

the poor man who owns a vacant lot?" I queried. "Never a bit," was the reply. "It's only the industry of the man who owns the home, and more like him, that gives value to the vacant lot. Why should you tax the industrious man who builds and gives employment and improves the city?" I agreed. "Why?"

This is but one of many cases, and while the limited municipal single tax of Vancouver is impotent to produce the redemptive social reforms we claim for full application, it is focusing the attention of many men who would otherwise never stop to think. After all, they reflect, the man who owns land does not give value to it.

Whenever you get 100,000 loyal citizens, who think their town is the best on earth, to arguing in defense of a departure they have made in municipal government, someone is sure to hit the right reason, and the right reason is the only one that sticks. In this way the people of Vancouver have learned, since they acted, that the best of moral reasons justify the action they took in exempting industry and taxing land value. Men now see this whose minds are impervious to abstract philosophy.

Though conditions still exist in Vancouver, which permit men to obtain value where none is given, though some men are still getting something for nothing, and more men are getting nothing for something, and so long as this state of affairs continues, want and the fear of want with its consequent depravity and crime will inevitably follow, yet the single tax as applied moderately in Vancouver is doing all we ever hoped for so moderate an application.

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As for the future of Vancouver and the four western Provinces I cannot positively speak. Men are thinking, however, and learning.

During the recent session of the Saskatchewan legislature the attorney general fathered legislation which enables any city in the Province to adopt the municipal single tax by four equal annual reductions of 25 per cent in the existing assessment of improvements. This measure was enacted in response to representations made by the municipal councils of the cities of Prince Albert, Saskatoon and Regina. Four years hence those cities will no doubt have joined Vancouver, Victoria, Edmonton and the other cities where the single tax is now moderately in use.

Buildings and improvements are exempt from taxation in all rural and farming districts in Manitoba, Saskatchewan and Alberta. This is the widest application of the principle existing anywhere in the world. All our western cities seem to be on the verge of adopting the municipal single tax.

The next logical step would seem to be the shifting of Provincial taxation to the land values basis.

This will involve a big fight with the railways, the land companies and the other entrenched interests, and our object can no doubt be accomplished best and most expeditiously through the agency of the Initiative. Direct Legislation is not upon our statute books yet, but it is coming. The farmers have said so. The innings of the Interests will soon be over.

Canadian farmers are discussing the single tax and reading about it, not the mere superficial single tax, but the kind that has teeth. Their leaders are advocating it. The farmers also know what should be done to the protective tariff. They ought to—they know what it has done to them. In the meantime what better can the people of America do—without distinction as to Provincial, State or international boundary lines—than to support William S. U'Ren and his coadjutors in the momentous fight they are making in Oregon? Anyone who has read the draft of the law to be submitted by Initiative petition to the electors of the respective counties of that State in the autumn of 1912, and knowing the situation there, cannot fail to grasp the import of the fight. U'Ren suggests the single tax, pure and unadulterated. If he wins, the way out will be easier for all of us.

ROBERT L. SCOTT.

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## THE SINGLE TAX IN NEW SOUTH WALES.

Sydney, Feb. 15.

The second general election for aldermen under the local government Act\* held on the 28th of January, might be supposed to have been affected by the almost universal adoption of placing local taxation entirely on land values. In fact, however, in a vast majority of places this question was not an issue in any sense. It is generally recognized now as the right thing to raise local revenue from the unimproved value of the land alone. Our task, then, was comparatively easy. We had only to pay attention to a few places where full advantage has not yet been taken of the law.

At Prospect and Sherwood the three worst opponents of this policy were defeated. Also at Lane Cove, a doubtful place which had for three years challenged the energies of our local friends to back up friendly aldermen in the Council. At Woollahra an alderman who recently proposed taxes on improvement values, was defeated, and a land value taxer elected in his stead. In various other places old opponents were rejected.

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The place that has given us most trouble is North Sydney. It is the largest municipality outside the "City," in the State. The aldermen were an intensely conservative lot. They hated the new Act. Like all conservatives, they believed in a borrowing policy, and (outside the "City") had the largest debt in the State. Some of the most vicious examples of land monopoly in the metropolitan area are in North Sydney, and the aldermen appeared to think that it was their bounden duty to nurse them. In 1908 they decided to levy entirely on unimproved values at 3½d. in the pound, but they made it clear that they were against the principle. They really wished to impose an "additional general rate" on improved values, but feared the referendum poll.

Now it is well known that cunning lawyers may find a loophole in the best of laws. Our Local Gov-

\*See The Public, volume xlii, page 1085.

ernment Act was no exception to that general rule. The aldermen found that under it they could impose a "loan" rate for the payment of interest and the repayment of principal without a referendum vote. So in 1909, instead of again imposing the 3½d. rate on land values, they reduced it to 2½d. and imposed a loan rate of 0.35d. on improved values. We made a protest, but having no power to demand a referendum, were helpless.

