

ASSOCIATION FOR GOOD GOVERNMENT

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22.11.82

The Chairman and Members  
Committee on Human Rights  
United Nations  
New York

7389

Dear sirs,

Human Rights and Land Rights

Our Association is concerned with human rights in general, although we concentrate our activity mainly on one particular human right which we think is the most important.

However, the United Nations Declaration on Human Rights does not refer to this vital concept.

We refer to the equal right which everyone should have to live on the earth, and to have an equal share in the benefit of land and natural resources.

Legal 'land rights' are at present issued by governments to some people usually on a permanent and free basis, while others and their descendants are permanently excluded by force (without recompense). The only way at present in which the landless can obtain the essential vital benefit of land use, is by paying a tribute to the privileged title holders; the alternative is to starve.

The privileged holders of sites receive either direct benefit or receive tribute without having to supply any service in return.

The degrees of privilege and the accompanying disadvantage range widely from from the highly privileged holders of large amounts of land value, through moderate and small holders, to the highly disadvantaged landless.

A permanent government title which allows some humans to continually obtain income and satisfactions at the expense of other humans is equivalent to a slavery system.

The maldistribution of government-granted privilege in land (and the disadvantage resulting to others) is the main cause of unearned riches for some, and of poverty, distress and generally low standing of living for many others, including many small land holders.

We wrote to the United Nations Association of NSW and they recommended we write direct to you.

We attach a copy of that letter, and we ask that you refer to it for some further detailed discussion.

We emphasize that our proposals for equal rights in regard to land can be achieved in a simple and civilized way, by the steady change from the current bad taxation systems to the use instead of site value taxation, the change being made steadily over several years. There is no suggestion of redistribution of land or displacement of anyone.

# Equal Human Rights

The Human Rights Officer  
United Nations Association *N&W*

Dear Dr Suter, and Friends,

As you may know our Association's policies are strongly oriented towards the Freedom of the Individual and thus we are concerned with the general philosophy what may be called human or moral rights. However, such 'rights' are often abrogated by force of government, or by individuals. It is thus not only necessary to proclaim such rights, but also to see that they become *legal* rights supported by government and the community.

## AN OMISSION

In the popular lists of human rights such as that listed by the United Nations, there is a grave omission. This is strange because the right which has been left out, is one which is currently important in Australia, but has always been of vital importance. We refer to

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'land rights' which of course are being raised in reference to aboriginals.

The question which we put is: What constitutes a 'land right'? Does everyone have 'land rights'? If not, why not? Should some people have human rights which others do not have? Should not all such rights be *equal* rights. If some people (European or Aboriginal) have perpetual land rights, does this mean that other people and their descendants must be excluded from and be deprived of the use of those parts of the earth for ever without recompense? Second class citizens?

What is the basis for a legal land right? Quite clearly a title to land is a license issued by government which specifically grants part of the world to a particular person and his heirs for ever. This special privilege is maintained by excluding the remainder by the threat of police action. However when a privilege is maintained, inevitably a *disadvantage* must also always be enforced.

The fact that these government-granted

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Site value taxation at high tax rates is an entirely practical method which operates smoothly. Site taxation has been applied satisfactorily in a number of countries although never at a sufficiently high tax rate. The tax principle has been used in Australia, New Zealand, Denmark and South Africa, and in other countries at various times and various intensities.

The use of site taxation allows the considerable reduction in income tax, payroll taxes, sales taxes and the like, which act as deterrent fines which prevent transactions and investment. On the other hand, site value taxation is an incentive to economic activity, and to full employment of people and resources.

We ask that you recognise *land rights* as important human rights, an essential factor being that such rights are *equal* rights, and further they must be made *equal* legal rights.

We point out that confiscation and redistribution of land titles is not a solution to the 'land question'.

We ask you to support actively the concept of equal land rights, and for you to urge all governments to apply the practical method of site taxation to remove the present injustice. Such action must result in increased prosperity and fuller employment, and lead to justice and peace.

It is the injustice of the present land tenure system which is the main cause of poverty and unemployment and the frustration which is resulting in increased crime and turmoil in many countries.

Yours faithfully,



S. S. Giechrist  
Secretary

privileges can be bought and sold does not alter the fact that it is *privilege* which is being transferred; the prices merely indicate the tremendous worth of the privilege (and of course the equivalent cost in disadvantage).

As pointed out by the economist Henry George, the maintaining of special legal rights and privileges in land to some people at the expense of others has resulted in undeserved wealth for some, and undeserved poverty, hunger and distress for others. While it is agreed that there are other unfair privileges and disadvantages created by government laws, it is the maldistribution of 'land rights' which is undoubtedly the greatest cause of poverty and low living standards in all countries.

In creating and maintaining advantage for some able-bodied people at the expense of others, government is in effect organising a continuing robbery of some able-bodied people by others. Such authorised robbery is both immoral and uneconomic.

We all have to live on the earth. If some are deprived of the legal right to an equal share, they will obviously be in an unsatisfactory situation.

#### EQUAL RIGHT TO AN EQUAL SHARE

Surely therefore a basic 'human' right must be a legal right to an equal share of the land. If such an equal right is not maintained, then it is not much use talking of other freedoms and 'rights'. For instance, it is futile to talk about job opportunities or freedom from hunger when only some have the right to use (or withhold) land while others starve or are unemployed, and thus can be forced into menial servitude and be cruelly exploited. When such conditions have been pressed too hard, violence and revolution has erupted, as is occurring in San Salvador and Guatemala, and as has in the past occurred in Cuba, China, France and Vietnam; even though the succeeding rulers seem little wiser.

