

intense application of the mental and muscular powers to the task of earning a living, and the anxiety born of such conditions, all tend to drive men and women to seek relief from the strain in illusory and harmful stimulants. Thousands of years ago the wise man wrote, "Give strong drink to him that is ready to perish, and wine to those that be of heavy hearts. Let him drink and forget his poverty, and remember his misery no more." Many are following this counsel to day and neither temperance crusades nor prohibition can permanently benefit them because their remedies are not *radical*; at the best they can only palliate and prune. Mr. Carnegie's moral platitudes will fare no better for the same reason—besides, a multi-millionaire who owes his wealth to the monopoly of land and corrupt legislation is not the man one likes to hear preaching virtue to those who have suffered and are suffering from his wrong doing, and to whom he stands as a debtor, able but unwilling to pay their share of the unearned increment from the land to which, as natural partners, he admits they are justly entitled.

Intemperance and thriftlessness must ever keep pace with monopoly, and poverty closely follow both until the opportunities of nature are made free to all.

ADDRESS OF W. A. DOUGLASS ON TAXATION.

Delivered Before a Committee of the Ontario Legislature.

The following address was delivered before a Committee appointed by the Legislative Assembly of Ontario to consider amendments to the Assessment Act. A number of petitions had been presented asking that the power be granted to the Municipal Councils to *fix a lower rate on improvements than on land values*.

Mr. Chairman and Gentlemen of the Committee:—I do not come here to make any request for a lower rate of taxation on any one particular industry without any consideration of other industries, but to call your attention to some of the essential principles that should guide us in the adjustment of taxation.

In the center of this city is a lot of land, 60 ft. by 90 ft. which is perhaps the most valuable piece of land in this province. About the year 1800 this lot was a free grant from the crown. As the town grew the value advanced according to the following figures:—

In the year 1800 the rental was nil per year.			
"	1833	"	\$240 "
"	1854	"	960 "
"	1875	"	6,000 "
"	1896	"	12,000 "

A few days ago that lot was sold for \$400,000, which at four per cent, would bring a rental of \$16,000 per year. In a few years, as the city continues to

grow the rental will be \$20,000 per year; then \$25,000 or \$30,000; thus advancing to figures the end whereof no man can tell.

I ask you now to look at some of the relationships that are necessarily connected with that piece of land. Some stores were built thereon and during more than a hundred years men, women and children have worked industriously keeping the buildings habitable and the stores supplied with the necessary goods. If, therefore, we ask whence came the value of the buildings and the value of the goods, there is but one answer, namely, the hand of industry.

But when we ask, whence came the value of that land, what caused it to grow year after year from nothing till it is now worth \$16,000 yearly, or a capital value of \$400,000, equivalent to upwards of \$3,000,000 per acre, dare any man answer that, by his individual energy he produced that value, as the farmer raises a crop or a carpenter makes a table? Never since the world began did any man manufacture a land value. It takes the combined presence of the multitude to do that. No phenomenon in the world is more obvious than this, that the value of that lot mounted up and up because the population, the commerce, and the public appliances for a city were concentrated round that spot of land.

I want you, therefore, to observe that there are two distinct kinds of value, first that which comes to the land from the presence of the multitude and that which labor produces when it converts the raw material into a thing of beauty or an article of utility. These two values differ not merely in their origin, the one being a community value and the other an individually produced value, but they differ also in their direction. Labor, all the time and everywhere, aims to produce abundance. That is its abiding ambition, to convert the one bushel into twenty bushels, thirty bushels or a hundred bushels, and at the same time by the aid of better machinery or otherwise to produce as cheaply as possible. On the other hand, as population becomes more and more dense, the land must become relatively more scarce. When the assessment of the buildings increases from a million to ten million dollars, we know that labor has been multiplying buildings ten fold; but, when the value of the land increases from a million to ten millions, we know that population has crowded more and more till there is only the tenth of the space for each occupant. The one value indicates a multiplication, the other a division.

This slight examination shows that between these two values there is just as great a difference as between food and poison, north and south, or an asset and a liability. Just as the physician must observe the difference between food and poison, the navigator the difference between north and south, and the accountant the difference between a liability and an asset, must not also the legislator observe the essential difference between the value that is caused by the individual, and the value that is caused by the community? As the individual has an indefeasable moral right to claim as his against the whole world, the goods he makes or the crop he raises, even so has not the community an equal indefeasable moral right to claim the value of the land for community purposes?

