

## Canada

OTTAWA has been granted power by the Ontario legislature for the submission of an ordinance exempting buildings and personal property from taxation. The measure provides for a progressive exemption of 25 per cent. the first year, 50 per cent. the second year, 75 per cent. the third year, and total exemption the fourth year. It is believed that the people will approve the bill on submission.

The passage of the bill was a complete surprise. Public and legislative opinion have been educated up to the measure by the *Ottawa Citizen*, edited by the Southam brothers, who are Single Taxers, and public spirited citizens.

The story from Toronto is not so gratifying. The reactionary City Council rejected by a vote of seventeen to nine a proposal to differentiate in taxation between land and improvements. The *Globe* commenting upon this, says: "The people of Toronto have twice voted for this reform, but the holders of vacant land have had more influence at headquarters. At the next municipal election it should be made an issue again, and the candidates should be placed on record. If the City Council will not make even so small an advance toward checking the land speculator there is little hope of tax measures which will aid in solving the housing problem."

## New South Wales

THE Franklin K. Lanes of New South Wales seem to have been busy there also. The *Standard*, Single Tax organ of Sydney, has this to say:

"Last month we gave an example of Crown land thrown open for soldier settlement. Here is another, 39 miles from Tenterfield. There are three homestead farms, 2,241, 2,286, and 2,602 acres:

"Steep, broken country, mountainous, with steep gullies; stony soil, trappean and broken slate formation; timbered with gum, oak, ironbark, and stringybark, scattered suckers, and seedlings, mostly ringbarked; sound grazing, suitable for cattle."

"The annual rents demanded are £56, £57, and £65; the survey fees £18, £17, and £19; and compensation for improvements £162, £241, and £292. As the number of cattle which such land would support was not stated, it might be left to the imagination. The recruiting speakers when they wanted men did not mention that on their return from the war they could take up land of that character away in the mountains, 39 miles from a railway station."

## Mayor of Buenos Aires Recommends Single Tax

DR. LLAMBIAS, Mayor of Buenos Aires, recently issued a document which we would like to see in the hands of every mayor of an American city. At the close of the financial year, Dr. Llambias found himself obliged to present to the City Council a budget for the coming year, 1919, and to formulate one on the old lines which penalize industry as distinguished from unproductive occupation

of land. The National Government had failed to accede to the mayor's demand (already reported in the REVIEW) for a new city charter authorizing the shifting of all municipal tax burdens to land values. In his present message, the mayor insists in his demands and asks for the support of the City Council. The document which is reproduced entire in the *Revista del Impuesto Unico*, official organ of the Argentine Single Tax League, is a long one; so we shall extract from it only the paragraphs dealing directly with the proposed changes in the City's tax system.

"The year is almost ended, and I must present to your Hon. Council the estimates of expenditure and the proposed revenue taxes for 1919. For some time I had been hoping to see our municipal tax system fundamentally changed, with a reduction in the amount of the taxes and a Single Tax upon land values apart from improvements, in place of the great number of taxes that fall upon business and labor.

"In effect, gentlemen, the number of taxes in force is 202; and many of them fall upon the same taxpayer. Let me cite one example: a business house, a store, pays the street-cleaning tax, the tax for inspection of weights and measures, that for signs and nameplates, that for analyses, that for inspection of motors, if such exist, besides all the municipal taxes that the proprietor has to pay—licenses for repairs, official charges for line and level measurements, etc., etc.

"The reform I have proposed in the city's charter was as follows: (Here follows a detail of the proposed charter, which our readers will find in the September–October issue of the REVIEW, 1918 and which would have raised most of the revenue from a tax on land values.)

"Inspired by identical motives, Drs. Francisco Beiro and Carlos Rodriguez, members of the National Congress, presented a measure according to which 50% of the increased value produced in real estate by any public work shall be paid into the municipal treasury in five annual payments. I do not hesitate to say that, while the principle of the measure is laudable so far as it returns to the State a portion of the increased value which it (the State) adds to a property, yet the measure presents difficulties as to its execution. Besides, it overlooks one factor in the plus-value, namely, the natural expansion of modern cities, often in spite of the lack of improvements made by the State. The proposal submitted to me, however, is permanent and rests upon the value of the land apart from all improvements.

"I need not enter into further details, since your Hon. Council, in the absence of a law authorizing said reform—a reform which, in our judgment, is quite necessary, nay more, demanded by the universal tendency in tax legislation—cannot enter upon a discussion of the subject. But may I be permitted, besides insisting upon the advantages of this reform, to draw your attention to the convenience and simplicity of collection and consequently an eventual reduction in the costs of government.

