

JOHANNESBURG (South Africa): This important city, after a resolute campaign for local option in taxation, has taken a big step toward a concentration of all its municipal taxes upon land values. It now levies 4d. in the pound on land values and 1½d. in the pound on improvements (or 16.6 and 6.25 mills on the dollar, respectively). Senator J. J. Ware, of South Africa, announced at a meeting recently in Sydney, N. S. W., that within two years the City Council of Johannesburg would have the power to place all the local rates upon land values, and he had no doubt they would do so.

BUENOS AIRES, Argentine: Striking evidence that the Single Tax, when properly explained, meets the views of responsible business men, is furnished by the Argentine Single Tax League. In a recent number of *El Impuesto Unico*, their monthly organ, the League announces the official affiliation of no less than 14 industrial, commercial and professional Associations in the city of Buenos Aires alone, namely:

Syndical Chamber of Commerce, Grocers' Union, National Centre of Engineers, Argentine Industrial Union, National Committee of Commerce, Retailers' League, Local Defense Association, Grocers' Union of Belgrano and Villa Urquiza, Society of Architects and Builders, Association of Hotel and Restaurant Proprietors, Bakery Proprietors' Union, Truck and Van Proprietors' Union, League of Grocers and Annex Trades, National Society of Pharmacy, and the Committee of Commerce of the Province of Buenos Aires.

A translation of the official note of adhesion of the Syndical Chamber of Commerce reads as follows:

Buenos Aires, Sept. 7, 1917.

To the President of the
Argentine Single Tax League
Buenos Aires

Dear Sir:

We have pleasure in communicating to you the following resolution: The Commission intrusted with the representation of this Chamber before your League having reported to this Directorate its impression with regard to the subject discussed in their presence concerning the ideals which that institution pursues, viz, the Single Tax on land free from improvements; and considering that our adhesion was conditional until we had the report of said Commission; and whereas,

The establishment of such a tax system would tend to put an end to the existing system, which in all cases of revenue emergencies unfailingly has resort exclusively to the method of ever-loading commerce with new rates and taxes (an unjust and irrational system, since it vexes and injures one of the most productive springs of present society).

Therefore, the Directorate of the Syndical Chamber of Commerce, in its last session of the 2nd inst, resolved unanimously to send you their definite adhesion to the Argentine Single Tax League, of which you are the honored President.

Yours very truly,
Pablo Della Valle, (President)

Advance Australia!

HENRY GEORGE AND "PROGRESS AND POVERTY" QUOTED IN PARLIAMENT

SPEAKING in reply to the Governor-General's address before the Australian Parliament, Senator Grant made some statements regarding the position of the Single Tax movement in Australia, which are worth putting on record. The following short excerpt contains the main points of an authoritative and convincing pronouncement. Both Single Taxers and university professors who still discuss fiscal and economic problems from the remote standpoint of a generation ago, should wake up and study the times in which they live. The world is moving, and moving fast, toward reform, not caring much how it is labelled.:

"The people of New South Wales," said Senator Grant, "have decided that Henry George's scheme for local taxation purposes should be adopted, without any progressive, graduated, or absentee ideas attaching to it. No matter what the value of the land is, the rate is struck accordingly, and that method is strictly and definitely in line with the principles enunciated by Henry George in "Progress and Poverty."

"Legislation was passed to enable the City of Sydney to strike its rates upon the basis of land values, but unfortunately, for many years nothing was done, until a majority of Labor members were returned about two years ago to the City Council. They availed themselves of the first opportunity to review the system of taxation in force, and the old method was entirely abandoned.

"The result is that today those who invested their money in the Hotel Metropole, the Hotel Australia, the eight story building of the Labor Papers, Limited—the new *Worker* offices—in short, all who employed their capital in the erection of buildings are not called upon, because of that, to pay any more taxation. Absentee landlords who are the owners of slum areas in valuable portions of the city have to pay just as much taxation per pound as those who have given employment in the erection of fine buildings and have so helped to beautify Sydney.

"It has taken us more than twenty-five years to bring that system into operation, and now that it is in force, scarcely a word of complaint is made against it. I carefully watched the newspapers at the time of its adoption, and I do not think that more than two short, squeaky letters were published in opposition to it.

"Today the system is firmly established, and there is no likelihood of any man being returned to the Sydney City Council who would revert to the old system of taxing property.

"When that measure (The Federal Land Tax) was passed, we were told that a progressive land tax would ruin the people. It has had no such result. The people of Australia are as wealthy and as prosperous as ever they were, but the landowners have thus been called upon to pay something towards the government of the country.

"From a recent summary of the Commonwealth finances, I find that the owners of the Commonwealth—I use the word *owners* advisedly—in 1915-16 were only called upon to pay the paltry sum of £2,040,446 under the Federal Land Tax. They got off very lightly."

