

PROGRESS

An Australian Journal to Advocate the Rights of the People in the Land

POLICY: 1. APPROPRIATION OF LAND VALUES OR GROUND RENT AS PUBLIC REVENUE.
2. THE ABOLITION OF TAXES NOW IMPOSED UPON LABOR AND LABOR PRODUCTS.
3. PROPORTIONAL REPRESENTATION FOR ALL ELECTIONS.

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CURRENT COMMENTS

THE LABOR PARTY SPLIT

The internal conflicts within the Australian Labor Party have now gone so far that it seems inevitable that two distinct political Labor parties will emerge. The basic trouble has arisen through claims that the Victorian and N. S. Wales State executives have been dominated by a sectarian group. It is claimed that the Labor Groups within the trade unions have been similarly dominated.

Whether these claims be truly based or not it is now clear that there are two clear cut sections in the Labor Party and in the unions. The attempt to secure dominance of the one or the other will undoubtedly weaken the Labor Party. If one or the other succeeds in capturing the whole machine, it would be a bad thing for future legislation. It would mean that the party had become fossilised and that any departure from the line set by the dominant section would mean political extinction.

Dominance by any section is not in the interests of the rank and file members. It is only possible by the present system of single member political constituencies and the pre-selection of candidates.

Now that this schism has developed within the Labor ranks it should be pointed out that the adoption of Proportional Representation is the only means by which the present breach can be healed. Under P.R. as in Tasmania there are six members per electorate. The Labor Party submits at least four candidates from which the rank and file Labor supporters choose the ones that appeal to them. Under this system if there are sections within the party, each will get represented and in proportion to its following.

Under these conditions there is no pre-selection in the sense used in Victoria and N. S. Wales where a small coterie within the party select a single candidate for a seat, and the mass of rank and file supporters have no choice of candidate bearing their party's label. That system lends itself to gerrymandering and jobbery.

P.R., too, is the answer within the unions. It is undoubted that in many unions, communists have secured control which their numerical strength would not entitle them to do. It is also true that the Labor Groups have broken that control in many cases.

But the same result would follow under P.R. without the mere replacement of dominance by one section with that of another. Communists would possibly still secure some representation, but only in proportion to their real following — the Labor Groups would secure representation in proportion to their strength and others outside either of these would also secure representation and preserve the balance of power.

P.R. should now be acceptable also to the members of the Liberal and Country Parties. The former are split into two factions. They may be comforted at seeing the disruption within the Labor Party, but are not able to derive any clear advantage from it. Possibly at no previous time would the adoption of P.R. by all political parties in Victoria be so acceptable as now.

ANTI-LIBERAL TRADE RESTRICTION

Lawyer O'Sullivan, Menzies Minister for Trade Restriction and Tariff Taxes booms a half truth provided for him by sundry trained economists, that over the past five and a half years Australia has had an "adverse" balance of payments with Britain amounting to £600 million.

The suppressed half of the truth has been supplied by Mr. T. G. Carter in the "Leader," (22/12/54): "over the same period we have had the following 'favorable' balances with leading wool buying countries: Belgium, £90 million; France, £260 million; Italy, £100 million; Japan, 170 million; Total £620 million."

Mr. Carter continues: "I strongly deprecate the attitude which, apparently, is becoming widely accepted, that import restrictions are the panacea for many of the maladies which arise in our economy, particularly with regard to our vital overseas trade."

"The positive approach is to place greater emphasis on increasing our exports, and so maintain a strong flow of the imports which are so essential to all phases of our industry and commerce."

OPEN SHOP TO 8!

East Melbourne residents alone provided 1,387 signatures on a petition to Parliament to allow trading hours of "little shops" to be extended from 6 to 8 p.m.

Under our present despotism those many thousands of workers who must prepare an evening meal are suffering much hardship under "Labour" laws which greatly restrict the permissible hours for the purchase of essential foodstuffs.

There are thousands of married women who work to earn and then must provide the evening meal for a family. There are thousands of single women who work to earn and then return to a flat or apartment for the evening meal. There are thousands of men who bring home the eatables. There is a large section of the community which was unable to purchase its daily food within the present trading hours allowed by "Labour" Law. Added to them is another large body of citizens unable to buy food in the suburb of residence, hence must buy in the city and carry sausages, steak, beef, loaves of bread, butter or chops home by tram or train, maybe in a smoking compartment. This unhealthy practice results from the harsh provisions of the Labour and Industry Act of 1953.

With its despotic restriction removed the "little shops" could remain open till 8. Then the workers would buy fresh food after leaving the tram, bus or train at the home suburb. The self-employed man in his shop would benefit. There is the rub. Trade union bureaucrats detest such independence and use the powers of Parliament in their new despotism, no matter how the workers suffer.

