

## CHAPTER IX

### "OUR HERITAGE OF SHAME—THE SLUMS"<sup>1</sup>

*"Poverty is for house rent a more lucrative source than the mines of Potosi ever were for Spain."*—KARL MARX, *Capital*, III, 898.

*"The destruction of the poor is their poverty."*—PROVERBS X, 15.

*"It is all very well to produce Housing of the Working Classes Bills. They will never be effective until you tackle the taxation of land values."*—RT. HON. DAVID LLOYD GEORGE, at Newcastle, 1903.

"It is a matter of common knowledge that no housing legislation has hitherto proved effective to any important extent, because, in a word, it has not touched the spot. The spot is slum conditions generally, and to build a few model blocks of flats here and there creates only scattered and very limited improvement."

So wrote Mr R. P. P. Rowe in a special article in the *Times* of October 10th, 1933.

"The error of the Government was in thinking of slum clearance and overcrowding as two separate problems. They are merely two different angles of the same housing problem, and it was a mistake to suppose that they could deal first with one and then with the other. Overcrowding was the reflection of the shortage of houses, and the great difficulty in clearing the slums was due to the extent of that very shortage."

Thus spake Lord Balfour of Burleigh in the House of Lords in the debate on the Archbishop of Canterbury's motion on slum clearance and overcrowding on March 21st, 1934.

Slums are not a problem by themselves; they are a phase, and a very distressing and disgraceful phase, of what is called the Housing Problem, and this, in its turn, is part of a still wider problem—the Problem of Poverty, the key to which is to be found in the Land Question.

<sup>1</sup> The ARCHBISHOP OF CANTERBURY, at Camberwell, January, 17th, 1934.

The housing question is no new apparition. It haunted us long before the War. The Great War caused an almost complete cessation of house building and repairing, and so made the housing shortage greater. Meanwhile the population, and therewith the increased need of houses, was growing. Half-a-century ago, in 1884, the Housing Problem was considered so urgent that the then Prince of Wales (afterwards Edward VII) presided over a Royal Commission to inquire into it. Since then a large number of Housing and Town Planning Acts have been added to the voluminous legislation on Housing. Quite lately the "National" Government felt obliged once more to legislate in the matter of "slums." What is the "spot" which all these attempts have confessedly failed to touch? When will our legislators realize that Building Acts, Municipal Building Schemes, Rent Restriction Acts, Subsidies<sup>1</sup> and such-like expedients cannot but fail while our present unjust system of land tenure and taxation subsists?

In spite of all these efforts, Sir Raymond Unwin was able to tell the Public Relations Committee of the Building Industry that there are, in England and Wales, 500,000 houses unfit to live in, and a further 500,000 below a good modern standard, and to suggest that between 1,500,000 and 2,000,000 houses are required at the present time.<sup>2</sup> Sir E. D. Simon gives an estimate that 1,750,000 houses will be needed in the next 20 years, in spite of the fact that 2,000,000 have been built since the War.<sup>3</sup> The *Architects' Journal*, after an inquiry into the slums of London and 14 other cities, estimates that this country requires 1,400,000 houses merely to abate overcrowding.

There is no lack of legislation<sup>4</sup> purporting to deal with

<sup>1</sup> Subsidies are, in the long run, a gift to the landlords. "The subsidy was confined to places where sites were expensive." (VISCOUNT GAGÈ, speaking for the Government in the House of Lords, March 21st, 1934.)

<sup>2</sup> *Land & Liberty*, September, 1933 (p. 273).

<sup>3</sup> Housing and Slum Clearance Supplement to the *British Weekly* (November 23rd, 1933).

