

In the Transvaal the law provides that each municipality must impose at least 1d. more on site value than on value of improvements, and each has the option to exempt improvements to a greater extent or relieve them entirely from rates.

The Town Clerk of Vereeniging writes to us, under date 30th December: "As far as I am aware the policy of most municipal councils at present is to rate site values more heavily than the value of improvements, and it is seldom that the original rate of 1d. only is imposed."

Vereeniging and Standerton are smaller towns, having a population of 3,664 and 2,974 respectively. Krugersdorp has a white population of 13,665.

UNITED STATES

The Non-Partisan Movement

The first item in the programme of the Non-Partisan League (first formed in North Dakota and now in control there) is as follows:—

Exemption of Farm Improvements and Equipments from Taxation and Taxing Undeveloped Lands at Least as High as Developed Lands of the same class.

Mr. Wm. A. Black, Secretary of the Single Tax League, 111, East Euclid, Antonio, Texas, writes us giving an account of the growth of the Non-Partisan Movement in Texas. He says:—

Two years ago the N.P. League began organizing in Texas.

It was in the midst of the war when the organization was being attacked everywhere as disloyal and dangerous. Their organizers in this State were held up and subjected to persecution, so the League dropped its work for a time. They started again in July of this year, and reports that come to me show much progress. Their policy is to attempt no political activity until they are pretty sure of sufficient strength to accomplish something. I doubt if they take any part in the primaries of the coming year as an organization. Two years from now they should be able to swing the balance of power in Legislation. . . . The Non-Partisan League admits farmers only, and farmers that live on their lands. A movement has been started to organize a Labour Non-Partisan League. The officers of the State Federation, while not officially approving, will tacitly give consent. You know it has been long the policy of American Organized Labour not to take part in politics as a group. The time is near at hand when they will have to do this. . . . The big landowners of the State have recently organized and only this last week came out from under cover and showed their real colours. The more noise they make the better we like it, and with their chosen leadership I think they will make a good deal of noise. To sum up, the situation in Texas is fairly satisfactory, with the exception common everywhere—the S.T. League lacks funds. Merely putting over a Single Tax amendment might be a hollow victory. The people generally must want it and understand it sufficiently when adopted to make it a permanent policy. Only thus will be provided the means of enforcing it properly.

NATAL

Durban Proposal for the Rating of Land-Values

We have received from the Town Clerk of Durban copy of the report of a Joint Committee of the Durban City Council appointed to consider the question of Housing, Land and Rating. The Committee recommended the rating of land values only and the entire exemption of improvements. The report of its conclusions on rating reform is dated 30th July, 1919, and is so informing in the arguments it gives for and against the rating of land values that we propose to print it in full in an early issue.

Two proposals were before the Committee—one to exempt improvements from rating to the extent of only 50 per cent. of their value, and the other to exempt improvements entirely. The first was defeated by 6 votes to 5; the second was carried by 6 votes to 4.

Accordingly the Joint Committee recommended: "That the Town Council obtain such legislative powers as may be necessary to rate site values only, excluding improvements."

The valuation of Durban is as follows:—

Land	£5,371,000
Buildings	£7,328,000

The present rate (on land and buildings) is 3½d. in the £ of the capital value.

MR. ASQUITH AT PAISLEY

Declaration on Land Values Taxation

Mr. Asquith, standing as Liberal Candidate in the by-election at Paisley, devoted his first public meeting to the question of the national finances. The following is an extract from his speech:—

"Let me now turn to the other side of the account and speak of revenue. Reducing expenditure will not carry you over the difficulties. You must increase your revenue also. Let me say by way of preface that I am not one of those who believe that this country is in any sense of the term bankrupt. I don't believe that it is a poor country. I see around me on every side, and so do you, most remarkable signs that I suppose the oldest of us has hardly witnessed in his experience, of comfort, luxury, even superabundance. The country is not bankrupt. There is money to be got, there are additional resources to be obtained provided you know the right way to go about it, because there is a right way and a wrong way, a wise way as well as a foolish way. (Voice: "You go the wrong way.") Well, let us see if we can find the right way.

NO PROTECTIVE FINANCE

"In the first place I rule out all forms of protective finance. There is no scheme which the wit of man has devised in the introduction of tariff protection and impost duties which will in the long run do more harm than good to this country, or in the long run produce so much more harm to the country, which will absolutely countervail any additional revenue which would be obtained, and for a very good reason.

"It is our interest to have the freest of the openest possible markets in the world, because we derive, and must continue to derive, the bulk of our raw materials and our food from extraneous quarters; our interest also, because in quality alike as producers and consumers we are not cheapening commodities either for our own consumption, or for the material of industry by which we hope to grow richer and richer in the future. I rule that out discredited by experience, though I regret to say countenanced by the proposals of the present Government during last year.

"I don't believe we can raise additional revenue in this country by adding in any way to indirect taxation, and by that I mean the taxation upon commodities which enter into the consumption of the people. These are already taxed up to the point beyond which, it seems to me, further taxation would be non-productive. Well, then, where are we to go? I will take other proposals which seem to me some of them desirable, others well worthy of consideration

TAXATION OF LAND VALUES

"Take first of all the proposal for the taxation of land values—that is to say, for levying taxes and rates also upon the unimproved value of land. We made the first step in that direction in the Budget of 1909. I think, as I have always thought, that land should contribute—not in the sense of a penalty—should contribute on considerations of justice and equity, contribute with other forms of property and other forms of income to the general burden which ought to fall with an even load upon the shoulders of the whole community.