Trade Union tyranny requires these workers to purchase perishables in the City. Of course city land holders benefit. But whole-salers must then deliver from vans parked in busy city streets across crowded pavements into narrow-front delicatessens. This makes for traffic congestion. Assistants to serve the food stuffs are then required to travel into and out of the city to work, and so add to the "peak-period" travel crush. They lose time and money in travel. Such "centralism" is the heart of Socialism, while decentralism is the hope of the citizens.

We want eight — We won't wait!

Workers of the suburbs unite! You have nothing to lose but your Socialist chains! With freedom to buy fresh food as the first of your gains!!

SOCIAL SCIENCE SUMMER SCHOOL

The 1955 Summer School held at Newport, N.S.W., from 28th to 31st January, was one of the best and most enjoyable on record. In spite of very wet and unpleasant weather at the beginning, the attendance was good and included many present for the first time.

Mr. E. B. Donohue, secretary of the School, presented the first Paper on "Privilege Or Progress?" It exposed the rackets created by legal privileges, and showed the amazing and far-reaching effects of some of them, and how great is the legal robbery made

possible by them. There was a keen discussion which brought out the salient principle that equity and social science both demand that all legal privileges be uncompromisingly abolished. It is hoped that the Paper will be published.

In the meantime copies can be obtained by writing to the School.

The second Paper, on Juvenile Delinquency was read by Mr. Henry R. Nowotny, a well-known Queensland economist and writer. It brought to light many startling facts about the extent and growth of child delinquency in all countries today. It is one of the most pressing modern social problems, as well as one of the most unpleasant, and Mr. Nowotny traced its connection with legislation, and also presented his suggestions for legislation designed to counteract it.

On Saturday evening, Mr. Maynard Davies gave us coloured pictures taken during his recent world tour — very informative, artistic and enjoyable.

G.A.T.T., trade balances, and allied subjects were explained by Mr. Brent H. Evans, who, as secretary of the Joint Committee for Tariff Revision, is doing a valuable work for freer trade in Australia. The Colombo Plan was explained by Mr. and Mrs. Don Young of the W.E.A., accompanied by Mr. Das Gupta from India and Mr. Peter Leow from Malaya, both students studying in Australia under the Colombo Plan. This last session was keenly appreciated by all, and enabled us to glean valuable information about many important matters associated with the Plan, make new friendships with our visitors, and even disclose details about the land tenure systems of India and Malaya.

The final session discussed Mr. W. Dowe's Paper on "The GREAT TRAP for Politicians and Economists." The theme of this was that all legislation, to avoid being anti-social and injurious, must not benefit one section of the community at the expense of another section, and must carefully take into account the secondary and ultimate effects of the legislation as well as the primary effects. Any legislation which offends against this principle is unsound, and is often disastrous. Most modern legislation does offend, and the temptation for politicians and economists to carry or advise legislation of this sort seems to be practically irresistible. But this temptation is the GREAT TRAP, and every time it is yielded to the law is perverted. The books drawn on to illustrate and explain were "Economics in One Lesson" by Hazlitt, and "The Law" by Bastiat. Readers may order copies of these books. Write to The Australian School of Social Science, Box 666, G.P.O., Sydney.

SOLDIER SETTLEMENT COMMISSION SAYS LAND TOO DEAR FOR SETTLEMENT

Melbourne, Wednesday.—Present high land values have made it difficult for the Soldier Settlement Commission to buy suitable land for settlement.

This was stated in the annual report of the commission tabled in the Legislative Assembly today.

The report said that recent good seasons with exceptionally high yields and prices had given land-

owners a profit margin which was probably unprecedented. For this reason, the commission found it almost impossible to get willing vendors.

Based on previous experience, it was reasonable to assume that the present inflated market price of land brought about by the favorable conditions was above its economic value over a long-term period of average prices and seasonal conditions.

"The commission feels that it should repeat its warning that settlers would be unwise to expect the favourable conditions over the past nine years to continue," the report said. "In fact, the present tendency towards falling prices and steadily increasing costs has already reduced the profit margin."—Geelong Advertiser, 9/12/54.

[The only remedy to get rid of the speculative levels in land prices is land value taxation, land now held undeveloped would then be released for genuine users.—Ed.]

