

# FREEFOLK

## EDITOR AND PUBLISHER:

E.A. Bryan,  
25805 Fraser Highway,  
R.R. 5 Aldergrove, B.C.

SUBSCRIPTION:  
\$1 per annum.

## A PUBLICATION DEVOTED TO:

Explaining the social nature of ground-rent  
and the injustice of taxation.

A PUBLICATION ADVOCATING: THE COMPLETE  
ABOLITION OF TAXATION: THE PUBLIC COLLECTION  
OF THE FREELY OFFERED AND AUTOMATICALLY  
ADEQUATE GROUND-DUES

Volume 5 No. 3

March 1975

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but also generates hate. The question of how many human beings we should have in our society is too important to be left to law-makers. What makes them competent to decide whether or not others should live? Who owns the earth?

The true issue is one of land tenure. By giving preference to some we discriminate against others and establish special privileges. With such effects, we can be sure that it is the wrong measures we are taking. Special privileges are the means by which some are able to exploit others. Here we have the real causes of social tension.

One wonders how often history has to repeat itself before it is realised that the earth belongs to nobody and that free access to its use is impossible with private ownership of its bounties.

Gunnar Jeberg.

It had to come! Canada's population increase has set some politicians thinking that we are getting to be too many people and so they call for more restrictions on immigration. The old phrases about not enough jobs are being used, and a whole "green paper" has been produced with reference to the alleged danger these foreigners constitute.

No-one mentions the fact that each newcomer brings with him his own labour and that all he needs is a place on the earth where he can apply it in order to produce his own food, clothing and shelter. No-one thinks in simple basic terms, - but that is probably too much to expect from contemporary politicians.

Mayor Art Phillips of Vancouver warns of an influx of coloured immigrants which, he said, will lead to racial conflict. He points especially to the people coming from East India, classifying them thus as undesirables. Phillips supported his position by stating that "our policies have actually hurt the countries from which we have been bringing immigrants. We have creamed off their most highly-trained citizens." If this is really true, then people are also hurting Vancouver by moving to Langley, and if the Mayor is consistent, he ought to do something about that.

Mr. Phillips is merely exhibiting his own lack of knowledge of the true nature of human activity on earth. The immigrants came here of their own desire. Man has a tendency to move where wages are highest, and the fact that the world is divided up by imaginary boundaries does not abrogate a natural law. If Mayor Phillips is right, he should identify the culprits who are shipping people around and transporting them into and out of places.

The Editor of the VANCOUVER SUN is strongly backing his worship, and it is alarming that influential persons should take part in a campaign which is not only misleading

SHAME ON U.B.C.

The Faculty of Commerce at U.B.C. is responsible for more nonsense uttered on the question of land than any other B.C. institution. In the PROVINCE Prof. David Baxter is quoted as saying "The idea that land speculation drives up the cost of housing is a fallacy." He goes on to talk about supply of and demand for housing; the effect of inflation on the price of housing, and the effect of rising incomes on the price of housing. To keep his listeners confused, he never once considers the price of land and the price of a house separately. He does not even mention the changing ratio of land price to cost of improvements.

When it costs \$30,000 for a homesite and it seems likely that prices of lots will continue to rise, we can assume, according to Baxter, that no-one is holding land idle or under-used until a high price can be obtained. We must therefore look elsewhere for the cause. How about the initial cost? On that score he receives no support, for the initial cost of all land is zero. It was all donated by a benevolent Creator. How about the efforts of the title-holders over generations? Here there is no support either, for a completely bare lot will bring a higher price than a building and lot next to it where the building needs to be demolished.

Baxter blithely offers "rising incomes" as a cause. Of course we should have realised, as people receive higher incomes they cheerfully pay more for what cost nothing originally. Do they? - They even scream about the price of beef when it is lower than cost. He considers inflation. To protect the value of their money, people are putting it into housing. Not so entirely! Rather, they are putting it into land which unlike houses, needs no upkeep and the price seems to rise for ever. This IS land speculation although Mr. Baxter does not see it from his ivory tower.

### HOW IT WORKS

We abolish taxes in 1975. The public revenue is now derived from the publicly created ground-rent. We don't own the land on which our house stands, we lease the site from the community. We have full security of tenure, freedom from invasion of privacy, and the right to sell or otherwise dispose of our house as we wish. As long as we keep on paying the ground-rent to the public treasury we retain these privileges and rights. Let us compare the situation of a home-owner before and after the change.

#### BEFORE

House costs \$25,000  
Land costs \$25,000  
# Rate of interest 10%  
Monthly outgoings of buyer on mortgage.

\$400 a month in interest  
\$60 a month in local taxes.  
\$500 a month in income tax, excise and other taxes, - donations to "Good Neighbour", Oxfam, etc.

Total Outgoings \$960 a month  
The remainder is his own.

# Interest rates depend upon supply and demand for loans. When the land-price has to be financed as well as the cost of the structure, the demand for housing loans is twice what it should be. Interest is therefore high. A government honest enough to bring about this state would not hesitate to stop inflating the currency. The lender's money would be much more secure than it is today.

#### AFTER

Same house costs \$25,000  
Land is FREE  
Rate of interest 6% #  
Monthly outgoings of buyer on mortgage.

\$125 a month in interest  
\$40 a month ground rent.  
The owner is not liable for income tax, social security tax, or any other tax we might imagine.  
Poverty is eliminated. Charity is no longer needed

Total Outgoings \$165 a month  
The remainder is his own.

### GOOD BUSINESS?

People in the business of selling cars meet such stiff competition that they go to any lengths to attract attention, - even to making patently stupid statements. Not long ago such a trader advertised that he bought dear and sold cheap. Everyone reading that type of claim would say, "He's a Nut!" He may be, but beside our conduct of public business that trader would show up as a model of acumen, prudence, foresight and God wot not. Let us take a look at how a person becomes liable for "property tax".

A young couple are starting a new family unit. They want a home and so go looking at lots. They find one they like and discuss price with the agent or title-holder. "Thirty thousand dollars is a bit much." says the little lady. The agent points out that there is piped water along the street, and to drill a well would cost two to three thousand. There is a sewer too, and to put in a septic tank and disposal field would cost at least two thousand. Just around the corner there is a school, and in the other direction there is a public park with swimming, barbecue, flowerbeds, lawns etc.. The area is free from vandalism because the police cruiser goes by regularly. Fire insurance will be cheap here because there is a hydrant nearby and the firehall is only a minute away. Finally the couple buy.

Having built the house, they are favoured with a visit from the municipal assessor. They want to know what he is doing poking into their private affairs, so he tells them that the result of his work will be a demand for taxes on their nice home. The couple seem unhappy so the assessor tells them that the taxes they pay on their house will pay for water supply, for sewage, for schools, for parks, police, fire protection, and so on. "But we already paid for all this in the \$30,000!" exclaim the young pair.

Paying twice for a thing is not good business, it is lunacy, so don't laugh at the car salesman.