<sup>4</sup> For a survey of the extensive and complicated legislation on Housing, see *The Slum; Its Story and Solution*, by Major HARRY BARNES (1931), and, for recent Acts, *The Anti-Slum Campaign*, by Sir E. D. SIMON (1933).

the housing shortage. There is no lack of demand for houses, as is clearly shown by the long waiting lists at the Town Halls. Mr Frank Hunt, Valuer to the London County Council, stated in his Annual Report on the Council's Housing Estates that there were 209,000 applicants for 9,307 lettings during the year ended March 31st, 1933. There is no lack of the necessary labour. Hundreds of thousands of building operatives are on the live registers of the Labour Exchanges. As Sir Raymond Unwin told the Mansion House Council on Health and Housing, workmen who might have been building houses, or making materials wherewith to build them, were paid £50,000,000 in the last three years for standing idle (May 29th, 1934). There is no lack of money for investment in building enterprise, and rates of interest are unusually low. There is an orgy of "luxury" building—banks, cinemas, huge blocks of offices, palatial flats and hotels—and houses for middle-class people who are able to *buy* them;<sup>1</sup> but those whose labour builds them look in vain for decent houses to live in.

Mr Austen Chamberlain told, in December, 1933, of 6,000 persons living in basements in the opulent City of Westminster, under the shadow of the Parliament Houses, where all this Housing legislation was passed, and the Medical Officer of Health, in his report for 1925, stated that "owing to the shortage of housing it has not been found practicable in Westminster to exercise, in any degree approaching completeness, the existing statutory powers and regulations prohibiting the occupation of underground rooms as sleeping rooms." As newspaper readers will probably remember, some of these Westminster basement dwellings have been flooded during very high tides in the Thames.

The Royal Borough of Kensington contains a Royal Palace and lovely Parks. According to the survey by the *Architects' Journal*, it also has 5,000 of the "common people" living in basements below street level. But Mr Philip H. Massey states that there are 13,000 basements in the Royal Borough (of which 600 have their ceilings

<sup>1</sup> The Chief Registrar of Friendly Societies reported that outstanding mortgage balances in 1932 were £28,000,000 more than in 1931. The Building Societies cannot help the slum dwellers.

below street level, and 1,200 have areas 3 feet wide or less), and “it is reported that sewage water, forced back from the sewers, comes into some of the worst of the cellar basements.” There are also 2,000 mews dwellings in the Borough.<sup>1</sup>

Many thousands of our fellow citizens are festering in rooms which the *Church Times* (December 8th, 1933) describes as sunless, airless, damp, with rotting boards and peeling wall-papers, often infected with slugs, beetles and rats. The writer of these lines knows, by his own observation, that this kind of “housing of the poor” is by no means uncommon in the three Metropolitan Boroughs of North-east London in which he has spent most of a long life.

We are brought a little nearer to the heart of the problem when we reflect on the general confession that all the Housing Acts and all the Municipal building activity have failed to produce houses at a rent which can be paid by their intended occupants, on the ground of whose poverty the taxpayers have been called upon to subsidize house-building, in order to reduce rents to an amount that the poor can afford. Tory Governments have subsidized the commercial builder and Labour Governments the Municipal builder, with the result that, as Sir E. D. Simon complains, “we are farther away to-day from reaching our aim of one house per family than we were at the end of the War.”<sup>2</sup>

The Medical Officer of Health for Stockton-on-Tees reported in 1933 that the health of the occupiers in the new and healthy dwellings, provided by the Municipal Authority, had actually *deteriorated* since they left the slums, because the effort to pay a higher rent left them without money enough to buy sufficient food! It is cheaper *per head* to live in a slum, where overcrowding is winked at or even encouraged, even at the extortionate rent *per room* which the slum landlord exacts, than it is to pay the State-aided rent of a Council flat, in which overcrowding is not permitted. The L.C.C. swept away the Boundary Street slum in Bethnal Green, and built excellent blocks

<sup>1</sup> “*British Weekly*” *Housing Supplement* (November 23rd, 1933).

<sup>2</sup> *The Anti-Slum Campaign*, pp. 7-8.

of flats with an open space among them, in place of the very narrow streets and horribly overcrowded houses which had been deemed the "worst slum in London." But very few of the slum-dwellers came to live in the new flats: they probably, for the most part, crowded into the old houses in nearby streets or migrated to other slums. The Council flats were largely occupied by people in "sheltered" occupations, such as the lower ranks of the Civil Service, with assured but not large incomes. Even they petitioned for a reduction of their rents.