SOUTH AUSTRALIAN VOTING SYSTEM

Sir,

A serious crisis over electoral matters has arisen in State Politics. The Labor Party is prepared to improve the Voting System — The L.C.L. is not. Since 1938 we have had Single Electorates — one Member districts. Country electorates are small, numerically ranging from about 4,000 to 12,000 and averaging 6,674 electors. Metropolitan electorates range from about 12,000 to 30,000, and average about 22,000 voters. Approximately 62 per cent. of the people live in the metropolitan area, and 38 per cent. in the country, yet the country people elect 26 representatives and the metropolitan only 13.

Strange things happen under this system. In the small (numerically) country electorates of Frome, Newcastle, Young, Rocky River, Burra, Eyre and Stanley, there are altogether 31,035 electors. They elect 7 members. There are 30,379 electors in the Port Adelaide district. They elect only 1 member. There is no justification for such a set-up.

Single Electorates lead to party pockets, party pockets to uncontested seats, and uncontested seats to national decay. In 1950, 14 seats were uncontested, and electors in all those districts had no vote. Some electors up to 36 years of age living in uncontested districts have never had a vote. Liberal voters living in Labor strongholds, and vice versa, are virtually disfranchised at every election. Their votes are useless, and always will be under this system.

Believed to have been designed for party advantage, the Single Electorate system has returned the L.C.L. for many years on a minority vote. At the last election, it received 47,523 fewer votes than the Labor Party. The L.C.L. apparently now seeks to perpetuate the system which has kept it in power for so long, and proposes to appoint a commission to re-arrange electoral boundaries, but there are still to be 26 country and only 13 metropolitan districts.

On the other hand, the Labor Party has declared in favour of the Proportional Representation system of voting, under which there are multiple electorates

returning three, but preferably five members. Invented in 1857 it is the only system, fair alike to all candidates, including Independents. Under P.R. each candidate gets the full benefit of every vote cast in his favour, and each party the exact number of seats to which it is entitled. It is a democratic precision instrument of inestimable value. It ensures majority rule with minority representation. No one is disfranchised. There are no party pockets, and no uncontested seats. Its adoption for Federal, State and Municipal elections is long overdue.

To preserve our democratic institutions equality in voting power is absolutely essential, and if an Electoral Commission is to be appointed, it should be empowered to examine and report upon:—

- (a) The inequality and injustice associated with the Single Electorate system of voting.
- (b) The desirability of having approximately the same number of electors in each electorate, and
- (c) The advantage to be derived by the adoption of the Hare System of Proportional Representation, with Single Transferable vote.

F. H. SHARLEY, Secretary,

P.R. Group of S.A.

A RESOUNDING VICTORY

BEST NEW ZEALAND WIN

On December 4th, 1954, a poll on the question of a change from rating on the capital improved value to unimproved capital value, was held in the newly-created East Coast Bays Borough. This resulted in a win for land value rating by 1033 votes to 188 against or over five to one. Thirty per cent. of the ratepayers voted. Since provision was made for local option polls on this issue nearly sixty years ago, this is thought to be the largest majority ever secured.

Many years ago an unsuccessful poll was held in the Waitemata County (of which the Bays Borough was a riding) and on two occasions petitions were presented. But the sponsors were later informed that after excisions had been made for various reasons, deaths, removals, loss of qualification, etc., there were insufficient signatures (i.e., 15 per cent of the ratepayers). The organisers desired the return of the requisitions in order to add further names, but this was refused, a device which advocates of unimproved value rating have often been subject to by unfriendly county clerks and other officials.

The late Hon. P. J. O'Regan, a lifelong worker for sensible rating, considered that this attitude was irregular and suggestions have been made to the N.Z. League for the Taxation of Land Values, that the Government should be asked to clarify the position and as in the electoral act, make provision for the appointment of a scrutineer to act for the petitioners, when the signatures are being examined. It is thought inequitable that the original "demand," as the Act terms it, should not be handed back so that additional names could be added, and so avoid the laborious and really unnecessary job of starting "de novo." At the beginning of the year when rating on the unimproved value was carried in the Waitemata County

one of the most populous in the country, the rate-payers of the Bays Borough, though forming a substantial portion of the petitioners for a poll, were excluded from a vote on the issue, as they were on the point of being constituted a separate borough. From these five bays (pop. 9,000) has come the inspiration and drive which during the last three or four years, organised three petitions and the new Mayor, R. H. Greville, was one of the most active leaders.

A week after the above victory, polls were held in two townships of the Manukau County, the other

large county which lies to the south of Auckland as Waitemata lies to the north and west.

Rating on the unimproved value was carried as follows:

	For	Against
Buckland's and Eastern Beaches	453	141
Mangere Bridge	369	228

The above report was received from Mr. Geo. Fowlds. Congratulations to our New Zealand friends on their victories for a just municipal rating system.

DEVONPORT MUNICIPALITY (TAS.)