Hitherto this important distinction has been ignored, and I ask you to look at the disastrous results that follow therefrom. Turn your eyes for a few minutes to the other extreme of society. Away at the outer margin of settlement, there is a man with his wife and children, struggling to hew out for themselves a home. For them one thing is a certainty; namely, a superabundance of exacting, exhausting work. With their utmost exertions and with long hours they may rejoice if they can earn the munificent sum of \$500. in a year. On the other hand, if I were the owner of an acre well situated in this city, without the toil of an hour I could obtain \$50,000. per year. In one year I would receive, for doing absolutely nothing, as much as that settler could earn in a hundred years.

Now I ask you to observe how you tax these two men. The one man has all the time there is to spare. He need not worry about the care of cattle or corn, and he has money in superfluous abundance. The other man has no time to spare and he has no money to spare. Do we go where the wealth and the time are in excessive abundance and avoid the man who has neither? Not at all. We do the very reverse. No sooner has that settler made a clearing than we mulct him with an increase of taxes. He manages to put up a little home for his family. Then we add another tax. Barn, ditto. He drains a swamp; but that does not drain off the taxes. Let him plant an orchard, a tax is added for every tree. If he has to dig a well, then it must be taxed according to its depth. And thus for every improvement that man makes, we follow him as if he were born specially to be taxed. We tax drinks to get rid of drinking, and we tax dogs to get rid of them, then we tax industry—I will allow you gentlemen of the Committee to complete that sentence yourselves.

It is no use saying that the farm of this settler is assessed at a much lower figure than the valuable lot in the center of the city. That gives no idea of the sacrifice or the service which the state demands. The fact is quite certain, that, from the man who has neither time nor money to spare we ask the sacrifice of many days in the year, while the wealthy owner of the city lot is not called on to sacrifice one hour in a lifetime. When a man is compelled to give his service or surrender the money that has cost him the brawn and the sweat, then he is doing something for the support of the state; but when, by some financial maladjustment, a man is allowed to enjoy all the luxuries of civilization without bearing any of its burdens, that man contributes nothing to the support of the state. He supports not. He is supported. The whole burden falls on the other man—the man of toil. Thus we add to the burden of him who is overburdened, and insure leisure and fortune to the man of purple and fine linen.

The city grows, and the fortune of the landowner also grows; industry must pay him more. Again the city grows and again the obligation has grown. Thus by allowing the owner of the land to reap where he has not sown, we split society in twain—hewers of the wood on the one hand, producing great wealth but compelled to live close to the dead line of beggary, and the occupants of ducal mansions on the other hand, faring sumptuously every day.

Alas, alas, that on this continent where we could so easily build up society according to the equities and the blessings of brotherhood, we are developing, just as fast as we can, all the worst evils of the old world civilization with their castles of affluence and luxury and their hovels of work and want.

To correct this evil we present you a petition, not at all of a drastic character; but simply, that you so amend the assessment act, that municipalities may reduce the rate of taxation on the improvements and increase the rate on the value of the land.

This is not a new principle; for the Municipal Act allowed municipalities for many years to reduce the taxation of manufacturing establishments. All we ask is that you will extend this principle and allow them to exempt not merely the machine which makes blankets to keep children warm; but that you will remove the tax from the house itself that keeps them warm.

We can appeal now to the example of several countries. In the province of Manitoba, about the year 1890, the farmers complained to Mr. Norquay's government that, while they were doing everything for the development of the country, they were being taxed for every improvement; the speculators were reaping the benefit of their energy and skill. After some consideration the Assessment Act of that province was amended by the following clause: "All lands in rural municipalities used for farming or gardening purposes, shall be assessed as they would be assessed if they were unimproved." I have made extensive inquiry respecting the working of that act and the testimony is unanimous that the people after trying it for many years, would not for one moment allow it to be changed. In Saskatchewan and Alberta there is no tax on farm improvements. In British Columbia, improvements are assessed at only fifty per cent. of their value and as much less as the municipality chooses. In New Zealand upwards of seventy municipalities have abolished all taxes on improvements, and in New South Wales the municipalities are moving in the same direction.

I trust therefore, gentlemen, that you will see the reasonableness of the petition which has been signed by upwards of 250 municipalities and a large number of labor unions.

THE ETHICS OF THE SINGLE TAX.

(For the Review.)

By JAMES F. MORTON, Jr.

In the advocacy of the Single Tax, it is possible to insist too much on considerations which, from their very nature, can appeal to only a fraction, small or great, of the people of the country. While a sadly small minority of the race can be honestly regarded as having yet mastered the first elements of independent reasoning, there is fair hope that the number is ever on the increase. A movement of the nature of that in behalf of the Single Tax, relying on sober demonstration rather than on an emotional appeal to the