put upon them for purposes of taxation.

Another factor that the land hogs are facing, is the high tax rate levied by the city, 2.85 per hundred dollars of assessed value. Vacant land brings no income. The taxes must come from industry. The present business depression will not permit many to sink additional money into vacant land, when there is so much available space for use in the newly opened sections of the city.

"THE Single Tax will wait, I fancy, for years, since it is so fundamental, and mankind never attacks fundamental problems until it has exhausted all the superficial ones."

—BRAND WHITLOCK.

I BELIEVE that being on the ballot in the ten or twelve States will do more for the advancement of Single Tax than anything that has been done since the campaigns of Henry George.

H. V. HENDERSON