

wealth. Here are the avenues which may be opened up for unlimited production and unlimited employment of labor. For men to be unable to obtain employment in the midst of all this opportunity for employment is a confession that our economic policy has been founded on error.

#### **Cause of Unemployment.**

The reason for unemployment in the past is, that we enforced a system of taxation which placed a burden upon those who used land and encouraged the holding of land idle for speculation. Land includes minerals, timbers and all natural opportunity upon which man may employ his labor in the production of wealth. Wealth means anything produced by labor which is of value to man. The great fortunes of Canada have been chiefly obtained, not through the use of land in producing wealth, but through the withholding of land from those who wished to use it. All these fortunes have come out of the earnings of those who have used the land, for there are no other means of providing employment except by using land and no other ways of producing wealth except by using land. It therefore follows that those who have obtained vast fortunes by speculating in timber, mineral, coal, agricultural or other land have obtained it out of the earnings of those who have used the land. The people have made up these fortunes in the increased cost of living, which means reduced earnings and lower wages for the masses.

All employment results from the use of land, though not always applied directly to the land. We have the primary employment directly upon the land, as in the growing of wheat, raising live stock, mining coal or iron, cutting timber, catching fish or in trapping for furs. Secondary employment in the shops and factories converts these raw products into commodities suitable for use. Land is also used in all secondary employment. The factory must be located on land. The economic measure of land is not area, but value. The most valuable land is in the cities and is used for factories, shops, railway works, etc. Land is therefore necessary for employment all the way through from the primary producer to the consumer. Therefore, in order to create unlimited opportunity for employment, and unlimited opportunity for the profitable production of wealth, we must adopt a policy which will give full access to land everywhere and all the time.

This policy can be established in full effect by means of taxation. We have

simply to cease following a plan of taxation which burdens and increases the cost of production and locks up land and adopt one that will

#### **Open Up the Land**

to the people. A policy which allows speculators to hold land idle restricts production of wealth, increases the cost of production, causes unemployment, because there is no employment outside of the use of land, and results in poverty. Manifestly the sound policy for a country like Canada, with vast undeveloped natural resources, would be to give every possible encouragement to the primary industry of production direct from the land, and in so doing we would also encourage those secondary industries to which the country is best adapted. The healthful growth of secondary industry can only arise from the earlier development of primary industry.

In order to give free opportunity for the use of the land we must abolish all taxation which presses upon those who produce directly from the land, and drive out the speculators who stand in the way of those who wish to use the land. We must make it easy to get land and profitable to use it. We must abolish all taxation upon commodities, that is, upon wealth and industry, and thus remove the direct burden of taxation from those who use the land. Place all taxation upon land values, and thus the speculator will be driven off and the way left open to those who wish to use the land. We can thus make it easy to get land, profitable to use it, and unprofitable to hold it out of use. The result of this policy would be to vastly increase the production of wealth, give opportunity of employment to all and secure an equitable distribution of wealth, as it would enable producers to retain that portion of their earnings which is now confiscated by unwise taxation and land speculators. No amount of governmental paternalism will make up for the burden of taxation and restriction which primary industry in this country has to contend with.

#### **Effect of Taxation.**

It must be understood that the taxation of land values has exactly the opposite effect of any other tax. Taxing commodities increases the cost to the consumer, thereby increasing the cost of living, reducing wages, checking production and generally proving a burden. It makes the things taxed scarcer and harder to get. Every other way of imposing a tax that can be devised, except taxing land values, has a similar effect. All such taxes operate to check production