

A Proposed Constitutional Amendment for Michigan

FOLLOWING is a tentative copy of a constitutional amendment for submission to the voters of Michigan. It may be that our readers have some suggestion as to the wording of this amendment. If so they are asked to communicate with A. Lawrence Smith, 2460 E. Grand Boulevard, Detroit, who is chairman of the committee having the matter in charge. Local lawyers will pass on the legal points, but as to phraseology and intent Mr. Smith and his committee await advices.

To free farming, labor and industry from vexatious burdens that restrict employment, destroy jobs, penalize industry, raise rents and general living costs and interfere with opportunities for farm home ownership, the people of this commonwealth of the State of Michigan decree that after January 1, 19—, there shall be no taxes levied or collected in this state on goods or chattels or personal property of any kind, nor upon growing crops, nor upon business, occupations or professions, nor upon the privilege of conducting a business, occupation or profession; nor upon sales or transactions: Nor any poll tax, for the use of public highways or bridges, nor any tax on improvements in and upon land, nor any income tax on individuals, co-partnerships, corporations or other forms of business associations; except an annual site-value tax on the annual income value of land whether used or unused at its true income valuation, exclusive of improvements. This annual site-value tax shall be such per centum of the annual rental value of land as may be required for the purposes of local, county and state government, and shall be levied against owners and lessees of land as their interests may appear, and there shall be no other taxes of any kind or description. Under this amendment there shall be no exemption except that of publicly owned land. Nothing in this amendment shall prevent the charges of nominal and minimum fees where duly constituted authorities deem them necessary in connection with police and health regulations, registration and filing of papers and documents and for services performed by public servants. (Illustration of nominal fee—an annual motor vehicle license fee of not to exceed \$2.00).

Water powers, developed and undeveloped, shall be treated as land values, and shall be assessed and taxed annually on the basis of their unimproved annual rental value, in the same manner as land. All natural products of land; oils, gasses, minerals, natural forests and any and all other products commonly and generally known as natural resources shall be assessed and taxed at the time of their sales at a per centum of their royalty or stumpage value at the time of sale; such per centum to be the average of the per centum of the total of all other local, county and state taxes for the previous year, and all such taxes to be for the state.

At its first regular session after the adoption of this amendment, the legislature shall enact such enabling legislatures as will make this amendment effective on and after the first day of the calendar year following the adjournment of that session.

Australia

THE *South Coast Times*, published at Wollongong, N.S.W., gave a full report of a public meeting held by the Men's League of the Presbyterian Church at Thirroul, February 12.

The speaker was Percy R. Meggy, who read "Henry George's wonderfully eloquent address on Moses. The keynote of the lecture was the evil of land monopoly, which Moses recognized and guarded against in a way suited to his times."

Mr Meggy was asked to state his views on the cause of unemployment.

After naming a few of the secondary causes—such as the action of the men themselves in starting so many strikes, the policy of protection which restricted production, etc., the speaker said that over and above these secondary causes was the one great primary cause of land monopoly. It was extraordinary that in this 20th century, when on the physical plane we could perform the most amazing and almost incredible feats, on the social plane we were almost as incredibly stupid, as shown by the fact that we allowed the individual to appropriate to his own use, and to the use of his most distant descendants, the wonderful resources of nature, which had been deposited perhaps millions of years ago, and which any child could see should be for the benefit, not of one individual but of the whole community. An apparently barren mountain in Montana, where aeons ago nature had deposited an enormous store of copper, was bought for a mere song by a young Englishman named Clarke, who eventually became one of the richest men in the world.

"After relating the story of Mount Morgan in Queensland, where a similar piece of stupidity was enacted, over £30,000,000 worth of gold and copper enriching a few speculators instead of the general community, the speaker explained the only scientific way by which land monopoly could be got rid of, and the long-lost rights of the people in the land could be restored. It was evident that the land could not be cut up into slices and each one given a share, but, although the land itself could not be cut up, the land value could, and if any balance remained after meeting the expenses of government, i. e., the expense incurred by the representatives of the people on behalf of the people, it could be divided equally among the people.

