

for the people. Similarly if the vacant land in Edinburgh were rated and taxed at its capital value instead of its assessed rental, its owners would have sought to put the land to use instead of being able, under the present system, to hold it for an increased price. This was the aspect of the housing problem which demanded the most earnest consideration.

A Liberal Association for the new Central division, comprising the wards of St. Giles, George Square, and St. Leonards, was formed at a meeting of electors in the Odd-fellows' Hall on July 18. Mr. Charles E. Price, M.P., addressed the gathering, and in the course of his speech said he personally had not been a blind follower of any Government. He had too independent a mind for that, and in the future he would continue to exercise his independence, for the war had shown more than anything else that he was right in the things which he had tried to advocate, such as the taxation of land values. The U-boat warfare, for instance, through the restriction of imports had had the effect of raising the price of the produce of the soil. It had acted like protection to the people who held land, and whenever they increased the price of the produce of the land they increased the capital value of the land. Agricultural land in this country had increased on an average 100 per cent., and the country had not got a farthing of an increase in taxation from that source, one great security which was not contributing its fair share to the Exchequer.

This part of Mr. Price's speech was reported in the conservative *Scotsman* but not in the "Liberal" *Evening News*. The *Evening News* failed us also in its review of the letter sent to the Merchant Company by the East District Council of the Faculty of Surveyors. The kernel of that letter was the statement that "one point is not a matter for controversy—viz., that the high price of land in the past has caused overcrowding and congestion." The *Scotsman* reported this observation, but the *News* omitted it.

THE TRANSVAAL—JOHANNESBURG

Another City to take its Local Revenues from Land Values. Buildings and other Improvements to be Rate Free.

As we go to press word comes from F. A. W. Lucas, the highly-esteemed advocate and leader of the Land Values Taxation movement in the Transvaal, that Johannesburg has followed the lead given by Sydney, N.S.W., and in future will raise its local revenues from the unimproved value of the land. This is encouraging news, and we cordially congratulate Mr. Lucas and his co-workers on this striking victory. Mr. Lucas writes: Johannesburg, July 19:

You will remember that in 1916 the Provincial Council of the Transvaal passed the existing rating law, which made it optional for municipalities, on a vote of an absolute majority of members, to rate improvements, the rates being otherwise entirely on site values. The full operation of the law was suspended for two years, which period expired on March 22 of this year. During those two years improvements had to be rated at least to half the extent of the rate on land. Mylstrom Council was the first to refuse to exercise the option to rate improvements, and its rate for this year is 4d. on site values only. Then came Boksburg, with a rate of 6d. on site values only. Yesterday the Johannesburg Council, whose valuation roll shows site values £14,000,000 and improvements £17,000,000, adopted a rate of 6½d. on site values only. Thus in Johannesburg for the coming financial year the owners of land will pay £382,000 in rates, and buildings and other improvements will go entirely free. Our system here is, as you know, to rate on the capital value. Improvements on mining property will pay 6½d. in the £. The reason for this is that the mines are exempt from rates except on residential property, and

their contribution to the revenue is very small in consequence. To obviate to some extent this injustice, the municipalities insisted on the right to rate improvements on mining residential property, but the municipalities have an option even in this matter.

South Africa, of June 29, has a communication from its Johannesburg correspondent, who writes on May 3:

The question of land taxation, which has always been a bone of contention with the property holders, has been raised again in several directions. It is acknowledged that the principle of a land tax should be accepted without demur, as it is obviously necessary that money must come from that source as well as others to assist in maintaining the affairs of the State, but it is generally held that its proviso should be impartial, and without differentiation. Some distinction ought to be drawn between the man who made good use of his land and the one who held on and allowed the soil to rest in idleness, whilst it increased in value by the industry of his neighbours. But where the idler escaped, the one who got much out of his land was to be taxed, on the principle of a landlord raising the rent of a tenant who improved his property, holding that a well-kept house was worth more rent than one which was allowed to fall into disrepair, no matter at whose expense the improvements were effected.

UNITED STATES

Missouri Tax Reform Movement

A Constitutional Amendment will be voted on in November providing for the abolition of all taxes except on land values, intoxicating liquors, tobacco, income and inheritances. This involves the abolition of the General Property Tax and of local taxes on improvements, and no doubt the taxation of land values will very largely be adopted for local purposes if the amendment is carried.

According to *Land and Labour* (edited by Carl Braunin, Kansas City), the petition for placing this measure on the ballot was signed by 39,472 persons. The text of the amendment is as follows:

Be it enacted by the people of the State of Missouri:

The Constitution of Missouri shall be and the same is hereby amended by adding the following Section to Article X. thereof.

All public revenues for State, county, municipal, school and all other public purposes shall be derived from taxes on the value of land exclusive of improvements and from such taxes as may be imposed by law on the manufacture and sale of intoxicating liquors and tobacco, and on incomes and inheritances; but this shall not prevent the imposition of such license taxes as may be necessary to a proper exercise of the police power. Rights of way for public utilities shall be deemed property in land and the value thereof shall be taxed accordingly if not owned by the public. This amendment shall govern all taxes for which assessments shall be made on and after June 1, 1919, and not those assessed before that date. All constitutional limitations of rates of assessment and taxation are hereby abolished and the legislature is hereby empowered to fix such rates of taxation as shall produce the revenue required for State and school purposes and in counties the county court of each county and in municipalities the corporate authorities of each municipality shall have power to determine the rate necessary to produce the revenue needed from time to time for municipal purposes, provided that any school district in the State may increase the rate for school purposes fixed by the legislature by submitting such increase to a vote of the people of such district. All provisions of the Constitution conflicting herewith are repealed so far as they so conflict.

Another constitutional amendment requiring the State to provide a loan fund to enable the purchase of homesteads and the erection of permanent improvements will also be voted on. Both measures have been put forward by the Homestead Loan and Land League, whose president is Frank P. Walsh.