

The Single Tax, June, 1901

THE PREMIERS OF SOUTH AUSTRALIA AND NEW ZEALAND ON THE TAXATION OF LAND VALUES.

IN accordance with a resolution of the Senate of the State of Colorado, U.S.A., Senator JAMES W. BUCKLIN was sent on a Special Mission to Australia and New Zealand to investigate into the systems of taxation in force in these advanced and progressive countries. His report is undoubtedly, as our bright contemporary, The Liberator, of Auckland, New Zealand, says, " the most important contribution to the literature of the land question that has appeared for a long time."

The following extract from Senator BUCKLIN's report indicates his matured views on the taxation of land values. He says :—

" One of the most persistent objections to a system of land-value taxation has been the claim that such a system was a mere theory and not practical. The system of land-value taxation now existing in the colonies of Australasia for ever silences all such contentions. The practical working success of that system can no longer be questioned. All that I claim for this report is strict accuracy in detailing facts, and that the conclusions drawn therefrom are conservative. My hope is that the American States, and first of all my own State of Colorado, may likewise find relief from intolerable fiscal and economic conditions, by adopting the rational system of taxation which has been so successful in the progressive colonies of Australasia."

In order to test the effect of the Australian Land Value Tax, Mr. BUCKLIN put formal questions to the Premiers of South Australia and New Zealand, and received replies as follows :—

Mr. F. W. HOLDER, Premier of South Australia, wrote: —

" Dear Mr. Bucklin,—I have yours, dated Wellington, N.Z., February 9th, 1900. You ask—First: 'Has the Land Value Tax been a success in South Australia ?' I answer, unhesitatingly—Yes. "

Second—' Has South Australia prospered under it, and, if so, has it been a factor in such prosperity, or otherwise?' South Australia has had to contend for several years past against very low prices for all our staples, coupled with very bad seasons in long succession. The revenue from the Land Value Tax has helped to meet our needs, and complaint against it is almost unheard. It has in no way tended to work against prosperity.

"Third—'What are the prospects for its repeal?' There is no prospect of its repeal, and no general desire that it should be repealed. The trend has all been the other way " There is no political party whose platform includes any repeal of the tax. 'There are one or two who advocate either an all round increase of the rate, or else another step to touch the large holdings."

Mr. R. J. SEDDON, Premier of New Zealand, wrote:—

" Dear Sir,—I have the honour to acknowledge the receipt of your letter of 9th instant, and am pleased to make your acquaintance. It was a pleasure to me to have been able to assist you in your research, and, as far as possible, to have given you such data as will enable you to form a perfect and positive opinion upon the subject matters which you have, during your visit here, investigated.

" In reply to your first question: 'Has the land tax, as imposed in New Zealand, been a fiscal success ?' The answer is in the affirmative, and this is further demonstrated by the fact that during the last general election, which took place in this colony in December last, those who in former years opposed this policy have gone the length of saying that they would not disturb it, and there was not a single candidate, so far as I know, who advocated its repeal.

"As to question No. 2: 'Has New Zealand prospered under this policy, and has it been a factor in such prosperity?' The tax has been imposed upon the lands of those people who are best able to bear it, and whilst encouraging thrift, it has been just in its incidence, and there can be no doubt that it has been a factor in bringing about our existing prosperity.

" The third question refers to rating on unimproved values. The rating on unimproved values for local purposes has proved a success, and the opinion of the Government, which is generally shared throughout the colony, is that it should be made compulsory; at the present time it is optional. "The replies to the second and third queries practically dispose of the fourth, as to the prospect of the laws in question being continued or repealed. Popular opinion is very strong in their favour—so strong that repeal is out of the question."

Such replies from men of such responsible and honourable positions are well calculated to dissipate prejudice against our question, and to lift it into the field of practical politics in every English speaking country.

These two letters are worth tons of abstract argument for or against the taxation of land values. They are powerfully supported too, by the fact that 60 Local Rating Authorities in New Zealand have already, by special public vote, adopted the Local Rating Act, which enables them to raise local revenue by a direct tax on land values, irrespective of improvements, and by the recent passing of a similar Act in South Australia.

Our Colonial fellow-citizens seem to us to have reason to be proud of their public men, and our coworkers there are to be heartily congratulated. Much of the success is undoubtedly due to their unceasing and untiring efforts. They have their reward, and in their own day. In these two pronouncements of the Premiers of South Australia and New Zealand they present to the Single Tax movement, and to the

world, convincing proof of the soundness and utility of our immediate aim and object—the taxation of land values.