SITE VALUE RATING SURVEY

We give here some brief points from the survey made by the Land Values Research Group for the Devonport Junior Chamber of Commerce and presented to the Devonport Municipality. As indicated in last issue a motion to change to site-value rating was defeated at that Council meeting on the casting vote of the Warden. A public meeting will be held by the senior Chamber of Commerce in March to consider the rejection of the report and the Research Director has been invited to address the meeting.

Devonport now rates on Annual Rental value of land plus improvements. The rates, common to the whole municipality are General Rate (9½d.), Road Rate (1/10d.), Health Rate (1½d.), Street Lighting Rate (3d.), making a total of 3/- per £ of A.A. Value, for which the site-value equivalent is 6.226d. In addition the Water Rate 1/8d. applies to nearly the whole municipality and the Sewerage Rate 10d. to most of the Town Area.

Devonport Municipality comprises 27,300 acres, and serves a zone of 138,000 acres. There were 4,372 rateable assessments in the municipality. These comprise 2,983 housing, 117 shop, 114 other miscellaneous buildings, mostly business, and 1,128 holdings of vacant land. Of the total assessments it was found 2,251 (58 per cent.) would carry rate reductions under site-value rating. The number of undeveloped land holdings represents 26 per cent. of the total assessments. If these vacant land holdings be excluded and improved properties alone considered, it is found that 2,521 such assessments would carry lower rates, and only 727 assessments with buildings upon them would carry increased rates. The proportion which would benefit is thus 78 per cent.

The total rates payable by the properties which would carry lower rates under site-value rating would be reduced from £60,869 down to £32,297. This is an average reduction to half present rates. The remainder would be increased from the present total £28,950 to a new total of £57,706. The saving made by the one group is directly at the expense of the other.

The progress and continued prosperity of the municipality depends upon extent of capital investment made by its citizens in buildings and other improvements on their holdings. To encourage and accelerate investment in such improvements is in the interests of the local business community which is dependent for its very existence upon such outlay. The following table showing the extent of investment in land and improvements is therefore significant.

Properties carrying lower rates on site value system:

Value of Sites	£683,937
Value of Improvements	£3,988,568

Properties carrying lower rates on Annual Value system:

Value of Sites	£1,336,320
Value of Improvements	£1,071,173

In the group benefiting on the site-value system the value of buildings and other improvements is six times that of the sites occupied. For the other group the value in buildings and other improvements is less than that of the sites. The average value of sites in the first group above is £270. The average value for the second group is £720.

Of the total approximately £89,820 contributed in rates last year £69,300 fell on the value of improvements and only £20,500 on the value of the sites. This shows a most substantial permanent burden imposed directly on the constructive industries and the business community generally. It had important influence in directing investment into the sterile holding of under-developed properties instead of the beneficial investment into buildings, plant and other improvements.

The report indicated that the merits of the alternative rating systems could be pre-eminently tested by their treatment of the homes of the citizens which in Devonport comprised 90 per cent. of all assessments other than vacant land. Of the 2,983 residential assessments 2,405 would carry lower rates under site-value rating; only 578 would pay more. The overall proportion of homes which would carry lower rates through the change is 80 per cent.

Of the 1,128 vacant holdings, 168 had minor improvements such as fencing and clearing, the rest had no improvements at all. Completely undeveloped land in Devonport would pay under site-value 4.33 times the annual value rates. Total rates contributed by such holdings under site-value would be approximately £14,700 compared with £3,900 under annual value.

Of the 1,855 properties which would carry increased rates under site-value rating, 116 are owned by companies, firms or organisations where the increased rates would be spread as business costs not met by individuals. These covered 20 per cent. of the total value held by properties carrying increased rates. There were a further 114 assessments held by estates of deceased persons. Upon the remaining

1,625 losing assessments held by individuals the rates under site-value would average £24 each compared with £12 under annual value. It is pointed out this could not be said to impose hardship on the individuals concerned since it is no more than the average householder is now paying.

It is pointed out that generally owners of under-developed properties who would pay more under the site-value system have the obvious remedy of developing the holdings to give greater earning capacity, in the knowledge that their expenditure in this development would not result in higher rates. If unable or unwilling to so develop they could sell to advantage to others able and willing to do so.

