

Miscellany

THUMBS DOWN FOR LAYFIELD REPORT

LOCAL income tax at the present time would be nothing but an expensive irrelevance, says the Association of Metropolitan Authorities.

In its studied reply to the proposals of the Layfield Committee on Local Government Finance, the Association says local income tax should be rejected because the cost of collecting it would be too high; it would not take effect within ten years and it would still not be independent of central government control; it would not provide a stable income for local authorities and there would be danger of "poverty traps".

The Association believes that, for all its faults, the present rating system should be retained and improved.

In its considered views on the Layfield Report, the Association pays particular attention to central-local relationships and says that the trend towards centralism has now gone so far that it must be substantially reversed.

But Layfield's "polarised choice" between a centralist and a localist solution is rejected. The A.M.A. finds the Report's philosophy lacking in credibility; its own view is that responsibility will continue to be shared between central and local government, and that the relationship must be stabilised "so that the drift towards centralism does not continue by stealth."

Other recommendations include the valuation of domestic property on capital values and re-rating of agriculture.

Another attack on Layfield comes from the National Federation of Self Employed, which also opposes a local income tax but at the same time believes that the rating system should be abolished, leaving local government finance in the hands of central government.

While the NFSE doubtless carries out a valuable service for the self-employed, it has clearly not perceived that the abolition of rates would lead to further rises in the prices and rents demanded

for properties, a fact with which perhaps its more enlightened members and would-be members could acquaint it.

LAND ACT ABUSE

THE Community Land Act is being misused by local authorities, reports the *Guardian*, February 14. Private developers have complained to the Government that in many cases where they have submitted planning applications for development schemes, the authorities, the Greater London Council in particular, have stepped in to use the sites for their own purposes.

This is clearly thwarting private development and the Government has instructed the authorities not to intervene in cases where they are prepared to grant planning permission for the proposed scheme.

LAPSED VIGILANCE

TWO hundred years after the Declaration of Independence, in which the people declared their independence from arbitrary government and taxation without representation, they now have once again arbitrary government and still taxation without representation. The present legislators do not represent the people but rather the pressure groups which put up the money which helps to elect them to office.

Our society is suffering from a situation analagous to arteriosclerosis. Gradually the arteries of free enterprise are being clogged by governmental red tape which threatens to reduce society to an anaemic body scarcely resembling the robust and vibrant one of colonial and nineteenth-century days.

What, if anything, can be done to reverse this alarming trend? What must be done is to change the philosophy of the people. Today, they still look to government to rectify wrong, forgetting or not knowing that most of the wrongs have been perpetrated by government. Because the government has a monopoly on the production of money, it has increased our paper money to such an extent that

prices are constantly rising. This has led to people demanding price controls instead of demanding that the government get out of the business of money-creation.

—Oscar B. Johannsen in *Gargoyle*, New Jersey, USA, Aug./Sept. 76

SOMEBODY LISTENING?

ONE of our Canadian correspondents recently sent us a copy of *The Vancouver Sun*, January 6, in which columnist Paul St. Pierre wrote the following:

"Further to the high purpose of doing no good for anybody, but for the purest of motives, this column is devoted to the followers of Henry George who seek to revolutionize all the world's land ownership policies

"Obtaining all government revenues from land taxes alone and irrespective of buildings or other improvements built thereon would, according to their theory, have the effect of everybody being a land owner and everybody being taxed fairly on the basis of his ability to pay.

"Economist Henry George promoted this system in the last century, with more success than some of us today realize.

"Vancouver was a pioneer of a form of Single Tax municipal operation in 1905 and New Westminster carried the system into the 1950s.

"To explain how the abolition of all taxation except land taxation can produce a more fair and simple method of running government would require more space than is available in this place. . . .

"Most of the world long ago came to the conclusion that Henry George was some kind of Commie nut and forgot all about him, one result being our present situation in most of B.C. where land speculation profits are a scandal.

"In the faint hope that there's somebody out here listening, an organization called the United Committee for the Taxation of Land Values in London, England, publishes six journals a year under the title LAND & LIBERTY.

"The current edition, which is at hand, has a lead editorial that puts the case from Henry George's grave rather succinctly."

(There followed the text of our September/October 1976 editorial).