"While the cost of government at present exceeds 40,000,000 pesos (the Argentine peso is equivalent to 44 cents gold), we retain, under our proposed reform, 16,000,000

pesos of present revenue corresponding to certain charges (street car and telephone franchises, the use of the streets, certain sumptuary taxes, etc.), so that a balance of 24,000,000 pesos would remain, which would fall upon real estate, apart from improvements. As the value of land held in private hands is estimated at 4 billion pesos, an additional tax of 6 mills on the peso would give 24,000,000 pesos, that is to say, sufficient to make up the cost of municipal administration.

"I trust that, if the Hon. Council agrees with the Executive Department in the opinions above expressed, it will grant authorization to negotiate with the National Congress the reform of our city charter, with a view to obtaining the important advantages to be derived therefrom for the taxpayers, not only on account of the fairness of the Tax, but because it would restore to productive activity many and extensive portions of the City's area today held out of use in speculative anticipation of a natural rise in value."

(We may add that in the Budget for 1919, Dr. Llambias introduces a radical reduction in the list of licenses, permits, etc., which bristle in the Tax bills of the previous year. He substitutes one assessment of  $3\frac{1}{2}\%$  on the Rating of a business property for the various charges for Signs and Advertisements, the Inspection of Weights and Measures, the Analyses charges, and the Awning License. The above substitute Tax will be incorporated with the General Tax, with evident advantages in economy of collection as well as clearness to the taxpayer.)

An interesting pamphlet on Town Planning, by Mr. Angel Silva, Jr., of Buenos Aires, has reached us. It is a reproduction of a paper presented by Mr. Silva to the National Congress of Engineering, in Sept. 1916, at which Congress Mr. Silva was Secretary of the Section of Architecture. In his paper Mr. Silva made a strong plea for the taxation of land values as the necessary base for the planning and construction of harmoniously designed cities. While a good deal of the paper is occupied with references to foreign initiatives and experience, there is also plenty of local color. The work gains in importance by the fact that the Congress indorsed its conclusion by formal resolution. It may be added that Mr. Silva was for several years President of the Argentine Single Tax League. He also served as Director of the National Graphic Register of Property and of the Realty Survey of the City of Buenos Aires.

## Pan-American Commercial Reciprocity

THIS is the title of a work by Dr. Jose Custodio Alves de Lima, Brazilian Consul-General, Inspector of Consulates in Central and North America and Asia. The little pamphlet has special interest for Single Taxers. Its author, a strong and influential advocate of closer commercial relations between Brazil and the United States, through progressive reciprocity agreements, is at the same time perfectly convinced that a prior or concurrent condition, (par-

ticularly in the case of his own country), should be a change in the tax laws toward a Single Tax on land values.

"In some circles," says Dr. Alves de Lima, on page 9, "if anybody suggests the transformation of our tributary system to a land tax, even on a gradual scale, as it has been practised, with marvelous results, in our most southernly State of Rio Grande do Sul, we hear the following questions asked: 'What will become of our public revenue? What will the administration live on?'"

"The gradual substitution of export duty by a land tax is such a feasible and easy task that it does not even deserve the honor of a discussion. All such revenue, be it levied by municipalities, state or federal governments, follows an invariable and fixed law, gradually growing in direct ratio with the increase of the utilized land under taxation, whether in the cities or in the country.

"In the present case, all that is necessary is to eliminate the export duty on goods going to the United States, maintaining, however, the import duty against those countries which do not favor our products as does the United States."

"I maintain also," he adds on page 14, "that we have not yet realized that the solution of our great problems is completely subordinated to the substitution of a land tax for our present tributary system; that, unless this is done, Mother Earth will bring forth no fruit; that, until such prosperity is reached, Brazil will never attain a permanent state of economic independence. That nations, like individuals, must have the means of material subsistence for the maintenance of their moral and political independence."

We venture to suggest that our national Congress, which apparently can conceive of no other method of revenue collection than the promiscuous pillage of all wealth in sight, might for its own instruction and advantage consider the quite opposite fiscal tendencies now making headway in Latin-America. It will be a serious anti-climax if, having incurred a colossal war debt to make the world safe for democracy, our own capital and enterprise should emigrate to those southern lands, attracted by a greater fiscal and economic freedom.

"THE SOCIAL QUESTION" (La Cuestion Social) by Dr. Andre Maspero Castro, Buenos Aires, is a little work of 110 pages, published in the current year. Dr. Maspero Castro is the author of three other works on economic questions, his first being his thesis for Doctorate, entitled "The Single Tax," which was awarded the Gold Medal by the Faculty of Law of the University of Buenos Aires, in 1915.

Like all that he has written, his present work is enriched by a copiously selected bibliography. It is the work of a militant rather than meditative writer. Dr. Maspero Castro is president of the Reform Party in the Argentine, in whose programme the Single Tax stands a main fiscal issue.

MAYOR HYLAN declares that the most important question in New York City today is: "How can we lower rents?" If Mayor Hylan really wants to find out let him take a course in Progress and Poverty.