

## San Francisco to Entertain Henry George Congress

**B**ELIEVING that the time is ripe for holding a national Single Tax conference on the Pacific coast, the official board of the Henry George Foundation has voted in favor of San Francisco as the meeting place for the Henry George Congress of 1930. The Civic Chamber of Economics, which is the San Francisco Single Tax organization, recently extended a very cordial invitation to the Foundation to meet in San Francisco and has given assurance of active and hearty cooperation. It was left to the executive committee to consider invitations received from Baltimore and San Francisco and, after careful consideration of the advantages offered by both cities, it was thought wise to give the western half of the United States an opportunity to participate more fully in this year's gathering. Baltimore graciously offered to step aside as a contender for this year's convention but it is likely that the Foundation will avail itself of the first good opportunity to meet in Baltimore.

President A. J. Milligan and Secretary S. Edward Williams, of the Civic Chamber of Economics in San Francisco, have both written very enthusiastically concerning the preparations that are already under way for making the San Francisco gathering a great success. It is likely that the conference will convene about the first of September, though the date has not yet been definitely determined. A time either late in August or early in September will, however, be chosen.

It is hoped that there will be a large representation from the eastern half of the country as many will doubtless plan to make the convention trip their summer vacation, the weather in San Francisco being cool and pleasant in the summer and early fall.

Announcement of further plans for the 1930 gathering will be made in the next issue of *LAND AND FREEDOM*.

**T**HE unfortunate man whose mind is continually bent to the problem of his next meal or his next night's shelter is a materialist perforce. He can't get his mind off the grindstone of immediate material needs. Emancipate this man by economic security and the appurtenances of social decency and comfort, and instead of making him more of a materialist you liberate him from the menace of materialism.

—HENRY FORD in *The Daily Princetonian*.

**S**OME day poverty will be abolished from the earth. But that day won't come until we stop being indifferent to it for 50 weeks out of every year. It will come when we worry about it all year long as much as we do now in the last two weeks of December.

—Erie, (Pa.) *Dispatch Herald*.

## Pittsburgh Growing as Land Taxes Increase

**W**HILE there has been no new tax legislation affecting Pittsburgh, the advent of the year 1930 has witnessed another increase in the tax burden falling upon land-values in that city, as all three local taxing bodies have increased their rates for the new fiscal year and these increases affect "real estate" only, which bears the entire burden of City and School taxes and comes pretty close to bearing the whole burden of County taxes. It is true, of course, since "real estate" embraces both land and buildings, that building taxes in Pittsburgh are also increasing at the same time, though not in the same proportion.

Land in Pittsburgh now bears a tax burden of more than  $4\frac{1}{2}\%$  of assessed valuations, though it would be almost impossible to determine just what percentage of the total land rent of the community this figure represents. It is not difficult, however, to discover from the available figures, that more than 26 million dollars of taxes is being raised in 1930 from land-values in Pittsburgh. We are speaking now of the combined taxes levied by City, County and School District, though it must be remembered that the Graded Tax System applies only to the City tax, which represents approximately half of the local revenues contributed by real estate owners in the form of taxes.

Both the City and County have increased their rates this year by one mill on the dollar, despite very vigorous protests from organized bodies of real estate owners, and the Board of Education has made a modest increase of one-quarter mill, making a total increase in land taxes in the one year of  $2\frac{1}{4}$  mills. These increases mean an added burden on buildings also, but the City tax on buildings was increased, under the Graded Tax Plan, only one-half mill as against one mill on land. The respective rates for the year 1930 are as follows:

Governmental Unit	Land Tax per \$ 1,000	Building Tax per \$ 1,000
City	\$26.00	\$13.00
School District	11.75	11.75
County	8.375	8.375
Total	\$46.125	\$33.175

It will be noted that the half rate on buildings applies only to the City tax, so that the total difference between land and building tax rates amounts to just \$13.00. In the year 1913, the last year under the old rate system, the City tax rate for both land and buildings was \$8.90 per \$1,000, so that we find that while the City tax on buildings has increased nearly 50% since 1913, the City tax on land has increased nearly 200%. County and School taxes, of course, show a uniform increase on land

and buildings, since the old flat rate system still prevails for those taxing bodies.