The report's conclusions were—

- Change to site-value rating would be beneficial. It would remove inequity in rating between rate-payers offered the same service by the municipality. It would spread the costs of municipal services to ratepayers in proportion to the value of the services offered them instead of charging them according to the extent of their own industry. It would reduce the rates payable by 80 per cent. of the house owners of Devonport, while calling upon vacant lot holders and those with poorly developed holdings to contribute their fair share towards municipal costs.
- Site-value rate savings in the hands of resident owners would be spent within the local business community, whereas a proportion of the savings under annual value go to absentee vacant lot or business site owners and are a nett loss to the trading community. Stimulation to the making of improvements by their exemption from local taxation would benefit business operators, as also would the increased number of customers attending acceleration of building development. Industries could be more readily attracted and maintained under the more reasonable rating levels of the site-value rating system.
- Finances of the municipality would be more stable under site-value rating. Expenses would be kept within bounds as site-value rating would encourage building on the vacant lots within the area already served by road, water and sewerage before extension to outer areas involving new capital expenditure. Revenue of the municipality would benefit directly as it draws a more reasonable share in the increased site-values attending extension of its services. Should need for rate increases arise they would be less onerous under site-value since vacant holders would contribute their full share instead of the increases being concentrated upon householders as under annual value rating.

PUBLIC ACCEPTANCE OF OUR PRINCIPLES IS LIMITED BY WHAT YOU ARE PREPARED TO DO IN THEIR SUPPORT.

FRANCE'S NEW DEAL

From the "Examiner," Launceston (25.11.54), we learn that Mr. Mendes-France's new deal is now under way. Its guiding principle is neither rigid controls nor enforced austerity but the "shock treatment" of genuine competition.

Mr. Mendes-France wants to break down the protectionist barrier behind which industry and agriculture have sheltered for years and let in the cold blasts of competition from outside to blow away the cobwebs cluttering up the French machine.

The high prices for food, clothing, household goods and almost every other commodity, which plague Frenchmen today, are due in large measure to antiquated manufacturing methods, lack of modern farm techniques and cumbersome marketing procedures.

These deficiencies have been allowed to continue through quantitative trade barriers, which simply kept out cheaper foreign goods or tariffs, which priced them as high or higher than the local product.

M. Mendes-France has already opened the frontiers to the free entry of 57 per cent. of all foreign imports from European countries and has promised to boost this figure to 65 per cent. before the end of November.

He hopes to raise it soon to the 75 per cent. laid down in the code of the Organisation for European Co-Operation, in which France has long been the weak link.

The sudden impact on the French economy of such a policy could have disastrous social consequences if the Government was not prepared to provide a cushion. This cushion will take the form of large conversion funds set aside to help industrialists to modernise their plants or change them to a more profitable production.

It will provide compensation for those who are forced to close factories too decrepit for modernisation or conversion. It will provide for the welfare of those workers temporarily workless through the closure of factories and their transport to and settlement in new areas where their labor can be more productive.

He is avoiding the enormous government spending of the Roosevelt "New Deal" in the United States and intends to cut non-productive expenditures and the subsidies which have led to today's huge deficits.

Already he has taken an unprecedented step in attacking the alcohol industry, which is backed by one of the most powerful parliamentary lobbies in the country. Since 1935 the Government has bought up all industrial alcohol distilled from surplus grapes, apples and beet — and has never known what to do with it except to sell it at a price very much below costs. Now M. Mendes-France has decided that the main part of the beet surplus shall be turned into sugar, since, he says, a surplus of sugar "which is useful" is preferable to a surplus of alcohol which is not.

(The above is part only of a very interesting article. All of which adds up to the fact that France has turned up a statesman at last. Given time to put his policy into operation he will indeed effect a transformation. We trust he has full opportunity to do it.)

SHADES OF HENRY GEORGE

AN APPRECIATIVE EDITORIAL

It is inevitable that any discussion of the comparative advantages of the site-value system of rating over the "improved capital value" (or net annual value) system should bring to mind the economic theories of Henry George — theories which have never been tried out in any nation as the basis of its tax-collecting, but which evoked such wide support towards the end of last century that Henry George clubs and societies still dot the civilised world.

As Councillor Pethard remarked at a meeting of the Bendigo City Council, the site-value system of municipal rating was gaining in popularity in the United States and was expected eventually to become universal there. And well it might, for it was in America that Henry George evolved his idea of the single tax — levied not on wealth but on land, in the form of rent. An outline of his theories might therefore not be out of place.

Henry George, born in Philadelphia in 1839, became a newspaper editor in California and took part in the discussion of public questions. In his world-famous "Progress and Poverty" (1879) he denied the dictum that wages are limited by capital; he argued that wages are produced by the labor for which they are paid. And, denying the Malthusian theory, he contended that increase of population, instead of causing want, should tend to greater plenty — a truth which has since become self-evident in many lands including Australia.

Then, by an examination of the laws of distribution, he came to the conclusion that the value of total production is equal to total "economic rent" (or whatever is paid for the use of land) plus total wages plus total interest. In any single industry, this same rule applies to each material used in production, including factory machinery, right down to the iron ore deposits

or to the forest which produces the timber — "economic rent" plus wages plus interest.

