From a perusal of the preceding comparative table the injustice of the present method must be apparent. For instance, the producer, with his wife and family, may work for twelve months and find that in spite of all his efforts he has only been able to make both ends meet (or possibly he may have made a substantial loss), yet he is still asked to pay land-tax and rates, as shown in the table. In other words, he is forced to pay from his capital towards the expenses of government, irrespective of whether he has made an income or not. This, obviously, can only continue for a limited period, being admittedly economically unsound. The ordinary investor is only asked to pay on income returned by his capital, if any, and should his income be below the assessable amount —viz., £300—he pays no taxation whatever, and his capital is left intact, although he may possibly be living a comparatively useless life as compared with the work done by the producer and his family. It will be remembered that the unimproved value of the land does not represent the total of the capital required. To this must be added the capital cost of improvements, buildings, fences, stock, &c., before the land can be made to produce. From the landholders' point of view, it appears to be only reasonable to ask that equal treatment should be given to all capital, and that the ordinary investor should bear his share of the cost of government in the same relation to the capital invested by him as is now demanded from the man who has his capital invested in land. It may be argued, as was the case in Mr. Seddon's time, that the reason for this land-tax was to encourage settlement and the bursting-up of estates, but that bursting-up policy has passed the commercially practicable stage, especially on purely grazing-country, and under the present taxation system there is no inducement for any one to purchase land with a view to settlement—in fact, the reverse is the case, as there are instances on every hand to-day of farms being thrown back on the mortgagees' hands, it being impossible in some cases for the places to pay taxation and cost of operation out of returns made, even without any allowance being made for interest on capital, or a living-wage for the owner and his family.

No. 1.—Returns showing Increases in Land-tax paid by Sheepowners in 1922 compared with Pre-war.

*Canterbury.*

| Return No. | | 1913–14. £ s. d. | 1921–22. £ s. d. | Increase. £ s. d. |
|---|---|---|---|---|
| 1. | Land-tax | 150 0 0 | 279 15 1 | 129 15 1 |
| | Local rates | 203 18 11 | 343 18 10 | 139 19 11 |
| | Total labour account | 4,034 17 0 | 5,753 0 0 | 1,718 3 0 |
| | | £4,388 15 11 | £6,376 13 11 | £1,987 18 0 |
| 2. | Land-tax | 72 17 3 | 234 7 10 | 161 10 7 |
| | Local rates | 53 9 6 | 64 5 5 | 10 15 11 |
| | Total labour account | 923 9 3 | 1,259 19 10 | 336 10 7 |
| | | £1,049 16 0 | £1,558 13 1 | £508 17 1 |
| 3. | Land-tax | 241 0 0 | 623 0 0 | 382 0 0 |
| | Local rates | 105 0 0 | 178 0 0 | 73 0 0 |
| | Total labour account | 620 0 0 | 1,050 0 0 | 430 0 0 |
| | | £966 0 0 | £1,851 0 0 | £885 0 0 |
| 4. | Land-tax | 1,015 19 0 | 1,413 15 6 | 297 16 6 |
| | Local rates | 195 9 1 | 210 18 8 | 15 9 7 |
| | Total labour account | 1,072 11 5 | 1,717 0 10 | 644 9 5 |
| | | £2,283 19 6 | £3,341 15 0 | £1,057 15 6 |
| 5. | Land-tax | 177 0 0 | 885 0 0 | 708 0 0 |
| | Local rates | 77 0 0 | 277 0 0 | 200 0 0 |
| | Total labour account | 300 0 0 | 600 0 0 | 300 0 0 |
| | | £554 0 0 | £1,762 0 0 | £1,208 0 0 |
| 6. | Land-tax | 300 0 0 | 600 0 0 | 300 0 0 |
| | Local rates | 114 10 0 | 150 0 0 | 35 10 0 |
| | Total labour account | 330 0 0 | 570 0 0 | 240 0 0 |
| | | £774 10 0 | £1,320 0 0 | £575 10 0 |
| 7. | Land-tax | 408 17 6 | 735 2 1 | 326 4 7 |
| | Local rates | 228 8 2 | 259 0 6 | 30 12 4 |
| | Total labour account | 1,837 12 9 | 2,319 7 4 | 481 14 7 |
| | | £2,474 18 5 | £3,313 9 11 | £838 11 6 |
| 8. | Land-tax | 57 2 0 | 317 10 6 | 260 8 6 |
| | Local rates | 75 0 0 | 107 16 3 | 32 16 3 |
| | Total labour account | 316 8 4 | 440 0 0 | 123 11 8 |
| | | £448 10 4 | £865 6 9 | £416 16 5 |
| 9. | Land-tax | 3,017 18 6 | 4,979 2 3 | 1,958 3 9 |
| | Local rates | 381 12 8 | 719 8 2 | 337 15 6 |
| | Total labour account | 2,243 14 10 | 3,538 13 3 | 1,294 18 5 |
| | | £5,643 6 0 | £9,234 3 8 | £3,590 17 8 |
| 10. | Land-tax | 58 11 8 | 349 18 9 | 291 7 1 |
| | Local rates | 54 11 2 | 129 11 8 | 76 0 6 |
| | Total labour account | 246 13 3 | 363 18 8 | 117 5 5 |
| | | £359 16 1 | £843 9 1 | £483 13 0 |