

THE TRUE SOURCE OF PUBLIC REVENUES

By the Hon. George Fowlds, C.B.E.

(Extract from Retiring Address as President of the Auckland Chamber of Commerce, 8th February, 1923)

It will be found that 5 per cent. of the value of the land of New Zealand would have given a sum more than equal to the purely tax-revenue—local and national—of the Dominion.

	1894	1904	1914
	£	£	£
Tax Revenue ..	2,300,350	3,754,379	5,918,034
Local Rates ..	551,412	1,050,935	2,187,534
Total Taxation ..	£2,851,762	£4,805,314	£8,105,568

	1894	1904	1914
	£	£	£
Land Values ..	80,000,000	112,629,412	228,493,376
5 p.c. on Values ..	4,000,000	5,631,470	11,424,668
Land Tax Collect'd	279,000	352,854	767,451
Crown Rents, etc.	316,167	260,021	318,393
Single Tax ..	£4,595,167	£6,244,345	£12,510,512

I claim that except in extraordinary circumstances the amount would be more than sufficient to give us the services and utilities to which we have been accustomed, and if it were necessary to tax for war purposes, such taxes should be temporary, declining as war expenses declined and disappearing with their disappearance. Think of the position to-day, and what it might have been. Production, distribution, exchange—what we indicate in the all-inclusive term “business”—crushed beneath a load of taxation. Endless work and worry imposed upon the community in order to comply with forms, regulations, requisitions, imposed to secure the financial needs of government. An army of civil servants to deal with the public revenues. The people's activities clogged and hampered at every turn; endless time and labour wasted which might be applied to works of production. Verily, we are outrageously over-governed! And in place of all this, just one charge which is not a tax, levied *ad valorem* on the superficies of the Dominion—the land. Land which can be mapped out once and for all, that cannot run away or be hidden from view, the value of which can be assessed, and being assessed can be taken into the public Treasury with the ease with which we now collect stamp duties on cheques. An impost which though called the “Single Tax,” so far from being a tax is the very negation of taxation, since its effect is to equalize the rights of all to God-given natural opportunities by which alone can our material existence be sustained. An impost which not to take for the people is to permit taxation by landowners. Which does not add one penny to the price of any commodity, since the impost is not a new one but only involves a new allocation of an existing charge. Thus, by the State appropriation of rent may we secure government on modern lines, not only without taxation, but even while abolishing all taxation and by the act, restoring in the name of Justice the inalienable rights of the people to the soil of their country, the rights which, as Herbert Spencer declared, must be enacted “all deeds, laws and customs notwithstanding.”

The machinery for such a change as I have indicated would be simplicity itself. It would be necessary merely to increase the taxation of land values until the whole of the economic rent was appropriated by the State, repealing *pari passu* all other taxes. The increase would be gradual—step by step—until such time as the selling value of all land, apart from improvements, were to disappear. Valuations would be kept constantly up to date, being raised or lowered in unison with the true economic value for the time being. There would be difficulties, but “where there's a will there's a way.”

LUDLOW BY-ELECTION

A by-election took place in the Ludlow Division of Shropshire on 19th April. The result was as follows:—

Windsor Clive (Conservative) ..	9,856
E. Calcott-Pryce (Liberal) ..	6,740
Percy F. Pollard (Labour) ..	1,420

At the General Election in November last the result was: Viscount Windsor (Conservative), 11,787; E. Calcott-Pryce (National Liberal), 5,979.

It will be noticed that since the General Election Mr. E. C. Pryce has changed his label from “National Liberal” to “Liberal,” claiming at the by-election to stand as representative of a local united Liberal Party.

The United Committee sent a letter to the Labour and the Liberal Candidates, asking the following questions:—

Will you, if elected, press for immediate legislation to revalue all the land, so as to ascertain its present market value apart from improvements, and to impose a Budget Tax on the value of all land, with the corresponding reduction or abolition of the taxes now levied on improvements, on consumption, and in restraint of trade?

Will you, if elected, promote and support legislation for the levying of local rates on the market value of land and the exemption of houses and other buildings and improvements from assessment?

The Labour Candidate, Mr. P. F. Pollard, at once answered “Yes” to both questions. There was no reply from the Liberal Candidate, Mr. E. C. Pryce.

With the assistance of Mr. Fred Skirrow and Mr. Chapman Wright, the United Committee organized a campaign to bring the Taxation of Land Values before the electors. Meetings were addressed, and many thousands of the leaflets “The Gold Mine,” “Land and Taxation” and “How to Raise Wages” were distributed. The two first-named leaflets have already been reprinted in LAND & LIBERTY, and the text of “How to Raise Wages” will be found in our present issue.

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