He argued that the reason why the increase of productive power, so marked in modern civilisation, did not commensurately increase wages and interest was because of the increase of "economic rent" (or land values). He claimed that the steady increase in land values caused speculation in land, which prevented the application of labor and capital, and was responsible for the recurring seasons of industrial depression.

The remedy he proposed was the appropriation of "economic rent" to public use by a single tax levied on the value of land, exclusive of improvements, and the abolition of all taxes which fall upon industry and thrift.

Though sometimes styled socialistic Henry George's views are for the most part diametrically opposed to State socialism. His aim was to sweep away all interference with the production and distribution of wealth, and only to resort to State control where competition is impossible — to leave to individuals all that individual energy or thrift accumulates, and take for the use of the community all that has resulted from the general growth and improvement. He had considerable influence on the early Fabian movement in England — and still has his devotees today, who claim that his arguments have never been and cannot be, refuted.

But while no country, capitalist or communist, has ever attempted on a national scale to apply his doctrine and impose a single tax — on land values — municipal councils in growing numbers throughout Victoria are adopting, in the site-value rating system, a scheme which had its origin in Henry George's economic philosophy.

"Bendigo Advertiser," 25.9.54.

Forthcoming Site-Value Rating Polls

A RECORD YEAR

There will be a record number of site-value rating polls taken in Victoria next August as demands had been presented in six municipalities by the specified limit date of end of January.

The places in which demands were lodged were Malvern City, Castlemaine Borough, Benalla Borough, Broadmeadows Shire, Keilor Shire, Cobram Shire. The poll in Benalla is carried over from last year due to inability to complete the valuation in time for a poll last August.

This equals the previous record of six polls in one year made in 1946, but in addition, Mansfield Shire has carried the resolution to adopt site-value rating by council resolution without the need for a poll and it is likely that further councils will take this step before the end of June.

Cobram Shire was a surprise, as it had not come

to our attention that moves were being made there. The petition in this case was sponsored by the Cobram Chamber of Commerce.

In some cases the number of signatures required was very large. Malvern required 1,704, and ended up with 1967 checked signatures. A further petition was in circulation in Doncaster-Templestowe Shire, requiring about 420 signatures, but it was not possible to get the full number within January. Owing to the 31st January being a public holiday the last day for presentation of petitions this time was Friday 28th. Canvassing is continuing to get the balance of the signatures and the petition will be presented next September for a poll in 1956.

Those in other places desiring to move for polls in 1956 should commence collection of signatures now with a view to presenting their petitions as soon as

possible after 1st September. It is easier to canvass signatures in the better weather, and longer evenings now, than in winter. Again by submitting the petitions in September, the municipal council is given plenty of time to obtain a valuer and complete the valuation. Difficulty is sometimes experienced when petitions are left to late January.

As three years have now elapsed since the unsuccessful polls in Wangaratta and Bellarine Shire, our friends there can now take steps for petitions to secure polls in 1956.

PUBLIC REVENUE AND TAXATION

HENRY GEORGE "JUSTICE" PARTY PROGRAMME

Any political party should have a very clear-cut policy in regard to the raising of public revenue, as well as the spending of it. But I am afraid that the main parties devote more attention to promises on the spending of the public revenue, than on the methods by which it is to be raised. The "Justice Party" differs from them in having a clear-cut and consistent programme for raising the public revenue needed.

There are quite a number of public services which must be provided by governments, at local, state or federal levels. Their number and variety continually increases with growth of population and settlement. Some of the most important public services are the provision and maintenance of railways, roadways, tramways, water supply and irrigation, sewerage, street lighting, electric power projects, schools, telephones and postal facilities.

The striking thing about these public services is that they bring into existence a fund of land values much greater than the cost of providing the services. This fund of land values we maintain is the common-sense source of public revenue. It should provide a revolving fund from which further developmental works could be financed without other taxation. In drawing upon these publicly created values through taxation for public needs we would be calling upon citizens to contribute in proportion to the benefits conferred upon them through public works. What could be more equitable than that?

Contrast with this simple clear principle of public finance the present methods of taxation for revenue. The taxes now favored by governments are not proportioned in any way to the benefits received. They fall simply upon the citizen in proportion to his own effort and industry. This is obviously so with income taxation, for this falls heavily on the land-user, while the holder of un-developed land completely escapes any contribution although his property is increasing in value. Similarly other direct and indirect taxes are found to be paid by those who are putting their properties to good use while those who hold land sterile escape completely.