"This principle had already been applied in the municipal sphere in Queensland and in New South Wales with marked beneficial results, and if it were applied in the federal sphere on a uniform basis—not as now with exemptions and graduations—it would have the effect of opening up fertile land near existing railways now held idle pending a rise; it would provide abundance of employment for men who under the present system could not

get on the land; it would make non-paying lines a financial success; and it would provide ample revenue for public purposes without robbing the people by indirectly taxing everything they use."

The System of Taxation in Sydney, Australia

IN reply to an inquiry from Alexander Fryer, of Boston, the following letter has been received from Sydney. Our readers in different cities can make comparisons of tax conditions prevailing here and those prevailing in Sydney. Such comparison will not fail to be instructive.

The City of Sydney is under the following taxation:

Municipal. A tax is levied by the Municipal Council of Sydney entirely upon land values.

The present Taxable Unimproved Capital Value of the city is £61,352,514 and the rate in the pound is four pence, which includes a tax of one halfpenny in the pound by the state government to liquidate the cost of the Sydney Harbour Bridge Construction, and also one farthing in the pound being contribution towards the upkeep of main roads throughout the State of New South Wales. The obligation has been placed upon the City Council by the government legislature to collect these taxes when collecting the municipal rates, which is three pence farthing in the pound at present.

Water, Sewerage and Drainage. These activities are essentially municipal works but here in Sydney they are governed by a board, "The Water, Sewage and Drainage Board." The rates levied by this body are upon the annual value of all properties.

The basis being the "Fair Average Annual Value" with a statutable deduction of ten per centum per annum and the rates are levied upon the net of this calculation.

The assessed annual value of the city of Sydney for this year is £8,001,840 and the rate in the pound is one shilling and six pence, covering all three services. The activities of this board extend throughout the metropolitan area which takes in some municipalities.

Federal Land Tax. This is a tax imposed by the Federal Government of Australia upon all lands within the commonwealth, and the tax is levied upon the municipal valuations, and the rate levied is on a rising scale according to the value of the land after deducting the statutory exemption of £5,000.

There is no tax on improvements nor personal property.

There are, of course, income taxes imposed by the Federal Government and State Government separately.

There is no further information I can offer and trust the above will be helpful to you.

—F. W. BAIRD,
City Assessor and Resumption Valuer.

Buenos Aires

THE Second National Henry George Convention was held in Buenos Aires May 25, 26 and 27. Later we hope to present a report of the proceedings.

The secretary of the organization committee is Juan B. Bellagamba. The treasurer, Bartolome Machello. The speakers, Alberto Alves de Lima, Eduardo F. Belaustegui, Juan P. de Burgos, F. A. Carta, Luis Denegri, Tomas Galli, M. Lopez Villamil, S. Martinez Davinson, Eliecer Puppo, Wifredo Sola and C. Villalobos Dominguez.

Following is the call for the convention:

"Objects of the Second National Henry George Convention to be held in Buenos Aires, 25th, 26th, 27th, of May, 1928.

The activities of the Single Taxers in Argentina have so far been without organization and in order to unify and coordinate the action of Single Taxers and provide for better propaganda, the organization committee has called a convention to meet as above stated.

The sentiment of the committee is opposed to direct political action, though we recognize that political action will be necessary to enact our principles into law. Our present mission is essentially education and diffusion of the principles of the Single Tax, to bring about a correct social organization through changes in our laws and customs.

This does not exclude direct political action when believed to be opportune, but this work of education will be more efficacious if we all work in strict accord on the agreed doctrines which must inspire us.

The methods of propaganda and a general organization give entity and centralize our work. Therefore the objects of the convention are these:

To define our doctrines and to decide on methods of propaganda and organization. As to the doctrine throughout all the world, it is based principally on the works of Henry George, but it is well known that certain points in the works of the Master have provoked certain differences of interpretation on important principles.

It is proposed that the convention issue an authoritative unanimous interpretation to the Single Taxers of the Argentine to give precision, uniformity and coherence to our work and to harmonize it with work now going on throughout the world, and to unite with the International George Conference which is to convene in Edinburgh.

We wish to briefly state our basic principles; to establish also the methods of applying them, taking into account the social situation of this country at the present time. Regarding propaganda, it will be necessary to decide how and by what methods we will organize and obtain the publicity necessary to realize our aim. As to organization, we will endeavor to create a method of financing and sustaining the existing organization and forming a national institution that will ramify throughout the country through local institutions.