But the territorial scope of the graded tax system has also again been extended in 1930 by the voluntary annexation of the Borough of Overbrook, which now becomes the 32d ward of Pittsburgh. Less than three years ago, in a popular referendum, Overbrook had defeated the annexation proposal by a small margin, but in the recent referendum the annexationists won by a good majority, another indication of the growth of annexation sentiment. Meanwhile, Carrick, Knoxville and Hays Boroughs and parts of certain townships, had been annexed to the City by a vote of the people in the respective boroughs or other divisions. It is in these newly annexed territories, where the change was made at one stroke to the half-rate on improvements, and not by gradual process as in the old city, that the savings in taxes to home owners and others through the graded tax is most readily seen and appreciated.

It is also worthy of note that, for the first time in its modern history at least (and no separation of land and building values was made in the early days) the assessed building values of Pittsburgh in 1930 surpass the assessed land values, the excess of buildings over land being now about 11 million dollars. In the past year land assessments increased 2 million dollars and building assessments 25 million dollars, the latter representing entirely new construction, plus annexations, and the land increase being largely accounted for by annexed territory. The records show that between 1914 and 1930 assessed land-values rose 96 million dollars, or about 20%, while in the same period assessed building values increased 305 millions, or approximately 108%. The total taxable valuation of the City of Pittsburgh is now \$1,164,000,000 in round figures, of which about 587 millions represents building values and about 576 millions represents land values, buildings constituting about 50.5% of the total valuation and land 49.5%. In 1914, out of a total valuation of 762 million dollars, land constituted 63% and buildings only 37%. It is not claimed, however, that there is anything unique about the existing proportions of land and building values in Pittsburgh. Such figures as have been obtained from other cities where a separation of land and building totals is given also indicates a much more rapid growth in building values than land values. It can doubtless be shown, however, that land speculation has been in evidence in many other cities in this period to a much greater extent than in Pittsburgh.

While probably not more than 30% of the actual land rent of Pittsburgh is being collected at the present time in the form of taxes, many students are convinced that this levy has been sufficient to have a considerable influence upon land prices. The fact that the land of Pittsburgh still has a selling value in excess of 576 million dollars proves that there is still plenty of economic

rent going into private pockets. It would probably require, if levied at one stroke, at least an additional levy of 5% on present land-values to collect the entire rental value, which would give us a total tax of nearly 10% on present selling value. But there is no prospect of such a radical step being taken at one stroke, there is no telling how high a percentage would ultimately be required to accomplish the full purpose of the Single Taxers, if we continue to base the tax rate on selling value, which will not remain stable. That it would be possible, however, to collect the entire rent no one can doubt. But a change from selling value to rental value would ultimately have to be made.

Pittsburgh's Chief Assessor recently made a complete survey of another ward to throw further light on the situation. In this ward, the Fifth, largely of a very modest residential type, out of a total of 3,100 assessments, all but 300 cases showed a savings in taxes through the graded tax system. Speaking of the effect of the graded tax upon land prices, Assessor Thomas C. McMahon says:

"Industrial property had been held at a price far in excess of that a manufacturer would be justified in paying. Such property has since been placed on the market at much lower prices than were asked previous to the full operation of the graded tax. Numerous sites have been sold at \$1.50 to \$2.00 per square foot which were previously held at \$4.00 to \$5.00 per square foot. While it is true that there have been increases made by the assessors recently in the assessments on certain industrial land in Pittsburgh, these actually represented corrections in unduly low land assessments which had been made under previous administrations prior to the graded tax plan becoming effective."

It is calculated that for the year 1930, the Graded Tax law is responsible for the shifting of approximately \$3,800,000 in taxes from buildings to land out of a total City tax revenue of approximately \$22,600,000; in other words, land taxes are approximately one-third higher by reason of the Graded Tax and building taxes one-third lower, since if the flat rate system still prevailed, the division of the burden between land and buildings would be almost exactly half and half; whereas it is now borne about two-thirds by land and one-third by buildings. The references here is to *City* taxes only.

Spokesmen for the Pittsburgh Real Estate Board and other real estate interests declared in recent hearings before City Council and County Commissioners that the point had now been reached where it was no longer possible to pass the increased tax on to the tenant! One speaker said that real estate is no longer in position to pay more taxes, and if additional money is needed to operate the municipality, that money must come from other sources. It is not apparent, however, that the general body of citizens is particularly exercised about

the situation and the community in general seems very well satisfied with the Graded Tax System. No recent suggestion of its repeal has come from any responsible source but Mayor Charles H. Kline, taking his cue evidently from the Real Estate Board, has proposed that a tax commission be appointed to study the question of other sources of revenue for the City. However, such a commission was appointed some years ago during the administration of Mayor Armstrong and nothing came of their labor and deliberations, for personal property taxes are not popular with Pittsburghers.