We therefore propose to concentrate taxation upon the value of sites held without regard to whether they are being developed or not and correspondingly to abolish other taxes. This would at once relieve those

who are now making good use of their holdings and who are now penalised in taxes on the materials they buy and the income they earn. It would cause those with under-developed holdings to put them to proper use or make them available to others willing to use them.

Our policy of taxation of land values is tied directly to the removal of other taxes. We maintain that it is right that the land values of the community should be drawn upon for public revenue because they are not created by the individual holder in any way. But we also maintain that the individual has a natural right to the wealth produced by his own effort and that the government has no right to take it from him. For those who make good use of their holdings the savings on the taxes abolished would greatly exceed their payment on land values.

We advocate the taxation of all land according to its value without any exemptions. We regard small scale land speculation as just as objectionable as large. Hence we would apply a flat rate without graduations.

This change in taxation would relieve people who do not own land of direct contribution to revenue. At first sight some readers may think that unfair on the basis that all citizens should contribute to revenue. On closer thought it will be realised that those who do not own land would not be escaping payment. They are already making that payment in the rent they pay for their accommodation, portion of which is a ground rental to the owner. In fact such people are at present paying twice over — once in their rent and again in their taxes.

In essence our proposals are simply to take for public revenue land values created by the public. We propose to leave sacred to the individual citizen that which he himself produces by his own efforts and capital. Upon this policy we will be submitting candidates at the next State elections, Messrs. L. F. Bawden (Balwyn), I. A. Robinson (Burwood), W. H. Pitt (Camberwell), L. J. Hutchinson (Pascoe Vale).

(From a recent Broadcast from Station 3DB-3LK in the "Justice" Party Session.)

OUR CONTEMPORARY

"THE STANDARD"

Those interested in our principles are recommended when sending their subscriptions for "Progress" or the Henry George League to add 5/- to have posted to them monthly our contemporary, "The Standard," published by the Free Trade and Land Values League of New South Wales. This journal contains additional matter well worth reading. Arrangements will be made through the Secretary, Henry George League, 18 George Parade, Melbourne, on request.

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PRESS PUBLICITY NOTED

Site-Value Rating

Geelong and District: "Geelong Advertiser" Report, 17/9, (5); Report, 21/9, (3); Report Otway Council, 22/10, (9); Letters, A. Hutchinson, 9/11, (9); 18/11, (8); **Total, 35 column-inches.**

Bendigo and District: "Bendigo Advertiser," Report, 18/9, (10); Editorial, 20/9, (9); Report Council meeting, on site-value rating, 21/9, (42); Real Estate Assn. comment, 27/9, (7); Editorial, 25/9, (12); Report, 13/8, (9); **Total, 89 column-inches.**

Gippsland Area: "Gippsland Times," Letters, A. Hutchinson re Sale Survey, 20/9, (32); 11/11, (28); 2/12, (30); re water rates 3/2/55, (26); J. H. Morris, 13/1/55, (44); Ratepayers' Assn., 24/1/55, (16); Report Maffra Council meeting on S.V.R., 20/9, (21); Alberton Shire move, 28/10, (9); Sale Ratepayers' report, 28/10, (22); Sale Council rate discussions, 4/11, (50); Sale Ratepayers' report, 4/10, (3); 2/12, (24); Sale Council, 2/12, (24); 4/11, (52); New industry, 9/12, (1); **Total, 350 column-inches.**

Malvern: "Malvern Advertiser," Reports, 28/10, (18); 11/11, (10); 25/11, (10); 27/1, (8); 3/2, (12); 13/1, (22); "East Malvern Progress," 4/11, (21); 11/11, (9); 25/11, (10); 9/12, (14); A. B. Morgan's council motion, 9/12, (15); 16/12, (19); 27/1/55, (19); 3/2/55, (14); **Total, 201 column-inches.**

Other Victoria: Report "Warrnambool Standard," 20/9, (9); Letter G. A. Forster, "Now," October '54, (14); Broadmeadows Poll, "Coburg Courier," 16/11, (18); "Shepparton News" report Cobram Chamber Commerce sponsor petition, 31/1/55, (4); "Heidelberg News," 4/2/55, letters A. R. Hutchinson, (12) and H. E. Pottage, (9); **Total, 64 column-inches.**

Devonport District (Tas.): "Burnie Advocate," Summary of site-value rating survey of Land Research Group, 8/12, (38); 9/12, (50); 10/12, (40); 11/12 (28); Report Council meeting rejection, 22/12, (16); Editorial, 23/12, (3); Letter I. B. McNab, 23/12, (3); Letter A. G. Hude, 1/2/55, (9); G. A. Forster, 3/8, (7); **Total, 184 column-inches.**

Grand Total all places above is 923 column-inches.