"My formula has always been this—that land should be assessed for public burdens at the same rate and upon the same valuation as for the land which has to be from time to time acquired by a community which purchases for public purposes. That is, I believe, sound Liberal doctrine, and we had, curiously enough, a rather crucial example of the application of that principle in the legislation of the present year, the Land Acquisition

Bill. The Liberal Party in the House of Commons proposed to apply that simple, equitable Liberal principle to the valuation of land in that Bill. I am sorry to say they did not receive very much support from the Labour Party. (A cry of "Nationalization.") What has nationalization got to do with it? That is a red herring.

A PRACTICAL QUESTION

"The question is a very practical one—ought the community, when it requires land for a public purpose—for drainage, for schools, or whatever it may be—and can only obtain it by taking it from a private person, ought it to pay for that land on the valuation which that land has contributed by its rates and taxes, or upon some higher form or arrangement? There is only one answer consistent with justice, certainly only one consistent with Liberal principles, and I think those who are in favour of asserting the sovereign rights of the community will deal with the land as with other matters, and will be more profitably employed in pushing forward a real step on the road of finance than issuing nebulous policies which may mean or may not mean this thing or that.

"Largely in consequence of the war there is a great deal of additional wealth which did not come within the scope of the Excess Profits Duty, which represents a permanent addition to the resources of those who were fortunate enough to obtain it. I conceive it to be clearly just and right that if this wealth, which is the result of the war, should be subject to taxation on a fair scale that accumulative wealth would, I am certain, bring in a very large sum.

A CAPITAL LEVY

"I come to another proposal, a proposal for what is called a capital levy—a very unfortunate, and in some respects inappropriate and misleading term, capital levy.

"I told you a few months ago that in my judgment, and in the judgment, I believe, of all Liberals, taxation must not be confiscation. But there is nothing in principle to differentiate a tax imposed upon accumulated wealth from a tax imposed upon wealth as it comes in what we commonly call income. To put it in more concrete terms, you may have an income tax raised to such a figure in the pound that is really not only far more sweeping, but far more injurious and unjust in its consequences than almost any conceivable levy upon capital.

"It is not a question of principle, it is a pure question of expediency and method. Inquiry into this matter is urgent, and ought to be immediate.

"There are three questions which, before it is adopted, ought to be capable of being answered in the affirmative. The first is: Can it be made equitable in its incidence as between different forms of wealth? The second is: Can it be arranged so as not to discourage saving? The third is: Can it be brought into working order by practicable machinery?

PRINCIPLES OF TAXATION

"According as we solved the problem of taxation on rational and Liberal lines, or upon reactionary or confiscatory lines, we should help or hamper the industry and commerce of the nation. The right principle in regard to taxation, particularly indirect taxation, was that the whole of the fruits of the tax, the whole produce of the tax, and the whole profits derived from any form of State subsidy, should go into the Exchequer or to the benefit of the consumer—no part of them to be intercepted by private interests. A tax which violated this would in the long run be non-productive and injurious.

Our finance was really part of the great international

question. You could not treat the finances of one nation as though they stood upon their own feet.

"The great thing to be done at this moment was to restore the business of the world—without restriction, without exception, that all countries might come in, our late enemies, our late Allies, the neutral Powers, and ourselves. It was a matter which could never be satisfactorily or permanently dealt with by erecting or maintaining unpenetrable stone walls."

[This declaration on the part of Mr. Asquith is dealt with elsewhere.—Editor LAND VALUES.]

Addressing a meeting of women voters in Paisley on January 31st, Mr. Asquith said:—

Taxation ought to be on the people's wealth in proportion to their ability to pay. We could get something by a due and equitable tax on land values. We could get something, and he hoped a great deal, by tapping the great reservoir of hitherto untaxed wealth that had been accumulated largely through the special opportunities of the war.

Statement in Election Address

"The Liberal Party has long accepted the view that the value of land created by the community should make a special contribution to its revenue. The Budget of 1909 was intended to give effect to that principle, and provided for the complete valuation of land. It would be a serious misfortune if that valuation thus initiated were scrapped. The valuation upon which land is rated and taxed should be the same as that which fixes the price when it is acquired for public purposes by public authorities, a principle for which the Independent Liberals in the House of Commons sought in vain to obtain recognition in the Land Acquisition Act of the present year.

"The worst method of raising revenue is a return in any form to protective import duties. We need more than ever an unrestricted influx of food and raw materials for the maintenance and development of our industry and for the material well-being of the masses of our people. The Anti-Dumping Bill is a violation of the fundamental principles of Free Trade. It would enable favoured interests to reap profits at the expense of the consumer, and it delegates the power of taxation to a small and irresponsible bureaucratic authority."

Reply to the United Irish League

The Justin McCarthy Branch of the United Irish League approached each of the candidates with a number of questions, among which were the following:—

6. Will you press for the abolition of all taxes on tea and food products and on all incomes under £300, and the substitution in their place of a Budget Tax on all Land Values?

7. Will you agitate for the abolition of the present Local Rating System, and the substitution of Local Rates on Land Values, so as to make it unprofitable for valuable land to be kept idle or only partially used?

Mr. Asquith replied:—

In view of the high cost of living, he is in favour of immediately raising the exemption limit for income-tax.

He is in favour of reform of the present system of local rating. While he does not think that land values could be made the basis of their local rates, he was of opinion that a portion of the rates should be raised on that basis.

It was not reported whether any reply was given to the question about the imposition of a Budget Tax on all land values.

The replies of the Labour candidate, Mr. J. M. Biggar, to these questions are dealt with elsewhere.