In Leeds (with its 11,000 corporation houses and 74,720 back-to-back dwellings) and in more than a score of other towns it is sought to overcome this kind of difficulty by a system of "differential rents," based upon a "means test."<sup>1</sup> Tenants who are deemed to be able to afford it are charged what is considered to be the "full economic rent" or are asked to remove elsewhere; poorer folk, in proportion to the largeness of their families and the smallness of their incomes, have their rents reduced; in extreme cases, possibly to *zero*. This is done at the expense of the subsidy received in respect of all the dwellings. As might be expected, those whose rents are raised are making trouble. Meanwhile, it apparently does not occur to the devisers of this scheme that it is the wages of the tenants that need revising upwards more than the rents need revising downwards. As Mr E. Maxwell Fry, the Architect, lecturing for the Architectural Association, said: It is poverty that makes the slums: and we are faced with the colossal task of dealing with them "because the wealth of the country had been badly distributed among the population."<sup>2</sup>

The so-called Housing Problem is, therefore, a part of the general Problem of Poverty, and the main cause of involuntary poverty is monopolized Land and unjust Taxation.

The *New Survey of London Life and Labour* (published February, 1934) reveals that there were found, in 1929, no

<sup>1</sup> "Differential renting is a necessary part of any solution of the slum problem" [Subsidies] "are really a form of Public Assistance" [*i.e.*, Poor Relief]. (Sir E. D. SIMON, *The Anti-Slum Campaign*, pp. 138-9.)

<sup>2</sup> *Times*, October 16th, 1933.

less than 490,000 persons in London living below the low standard of Charles Booth's "poverty line" of more than 40 years earlier, and that there is, besides, a large number of families, far above that line, who cannot satisfy their minimum needs of decent and healthy housing because no suitable accommodation is available for them. In these circumstances the continuance of slums is not to be wondered at.

To the good folk who regard the destitute<sup>1</sup> as "cases"—so much raw material for the work of inspectors and philanthropists—rather than as fellow human beings with equal rights in "the land which the Lord their God hath given them," it perhaps seems natural to treat them as if they were exhibits in a village pig show. So we have the discussion of the question "whether the pig makes the sty or the sty the pig?" It is sometimes said, or at least implied, that some people prefer to live in the slums. They would not know what to do with a good house if they had one. They would keep their coals in the bath and use the banisters for firewood. Even if this be so, why does no one ask how it has come about that our wealth and civilization have brought so many of our citizens to such a pass that they are compelled, or even *contented*, to live like pigs in houses like pig-sties? And when our Councillors are told that homes must be provided for folk who "cannot afford any rent at all," why does this not instantly make the Councils enquire by what long-continued wickedness thousands of honest families have been reduced to such a state of destitution? However interesting it may be to discuss the symptoms of a deep-seated social disease, it is of urgent national importance to discover and eradicate the cause. The persistence of slums is not to be attributed to a double dose of original sin in an inferior class of "untouchables" who rather enjoy living in them; it is due to the operation of unjust laws for which we are all morally responsible except so far as we are working for their repeal. "Breathes there a man with soul so dead" that the misery and degradation of slum life, its appalling

<sup>1</sup> VERINDER, two articles on *Housing and Destitution in Land Values*, July and August, 1912.

effect upon innocent children, its progeny of disease and vice and crime, make no appeal to him, let him at least find an excuse for action in the thought that the cost of our sanitary departments, Public Assistance Committees, police forces and prisons, hospitals and asylums would be greatly reduced if we could only get rid of the slums. The Government appealed to the Municipalities to "get a move on," and to clear away the slums. But where are the evicted slum-dwellers to live, unless the housing shortage is first done away with?

It should be noted that slums are not always and necessarily small houses in narrow streets. There are now in many parts of London large, well-built, upstanding houses with large rooms, originally built for and occupied by well-to-do families, with sanitary conveniences adapted to a single family able to keep servants. For various reasons, it is now very difficult to find tenants of the original sort. These houses often fall into the hands of grasping landlords, who let them out, floor by floor, or even room by room, to poor families, for whom the water arrangements and other sanitary conveniences are monstrously insufficient. The housing shortage provides plenty of tenants—families who pay exorbitant rents: even as much as 22s. 6d. a week in an outer suburb for a stone-floored basement, ill-provided with light and air. In many cases the occupants of such an underground dwelling have to take in a lodger to help pay the rent.