In 1910 the rates were put at 2¼d. for land values and 0.33d. for improvement values. I tried to rouse the local people but failed. It is a hard place to work. But as the time for election drew on I issued two leaflets and held a number of open-air meetings. The effect was good. The aldermen against us were reduced from 11 to 4, to 8 to 7 in our favor. But a majority of one was too narrow, especially as one or two men on our side were rather doubtful. One of them was absent when the question of imposing the tax came on. Then one of the other side came round to our view, saying he was convinced that the people wanted rating on land values only; but one on our side deserted, giving a bogus reason for doing so. That made the voting equal, and the Mayor gave his casting vote in favor of taxing improvements. If the absent man returns in time and votes straight it may be possible to prevent the rate being confirmed, but this is doubtful.

Our agitation has had the effect here of reducing the rate on improvement values. The rates for 1911 are 3½d. in the pound on unimproved values and ½d. in the pound on improved values.

We are certain to win in the long run even in North Sydney.



The municipalities and shires of New South Wales that raise local revenues from the taxation of land values—all that I am yet able to give figures for, and it is not a picked list—number 46. Their rates vary from half a penny to 5½ pence in the pound of capital value. In one (Redfern), the rate is 5½; in two, it is 5; in four, it is 4½; in five, it is four; in sixteen, it is 3; in ten, it is 2; in five, it is 1. The list comprises thickly populated suburban districts, country towns, and sparsely populated rural districts, which we call "shires." There are five municipalities that levy local taxes on "improved values," meaning the value of land and improvements taken together—"real estate" taxation as I understand you would call it in the United States.

So you see that almost all local taxation in New South Wales is entirely on land values, except the "City" portion of the metropolis. And this was one of the main factors in starting a great building boom over three years ago, of which there is no sign of slackening.



The procedure adopted by a Council in imposing local taxation is simple. First of all the aldermen consider the estimates for the year. They then consider how the money is to be raised. Thereupon the Town Clerk advertises the result, which must be confirmed within a month. Notices are then sent to landowners to pay. Following is an exact copy

of one of these advertisements, published in the "Daily Telegraph" February 14, 1911:

### Municipality of Randwick.

Estimates for the financial year ending December 31st, 1911, under Section 142 of the Local Government Act of 1906-7-8.

Notice is hereby given that at a duly constituted meeting of the Council of the above Municipality held on February 7, 1911, the following estimates were submitted to the Council in pursuance of the above Act, and duly approved, viz.:

Amount of proposed expenditure out of the General Fund, to which the proceeds of the rate are to be carried .....	£28,548
Amount in hand available for such expenditure...	173
Amount of other revenue likely to be available...	6,153
Amount required to be raised by the rate for such expenditure (net).....	22,222
The total unimproved capital value of the Municipality is .....	1,364,518

It is proposed to raise the required amount by making and levying a general rate of 4d. in the £ on the unimproved capital value of all rateable land within the Municipality.

ERNEST H. STRACHAN,  
Town Clerk.

Town Hall, Randwick, Feb. 13, 1911.

When a Council wishes to levy other rates, the procedure is similar, but it has also to set out clearly that a poll may be demanded except in the case of a "loan" rate, as in North Sydney.

I have endeavored to describe what is being done in New South Wales, so that the reader may compare it readily with what is done in his own town or district. He cannot go wrong in heartily supporting the New South Wales plan.



We are determined upon taxing unimproved values alone in the "City"—Sydney—and to get the amendments in the local Government Act necessary to finally settle the whole question of local taxation for all time.

A deputation has waited upon the Minister for Public Works, the Hon. Arthur Griffith, and made among others the following requests (the term "rates" meaning local taxes), to which Mr. Griffith responded sympathetically:

Make occupied Crown lands in the City rateable in the same way as in the suburbs and country. Present occupied Crown lands in the City are rateable on the rental value, but not on the unimproved value.

Make rating on unimproved values compulsory, or allow a poll in all cases on the same lines as the Local Government Act provided in respect of "additional general," "special," and "local" rates. At present a loan rate for interest and sinking fund may be imposed on improved values without a poll being allowed, as has been done in the case of North Sydney.

Land occupied for railway purposes to be rateable.

No exemption or partial exemption in the case of land used for private school purposes.

Effective voting for city, municipal, and shire elections. Probably there is not one local council in the State that is truly representative of the electors, because of the evil effects of bunching, throwing votes away, etc., whereas proportional representation would enable every man to vote in a straightforward way, and the result would be representative in the fullest sense.

A public valuation of lands for all purposes—local, State and Federal, on the lines of the New Zealand Act.

A. G. HUIE.