

## Land-value Taxation

THE EDITOR, Sir:— In your issue of the 1st March, Sir Alexander Bustamante attacked Land-Value-Taxation in an article titled "The Man with the plan." As local director of the Henry George School, which advocates L-V-Taxation to cheapen the price of land, and force more land into use, I cannot allow it to go unchallenged.

Sir Alexander says L-V-Taxation burdens the poor more than the rich who can afford to pay the tax. Experience has shown that the poor man's land is improved by his labour, while the rich man's land isn't used at all—or inadequately used.

For every acre owned by the poor in developing areas the rich own hundreds—if not thousands of acres: Would Sir Alexander tax the poor for improving his plot of land and adding to the national wealth—while allowing the rich to hold thousands of acres idle? Does Sir Alexander know that the increased value of land in towns and cities are caused by the presence and activities of the community—and should be taken in taxation for the benefit of all its members? Why should a few large landlords and land-speculators enrich themselves at the expense of the community by pocketing the increased land values created by all?

I recently passed through the new Yarmouth-Lionel Town area, and saw mile after mile of empty, idle land, with nothing but trees and a few cows. Does Sir Alexander approve of vast areas lying idle, while the poor cry for land on which to live and work?

Taxing people for improvements, penalises effort, discourages improvement, and lessens the creation of wealth in the community. If one wants to reduce the number of dogs, bars and other things considered undesirable, it makes sense to put a high tax on them—"Tax them out of existence". But why tax houses, fruit-trees, motor-cars and other products of labour—things beneficial to the community, for which people strive, work and worry?

If the poor can't pay the land-tax in a developed area, it means they're holding valuable lands out of use—or putting it to inferior use. They should no more be allowed to do this, than rich land-holders or land-speculators. Agricultural lands (the areas in which the poor has land) are the least valuable of all lands. It is city lands and those near to the city, and land with mineral resources; i.e. gas, oil, bauxite, etc., which are most valuable, and therefore more expensive. Does Sir Alexander believe valuable lands should be used for farming?

Will Sir Alexander tell us why and-value-taxation cannot work in Jamaica when it's working in Denmark, Australia, New Zealand, South Africa, Canada and the U.S.A.?

Taxing land values would destroy land speculation, as land would not be held idle, and would be profitable only to the user. Land has no value when one wants to use it, therefore one should be allowed to own more land than he can use, as it's thereby permitted to demand

# "THE MAN WITH THE PLAN" (LAUGHTER)

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Not the Party with the plan—The man...

Will "the man with the plan" tell the public the reason why he has not yet carried out his unimproved land valuation in Montego Bay, Mandeville, May Pen and the Corporate Area?

Why has he carefully omitted these areas before the election?

I can answer "the man with the plan":

For public information, taxation on unimproved value is only on the bare land, neither cultivation, fruit trees, nor buildings has any value, therefore the mansion and the smallest house and the bit of land on which there is no house, if in the same area, all have to pay the same taxes. The bit of land may be owned by a wealthy man who can afford to pay high taxes, but what will happen to the middle man and the little man? The middle man can hardly exist today, and the little man is perishing. This will just finish both of them; there will be weeping and wailing and gnashing of teeth.

When unimproved valuation is put in at Montego Bay, Mandeville, May Pen and the Corporate Area,

the wealth created by labour, for the mere privilege of using land.

Tax land to its FULL rental value, and land speculation would be wiped out, the price of land lowered, and labour would get its full rewards. Idle lands would either be fully used by its owner, or be rented, leased, sold cheaply, or given up to those who'll make full use of it. In either case land would be thrown open to labour and capital, more jobs would be available, and more wealth created. Is Sir Alexander against these things?

The cause of unemployment and poverty is that the labourer, having no land on which to employ himself, cannot create the wealth he needs for himself and his family. He's thus forced to depend on others for employment in order to live. Too many labourers, competing for too few jobs, reduces wages to starvation point. Free land, and enough people will employ themselves to create a scarcity of labour—and wages will rise to the full earnings of labour, and stay there. Labour and its products should not be taxed, as this increases the cost of the goods and services he need to live, put them above his reach, and force him to do without them.

I'm not concerned with election tactics, but with the vital principle involved, which (I honestly believe) is the ONLY way to abolish involuntary poverty, and give a better life to all workers.

I am, etc.  
P. WALLACE,  
Director.

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Sir Alexander

1/3/62

the value of land in those areas will rise many many times over. Anyone who doubts that, need only to go and check on what has happened in even less developed areas than these.

If the "man with the plan" had these areas valued before election, I think we all know what would happen to his party in the election.

I would like to point out that many years ago when I was head of the Government, we brought out an expert valuator from New Zealand to advise us on taxation on unimproved land, and his advice was that this method was impossible and impracticable in Jamaica, so we took his advice and did nothing further.

Alexander Bustamante.

ADVT.

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