PERCY R. WILLIAMS.

## Prize Essay Contest in Great Britain

FROM Mr. E. J. Brierley, Secretary of the Prize Essay Competition lately inaugurated by the Henry George Foundation of Great Britain, comes the news that prizes in the sum of 200 pounds will be offered to senior and junior students, beginning next July, 1930, as follows:

Group 1. Seniors: Students attending Universities, Extension Classes, Workers Educational Associations, Cooperative Guilds, Social Study Circles, Societies, Associations, or organizations interested in Social Problems, and also private persons.

Essay Subject for 1930: THE LAW OF RENT AND ITS RELATION TO THE DISTRIBUTION OF WEALTH: Essays not to exceed 4,000 words in length.

Group II. Juniors: Students in secondary schools, intermediate and higher elementary, Junior Technical, Private Schools, or other educational institutions not comprised in Group I.

Essay subject for 1930: ECONOMICAL AND MORAL TEACHING OF HENRY GEORGE: Essays not to exceed 2,000 words.

The competitions commence next summer, prospectuses being mailed by the Foundation in July, 1930. The essays, due March 24, 1931, will be judged by the Trustees of the Henry George Foundation of Great Britain, and the results communicated by circular to each competitor and announced in *The Times*, first week of June, 1931, and in the June, 1931, issue of *Land and Liberty*.

Mr. Brierley attended the Edinburgh Conference last August and was greatly interested in Mrs. deMille's account of essay contest work in the United States. At Mrs. deMille's instance Professor Brierley corresponded with the Robert Schalkenbach Foundation for particulars concerning the recent Annie C. George Prize Essay Contest. Professor Brierley expresses the hope, in a letter to the Robert Schalkenbach Foundation, that an international competition along similar lines might some day be held.—ANTOINETTE KAUFMANN.

## Alexander Hamilton Recalls Land Tax Campaign

THE *Victoria Daily Colonist* gives a quite lengthy report of an address delivered in that city before the Henry George Association of Victoria by Alexander Hamilton. His talk dwelt chiefly on the career of John Cunningham Brown.

Mr. Brown, said Mr. Hamilton, built up a distinguished career as a journalist, a postmaster and warden of the penitentiary at New Westminster, apart from municipal politics. As soon as the people of New Westminster saw his efficiency in the city council they elected him to the Legislature of the province. He was instrumental in altering taxation so that high-priced land should pay the highest taxes, and he further managed to secure a \$500 exemption on improvements upon each pre-emption, which exemption was afterwards increased by the Oliver Government to \$1,500.

"No matter what party is in power," Mr. Hamilton concluded, "the Single Tax is an economic necessity. His colleagues were amateurs, but Brown was armed and equipped with the irresistible logic of Henry George."

Back in 1889 three workingmen, W. W. Forrester, Thomas Turnbull and Alexander Hamilton, published the *Single Tax Advocate*, which continued publication for three years. John Cunningham Brown read the first issue and then read "Progress and Poverty." He went into politics and put the province of British Columbia on the Single Tax map. Two Single Taxers were elected to office in the elections that ensued, Thomas Forster and Robert McPherson, but Brown was the most influential of the group. The work they accomplished was in the teeth of a hostile majority, and it stands today in the law of the province with very slight backward steps.

Alexander Hamilton is still active in the work. He lives on Pender Island. Here amid a population of only a few hundred is an active Single Tax club which meets at the members' houses and in which Mr. Hamilton is a moving spirit.

## Progress in New Jersey

THE Federation of Taxpayers and Civic Associations of Bergen County is to consider the Henry George theory of Single Tax which would remove the tax from industry and place it on unproductive and unimproved land, was instanced Monday night when James J. Cunningham of Bergenfield, president of the association, gave notice that he will move such a resolution at the January meeting of the organization.

Declaring that the personal property tax was driving industry from the state and that some other system was necessary if it were to be retained, he called upon the representatives present to give consideration to the matter and report the attitude of their respective associations at the next meeting.

Urging them to go slowly, however, he pointed out that