It is amazing that, in face of the known facts, hardly any reference to the fundamental causes of the housing shortage and its consequences is made in the writings of those who profess to deal with what the compilers of the *New Survey of London Life and Labour* (III, 235) refer to as "still the dominant social question of London." All that Sir E. D. Simon has to say about land values is that the question of land values is "one of the most important questions that will have to be borne in mind," that it is an "intricate but vital problem," that land values are very high in London, and that "land values must be brought down in such areas as may be zoned for housing." He does not say how this reduction is to be brought about, but apparently thinks that it will ensue automatically "when we are in

possession of a complete town plan.<sup>1</sup>” Major Barnes, writing of the “conditions that are productive of slums,” says that “of these, the principal is the lack of cheap and easy transport from the centre of our great towns and cities into the suburbs and beyond. This is of immense importance.” He thinks that “to build on the outskirts should be to get land more cheaply,”<sup>2</sup> and has perhaps not heard of what is happening at places like Golders Green and Edgware since they were made accessible by Tube railways.

As to the question of rates, it makes no appearance in the index to Sir E. D. Simon’s book, and Major Barnes (p. 350) only refers to the rates as monies to be collected, in addition to the rents, by the “efficient managers” of “both old and new houses.” The Anglo Catholic Congress Housing Association shows in a small pamphlet of eight pages<sup>3</sup> a greater appreciation of the intimate concern of “ground values” and “de-rating of houses” with the housing question than is to be found in the large volumes of these experts.

Of course, the question of compensation to the slum-owners comes at once to the front as soon as any proposal is made to deal with these social sores. It is at least as old as the early years of the London County Council (1890-1), when, having decided that the Boundary Street area in Bethnal Green was the worst slum in London, the Council set out to abolish it, at whatever cost: and paid its owners £300,000 of public money. For this sum they acquired nothing but the bare site; the buildings were only worth the *minus* sum representing the cost of their demolition and removal. The English Land Restoration League (now the English League for Taxation of Land Values) stood almost alone in opposing the payment of this blood-money. It pointed out that the Council, by paying such a reward

<sup>1</sup> *The Anti-Slum Campaign*, pp. 66, 97 (wrongly indexed), 98, 109. True *land values* cannot be brought down, even by the most complete town planning. *Monopoly rents and prices* can be forced down to natural level by making all land available as and when it is wanted. Competition would then provide the needed housing at economic rents.

<sup>2</sup> *The Slum ; Its Story and Solution*, p. 288.

<sup>3</sup> *The Church and the Slums*, p. 5.



to those who had been making an unholy profit out of the "worst slum in London," were encouraging the owners of the next worst to qualify for a similar prize. If a Bethnal Green butcher (they said) sold poisonous meat to his neighbours he was liable to fine, and perhaps imprisonment, and the meat was confiscated and destroyed. Why should a man who let a poisonous dwelling be rewarded out of the public purse, be given a huge bribe to induce him to cease from robbing and murdering his poorer fellow-citizens? His offence was worse than the butcher's. One could get rid of a poisonous meal. But the slum-dwelling was poisoning its inmates, not only at meal-times but all the time, and one could not take an emetic and throw up one's house! A much-respected Alderman of the Council who begged the League, with tears in his voice, not to stand in the way of a beneficent plan to save the people from the slums, publicly confessed, a few years later, that he had discovered the existence of a syndicate of financiers, who were buying-up slum property for the L.C.C.'s market, and he stated that he would never again vote for buying out slum-owners.

Much more recently, Lord Balfour of Burleigh told the House of Lords (April 17th, 1934) that "there are certain landlords who can only be described as sharks. There is a definite class of landlord who makes a profit by purchasing property which has already been marked out for demolition by local authorities." Alderman Jackson, chairman of the Special Committee of the Manchester Corporation responsible for slum clearances, told the City Council that the land required for the Hulme clearance scheme worked out, "generously including some of the streets, at £7,111 an acre; and, when demolition, legal charges and other costs were added, it came out at £9,237 an acre—an impossible price. In terms of weekly rent, this would be 4s. 6d. for land alone."<sup>1</sup>

So we come back once more to the Land Question.

