

the Henry George News

PUBLISHED BY HENRY GEORGE SCHOOL OF SOCIAL SCIENCE • SEPTEMBER 1967

For the Principle's Sake

by ARTHUR W. ROEBUCK, Q.C.

IT IS now more than seventy years since I first read *Progress and Poverty* by Henry George and "saw the cat," to use an oldtime expression. And so it makes me happy as the senior member of our senior Legislative Assembly, to extend to all our distinguished visitors the freedom of all Canada.

But let me warn you that my welcome is not entirely disinterested. We have in this country great problems of progress and poverty. We are in boom times, and yet there are many "pockets of poverty," natural resources are held by private owners for more than they are presently worth and are therefore unused or insufficiently used, and unemployment and poverty result. We have the cry of the dispossessed on one hand and the curse of unearned wealth on the other. I know that you have similar conditions in your country and I am also aware that you and you only have the answers, and we in this country sorely need your help.

I speak as a Parliamentarian when I tell you that the most vexed question which puzzles the Parliament of Canada is the problem of taxation. The exactions which we have imposed on the taxpayers have grown to fantastic sums, and the astronomical figures are steadily growing. Our taxation carries off the profits of industry and thus in-

The tributes from this esteemed barrister at the conference banquet in Montreal are intended for all Georgists who are devoted to these principles. The Honorable Senator Roebuck, who through a long life has supported Henry George's cause with integrity and purpose, is greatly respected and universally admired.

hibits the growth of industry which might otherwise absorb the unemployed. Our protective tariffs injure our foreign trade and our excise taxes increase the cost of living. Taxation generally has so increased the cost of production, when added to the exactions of skyrocketing land values and ever increasing rent, that we are faced with the question of how long the burden can be carried without creating a major depression.

And yet the demand for more governmental services continues necessitating further increases in taxation, which raises the further question as to how soon we will reach the point of diminishing returns. The problem is recognized in our governing circles and so the Parliament of Canada somewhat recently appointed a commission to study and report on the whole subject of taxation.

Our Commissioners spent four years studying the multitudinous ramifications of our complicated system of taxation. They spent \$3 million of public

money trying to find out what to say and they have recently produced a report which is seven inches thick by actual measurement. It is so voluminous that few have time or patience to read it.

The length of the report is to be expected in view of the fact that the commission commences its inquiry with the declaration that the fundamental principle of taxation is "ability to pay." That is one which no successful highwayman could ignore. Whoever heard of a footpad or a burglar operating in the absence of loot? That is the principle of modern taxation generally. It is no principle at all — but the absence of all principle.

Apparently it did not occur to the Commissioners in their four years of hard thinking, that the taxpayer should pay to the government in proportion to the governmental benefits received by him. That is the rule in all honest business. No store would set its prices on the basis of the customer's bank account. In most shops you pay for what you get.

Now had the Parliament of Canada really desired to learn about taxation and had it sought advice from any one of the tax experts who sit about this table this evening, how clear and prompt would have been your answer. You would not have needed four years of study at a cost of \$3 million of public money to find out what to say and your report would not have been so long as to be unreadable.

You would have told the Parliament

that the only honest principle of taxation is payment in proportion to the benefits received, and you would have pointed out that the value of governmental benefits received is correctly gauged by the value of the land occupied.

You undoubtedly would have told us to abolish taxes which injure business, promote the monopoly of natural resources and create depressions, unemployment, poverty, slums and misery. You would have told us to levy our taxes upon land values, thus forcing land and other natural resources (land covers them all in our phraseology) into use, promoting industry and curing unemployment, poverty and the housing shortage.

That is why I said we in Canada need your help, you teachers of economic wisdom and common sense. If we could only transfer the knowledge we have now, what a change we could make in the welfare of our people. Sometimes we expect too much. We're trying to change the rules that have been in effect since time immemorial, but we are making some progress. How pleased Henry George would have been if he could have known that the thought expounded here was principle for the principle's sake.

Senator Roebuck was introduced on July 29th by Joseph S. Thompson of San Francisco, president of the HGS, who also continues to serve loyally at a noble age in the school which functions on several continents to expound the principle for the principle's sake.

No. 30, No. 8

September, 1967

The Henry George News, published monthly by the Henry George School of Social Science, 50 E. 69th Street, New York, N. Y. 10021, supports the following principle:

The community, by its presence and activity, gives rental value to land, therefore the rent of land belongs to the community and not to the landowners. Labor and capital, by their combined efforts, produce the goods of the community—known as wealth. This wealth belongs to the producers. Justice requires that the government, representing the community, collect the rent of land for the community purposes and abolish the taxation of wealth.

Publication committee: William S. O'Connor, Arnold A. Weinstein and Lancaster M. Greene, chairman. Editor: Alice Elizabeth Davis. Subscriptions \$1 a year; single copies 10c. Second class postage paid at New York, N. Y.

The Henry George News does not assume responsibility for opinions expressed in signed articles.