

By W. H. Pitt

What an occupier pays for a place to live or work on has two components, one good, one bad. After that comes payment for buildings and other improvements.

'Good' site rent is the market worth of the services made available by our public servants. It is their natural wages fund and its amount is settled by our general competition for the location.

Superimposed is the 'bad' payment that arises when those who hold more land than necessary combine monopolistically to hold sections of it out of use. For space whereon to live or work, everyone then gives up part of their earnings. It is this that makes the rentiers rich and the rest of us poor. The wealthy, the desperate and the envious then gamble in the land price that develops, thus causing the harmful booms and busts.

The public levying of 'good' site rental would rectify things by achieving what both Marx and Keynes sought – the elimination of the rentier. The Keynesian error lay in thinking it could be done by printing paper money. The Marxian error lay in transferring the landlords' power to the bureaucrats.

Meintjes and Jacques, in *THE TRIAL OF CHAKA DLAMINI*, showed the duties of landholding as being twofold. The individual must keep his land in good condition, must not interfere with his neighbours' land and must pay the rent. Representing the community, the government must keep unused land in good condition, must make it available to anyone wishing to use it and must collect the rent.

Let us institute this by demanding the public collection of site rentals, instantly and in full.

The monopolists will proffer us a little bit at a time. We must grab it as it comes, for it will be whatever is then achievable, the delaying tactic must be thoroughly denounced.

That way, we will avoid the error made in Denmark when our efforts first got a few members into parliament. Land prices and interest immediately started falling, inflation shrinking, and prosperity widening. Because the demand was for 'little-by-little', the opponents took the credit for the benefits and smartly rigged the electoral system against our further intrusion.

We must guard against repetition, demand the lot instantly and demand also that elections be by Proportional Representation of the Hare Clark kind. The one without the other will not last. That way we will render our opponents politically impotent, and achieve the grand reform in one political lifetime.

economy, is burdened at a time when entrepreneurs need all the energy they can muster to create income and jobs.

The GST is seen as just another money-grab by an incompetent federal government. The latest poll shows 73 per cent of Canadians condemn the Mulroney Government's performance.

As for the Government's belief (promise) that the GST would reduce the \$C30-billion-plus national deficit and restore fiscal sanity – well, that is just so much fiction.

However, the term that worried government officials barely dare to whisper is "black market".

Overtaxed, under-employed and underpaid Canadians have launched a quiet tax revolt, whose repercussions the Government cannot acknowledge lest it give the idea to people who have never thought of it.

However, ask any consumer, from someone buying a computer to someone shopping for home renovations and the story is the same: "I got a great deal for cash – no GST and no provincial tax."

For the vendor, the advantage is great – no income tax.

There is another sign of the growing underground economy: Canadians are increasingly using \$C100 and \$C1000 bills.

A taxpayer revolt appears to be at the heart of the big-bill phenomenon, according to the prestigious C. D. Howe Institute in 1991.

The report's author, Irene Ip, noted that hidden spending and earnings constitute tax revolt "by proxy" with buyers avoiding sales taxes and sellers avoiding income taxes.

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