The Federal Land Tax of Australia which now yields, according to this statement of Senator Grant, in reply to the Governor-General's address before Parliament, the

sum of £2,040,446 per annum, is about \$2.00 per capita. With a similar ratio per capita, a Federal Land Tax in the United States should exceed \$200,000,000.

Shall we have long to wait till this country has a Federal Land Tax? Such a tax, as is well known, would not affect injuriously any productive activities, but would positively stimulate new and greater activities tending to the better use of land now inadequately developed or simply held for speculation.

It is true we have no land valuation covering the occupied area of the United States—an unpardonable omission in our fiscal administration. But, by applying the Australian system of sworn declaration by the owner under penalty of fine or expropriation, the whole valuation could be completed within three or four months.

However, while adopting for the purposes of speed the Australian system of arriving at a valuation adequate for fiscal purposes, we should not adopt the graduated or progressive assessment, with exemptions on holdings up to £5,000, favored by the Australian government. That form of assessment has been abandoned by New South Wales for the straight uniform tax on land values, whatever the size or value of the individual holding. Beyond a doubt, The Australian Federal Government will soon adopt the New South Wales model, which is indeed the model prevailing in this country, as being fairer and easier to apply.

The Federal Land Tax of Australia

BY THE RT. HON. W. M. HUGHES, PREMIER OF AUSTRALIA
(Reproduced from a series of articles contributed by him under the caption, "The Case for Labor," in the *Sydney Daily Telegraph*).

THE recent decision of the High Court in *Osborne v. Commonwealth* has completely settled all doubts as to the validity of the Federal Land Tax. The judgment was unanimous, and its terms such as to effectively discourage further attempts to upset the Act. It may be that some adventurous spirit will launch his barque upon the Constitutional ocean once more; but his voyage will be at best a mere island cruise. The Act is to stand. So much is certain. Even if one or more clauses should be held invalid they must by the terms of this judgment be severable. The principle of imposing taxation upon unimproved land values with exemptions up to £5,000 and a graduated rate of tax rising from 1d. in the pound when the unimproved value is £5,001 to 6d. in the pound when it is over £75,000, has been unanimously held by the High Court to be within the ambit of the Commonwealth power. This is a matter upon which we may well congratulate ourselves.

OBJECTS OF FEDERAL LAND TAX

The object of the Act was twofold—to raise revenue and to induce large landowners to cut up their estates.

The plaintiff sought to show, *inter alia*, that the Act was only colorably a taxing measure and that its object was really to break up great estates. But this argument, as was inevitable, received short shrift from the court. The principle upon which the interpretation of statutes rests is perfectly clear and of the widest possible publication. The court in interpreting a statute is not concerned with the motives of the legislature in passing it, save as these may be set forth or plainly deduced from the Act itself.

Looked at from any standpoint every citizen of the Commonwealth is entitled to be devoutly glad that our feet now seem set upon the right road. The prosperity and further development of the country depend almost entirely upon the increased area of land under cultivation, and the growth in the number of settlers engaged in cultivating it. And the national safety of Australia hangs upon the complete and speedy absorption of large numbers of suitable immigrants, who will cultivate our lands, rather than throng our already overcrowded cities, and upon the training of these, and of every adult male citizen in that primary duty of citizenship, the defence of his country. That is to say, our national safety and progress rest upon access to and cultivation of the land; and by no other means can we either maintain our national existence or develop this great country.

THE DECLINE AND FALL OF ROME

The better to appreciate this great and vitally important truth, we may with advantage review a recent article in the *London Spectator*, in which those causes that led to the downfall of the Roman Empire, which the writer declares exist in the British Empire today, are dealt with. Let us briefly consider how far its conclusions are justified, and if so in what way, if any, we here in Australia, in common with the other portions of the mighty British Empire, may avoid the fate that overtook Rome. Summarized, the *Spectator* attributes the downfall of Rome to:

- (1) A declining birth rate and the dissolution of the marriage tie.
- (2) Overwhelming taxation, especially on land.
- (3) The introduction of a caste system through government action.
- (4) The attempt of the State to act as universal providence.
- (5) The endowment of idleness.
- (6) The neglect of national defence by the refusal to train the population to arms, and by reliance solely on a professional army.

First, slavery was general. Practically, nearly all the manual work in the rural districts at all events was done by slaves. By the first century, B.C., says the *Spectator*, much of Italy was occupied only by vast grazing farms tended by half-wild, half-starved, wholly dangerous slave herdsmen! It had not always been so; in the days when Rome was in her prime, Italy was parcelled out into small holdings, owned, held and cultivated by that sturdy yeomanry who, trained to arms as well as to industrial labor, fought her battles, produced her wealth, and spread her glory throughout the known world. But gradually these men, for various causes, were driven from their farms and drifted into the cities. As there was no room for free labor,