#### WHAT ARE LAND RIGHTS?

How should land rights be determined? Should what happened many generations ago have any relevance to the relative rights of people at present living? Does who your grand-parents were have any relevance? Should government maintain inheritable rights of some to rob others? What are the land rights of new born children? What are the land rights of immigrants? If we invite or permit immigration, are we not inviting the newcomers to an equal share?

#### THE ANSWERS

The only possible answer is that every living person from birth to death should have an equal share. And we can move to this in a civilised practical way.

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#### PRACTICAL APPLICATION

Firstly it is emphasized that an equal share does not mean that every individual shall hold a particular area of land; that would be absurd. It would be equally silly to suggest that each person should directly hold an equal worth of land. However it is quite reasonable for every one to have an equal share in all the land, without holding a particular part. People who own shares in a company don't hold any particular part of the building, land or machinery of the company.

This is not a proposal to 'nationalise' land, nor to compulsorily acquire it. Site titles must remain as they are, and be transferable as at present, still with the guarantee of government protection, still with the opportunity to buy and sell the property, or bequeath it.

However the privileges (and the disadvantages) of the 'free' hold of land would be removed if the title holders pay a continuing fee to the community for the annual worth of privileges. The privileges would thus be extinguished and the community would be recompensed for being deprived of each site. With this arrangement, no one has any privileged right to land, and everyone is on the same footing by paying the community according to the value of the benefit provided by the community. The whole worth of a site is caused by the community. Note: all buildings and improvements still remain private property untaxed.

#### STEADY CHANGE

A continued steady movement towards this goal could be achieved without revolution or distress, by a steady increase in site value taxation and a simultaneous reduction in income tax, sales tax and payroll tax. Australia is in an excellent position to lead the world in achieving equal land rights as we already have systems of land valuation and some site taxation which operate smoothly (in spite of a few exemptions and special differentials, which should be rescinded). All that is required is to steadily increase the tax rate till close to the full site rent was obtained.

We would all then be on an equal footing. The revenue system would remove the effect of the maldistribution of land privilege, which is the greatest cause of poverty.

#### OTHER PRIVILEGES

It is not denied that there are other special economic advantages issued by government to able-bodied people at the expense of the remainder, but the pressure for such privileges would become less if the main privilege of 'free' holding of land were removed.

## OTHER TAXES REDUCED

An increase in site taxation will allow the reduction of other taxes such as income tax, sales tax, and payroll tax. These are immoral and uneconomic taxes because they penalise good economic transactions, and thus cause reduction in trade and production, and they lower living standards, and prevent prosperity.

The community has no human right to take from individuals merely because they have the 'ability to pay', or just because money is seen to be changing hands. It is just as uneconomic for the community to rob as for an individual to do it. Is it not a fact that government uses threat of force to rob individuals?

We cannot change the system suddenly but we should steadily move towards a method of collection of revenue which the community has a moral right to collect, and away from a system which is contrary to human rights.

We therefore ask you to support us, or perhaps to act separately, in a campaign to obtain equal human rights in land by the application of steadily increased site taxation on all land, and the reduction of taxation on work and transactions.

Would it not be a good idea for a joint conference or seminar to be held on human rights with special reference to land and taxation?

We ask you to consider carefully the meaning of 'land rights', and we hope you will be able to give us some comments based on that consideration.

— S.S.Gilchrist, Secretary, Association for Good Government. 29.10.81

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# AUSTRALIAN TAXATION INVESTIGATED

## Adam Smith's Canons of Taxation

1. The burden of taxation should be spread as fairly as possible having regard to the ability to pay. *yes* *traditional*
2. Taxes should be certain and not arbitrary. The form (manner) of payment, and the quantity to be paid, ought to be clear and plain to the contributor and every other person. *Unwisdom*
3. Taxes should be levied at the time or in the manner which is least inconvenient to the tax payer. ✓
4. Taxes should be easy and inexpensive to administer and should not discourage production. ✓

—Summary of pp 307-309 *The Wealth of Nations* (Everyman)

## INTRODUCTION

When we enter the realm of taxation we quickly appreciate the saying that 'life is not meant to be easy'. How good are you at answering some of our current tax conundrums? Let us take one question which has arisen as a result of the new sales taxes. In respect of expensive items ordered but not delivered prior to the 1981 Budget's increases would we agree that: 'when Sales Tax rates are increased, or tax charged on items which were formerly exempt, such increases should not apply to goods in respect of which a contract was entered into before the date from which the increases apply' (p.86, 'The Taxpayer', April 1982). However; let's try another. Ought Sales Tax to be collected at the point of the last wholesale sale, when that does not as yet represent a true sale to the retailer who has paid the tax? (Is it exaggerating to say that here we must conclude that the 'sales' tax is not a sales tax at all?) However, having tried these tax problems over you may now like to look at others which will convince you that the whole matter isn't meant to be taken seriously anyway.

MIMOSI, FACHINIVA, TOPIGO, ETC.

Mr Clyne in his readable *Tax Dodgers' Dictionary* (pp.115-6) retails a scheme, the idea of three Australians, who have enrolled thirty-six South Sea Islanders in a discretionary trust—'discretionary' because the South Sea Islanders only get what the Australians decide to give them! In this way the incomes of the Australians are spread among thirty-nine persons and they don't pay any tax at all!

Mr Clyne's book is so readable because many of the tax schemes are genuinely