Other Than Rating

FREE TRADE

Letters: I. Robinson, "Age," 11/6, (6); "Argus," 6/7, (6); I. D. Burnett, "Age," 12/6, (5); G. Forster, "Geelong Advertiser," 5/7, (7); "Launceston Examiner," 12/7, (7); "Ballarat Courier," 12/7, (7); "Rydges Journal," Sept. '54, (7); "J. Heckley," 22/11, (2); **Total, 47 column-inches.**

LAND VALUE TAXATION

Letters: I. Robinson, "Maryborough Advertiser," 2/7, (17); "Herald," 29/9, (2); J. Heckley, "Burnie Advocate," (Tas.), 29/7, (4); 7/8, (2); 15/10, (2); Editorial "Bendigo Advertiser," 25/9, (22); Justice Party write-ups, "Geelong Advertiser," 18/11, (5); "East Malvern Progress," 3/2/55, (12); **Total, 67 column-inches.**

Notes from Various Sources

Land Agents testify to the Effect of Site Value Rating "As the new valuation notices have recently been issued you have probably noticed that Valuer-General's assessment of the land has been increased considerably. As rates are calculated on this figure it would be unwise to hold the land (vacant) longer if you are not contemplating building in the near future."—Advt.: "Daily Telegraph," Sydney, 15/6/54.

Camberwell North. Vacant building block adj. No. 4 Parlington st., 55 ft. frontage x 140 ft. sold at £32 ft.—"Argus," 12/7/54.

(Ed. Note: Subtract what the vendor paid some years ago; the difference is the "unearned increment" — unearned by the vendor but certainly earned by the community).

Laissez Faire.—"I have always in my own thought summed up individual liberty and business liberty, and every other kind of liberty, in the phrase that is common in the sporting world, 'A free field and no favor.'"—Pres. Woodrow Wilson, 1915.

(Ed. Note: "No favor" is an unpopular proposal. The practical politician uses public funds to give favors to claimant pressure groups of voters).

Welfare State.—A strange item in the Victorian Budget is a Commonwealth Pay-roll Tax payment of one and a quarter million pounds on State wages.

An odd principle, surely, that one Government should tax another, when both draw their money from the same pockets (ours)!

It means that we pay money to the Commonwealth so that it can give the State enough to pay its way plus a little back to the Commonwealth for the privilege.—Howard Palmer, "Sun," 16/9/54.

West Melbourne.—Land with frontage 230 ft. forming Nos. 108-114 Jeffcott st., and depth of 150 ft. together with MacPherson's store and a delicensed hotel sold for £100,000—"Age," 30/11/54.

(Ed. Note.—Allow £10,000 for the buildings then bare land value is about £11,300 per sq. chn. as the "cost of opportunity" to run a secondary industry).

Spain.—Our farmers use ploughs of the old Roman type. To allow nations with modern equipment to compete freely with our farmers would mean a catastrophe for "us."—Senor Robert, Spanish Economist in Press cable, 23/9/54.

(Ed. Note.—This trained economist follows the general view that home markets should be exploited by the home producer. Prof. J. M. Keynes held the same view.

East Brunswick.—Nos. 306-8-10 Lygon st., with land frontage 49 ft. and 5,400 sq. ft. area in a district zoned for heavy industry permits plus buildings sold for £7,000. After allowing £2,500 as the value of the buildings on the site the price equals £92 a ft. for site value said to be a record for the locality.—"Argus" Report.

(Ed. Note.—A manufacturer establishing a secondary industry and giving employment, has his capital depleted by such a heavy charge for the "permit" to begin work).

Gerry Mander putting in a boundary-loop to lasso a bunch of "our" voters from an adjoining electorate OR inserting a re-entrant angle to exclude a pocket of "theirs."—"Bulletin," Sydney.

(Ed. Note.—The "gerrymander trick" as practised in Queensland and South Australia depends on single-member districts. With multi-member districts as with P.R., the political Ministers cannot work that trick).

HENRY GEORGE LEAGUE OF VICTORIA.

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The Annual Membership Fee is a minimum of 10/-.

The subscription to Journal "Progress" is 2/- per annum.

If you appreciate this Journal, you are invited to obtain new subscribers.

Next Executive Meeting, Tuesday, March 1st, 1955, at 6.45 p.m.

Members' Meeting, Tuesday, 15th March, at 8 p.m.

HENRY GEORGE JUSTICE PARTY.

Broadcast Session, 3DB each Sunday, 12.10 p.m.

General Meeting of Members, Friday, 18th March, at 8 p.m.