Houses are built on land. All the materials that go to the making of a house come from land, or are made of raw materials drawn from land: stone, bricks, lime, mortar, cement, concrete, timber, tiles, slates, metals, glass, paint,

<sup>1</sup> *Manchester Guardian*, February 22nd, 1934.

and so on. The cost of a house is the sum of the cost of the site, the materials, the labour employed to build it, and the charges for designing it and supervising its erection. Our present system of taxation and rating has nothing to say to a bare site, but, when a house is built upon it and occupied, the rates are assessed upon the nett letting value of the composite “property” (*i.e.*, land and house), and fall to be paid by the occupier. If the land is dear and the building materials are dear also, rents are high, and the rates also, because the assessment follows the rent. Land is made unnecessarily dear when the market supply of land is artificially restricted; and the withholding of land is encouraged by the way in which rates are levied. This restriction, and the consequent enhancement of the price of such land as is available, is one of the chief reasons for the policy of housing the workers in huge block dwellings, “climbing,” as Mr E. H. Pickersgill told the House of Commons many years ago, “storey above storey towards high Heaven, in a vain attempt to escape the rapacity of the ground landlord!”

Land that is lying unimproved and unused, however valuable it may be, is not liable to rating. If it is put to some poor use or (say) has a “shack” upon it, it is assessed to the rates at a very small sum, no matter how high the price that would be demanded from anyone who wished to put it to good use. A good house, well-built and with modern conveniences, or a convenient shop, or a commodious factory or hotel, would be very heavily rated in accordance with its suitability for its purpose.

The late Leonard Outhwaite rendered a great service to the cause of better housing by obtaining from the Government in 1913 a Return<sup>1</sup> which should be in the hands of every Housing Reformer. The Return gives, for nearly every County Borough, Municipal Borough and Urban District in England and Wales, its area and population, together with the area of land “rated as agricultural” within the municipal boundaries, and other interesting details. A very few Municipalities did not supply particu-

<sup>1</sup> *Urban Districts (Areas and Rates)*. (White Paper No. 119 of 1913.) The late Mr CHARLES E. PRICE, M.P., obtained a similar return for Scotland. (White Paper, No. 144 of 1914.)

lars. It appears that, in 1911-12, in eleven self-contained County Boroughs and 1,065 other Urban Districts, with a total area of 3,884,139 acres, no less than 2,533,035 acres were rated as agricultural land under the *Agricultural Rates Act*, 1896, that is to say over 65 per cent. of the urban areas of England and Wales was "agricultural land" for rating purposes.

Unfortunately, London was omitted from the Outhwaite Return, but the facts have since become known. Just before the War there were 8,102 acres of land, assessed as agricultural, in the County. Since the War, Mr Frank Hunt, Valuer to the L.C.C., stated, before the Royal Commission on London Government, that the total amount of undeveloped land in the County still amounted to between 7,000 and 8,000 acres—about one-tenth of its whole area. In March, 1919, Sir Edgar Harper,<sup>1</sup> formerly Assistant Valuer and Statistical Officer to the L.C.C., worked out, in a paper read to the Royal Statistical Society, the figures for the County of London and 35 adjacent Urban Districts. Out of 193,889 acres, no fewer than 53,242 were (in 1911-12) rated as agricultural. The rates paid on these agricultural lands in the Metropolitan area averaged 5s. 1d. per acre; on the rest of the area, including all the developed land, they averaged £141 per acre. If allowance could be made for the area devoted to streets, parks, public open spaces, and for vacant sites, unrated sites of churches, etc., the contrast would be sharpened.

Two things have happened since the time to which the above figures belong. Some of the suburban agricultural lands have been built upon; and by Acts of Parliament passed in 1923 and 1929 land assessed as "agricultural" has been, by two steps, completely de-rated.

The first requirement for the building of the new houses, for which there is so clamant a demand, is—land on which to erect them. The demand is, of course, greatest in the urban areas. It is precisely on the land which, within or close to our cities, towns and urban districts, is *de*-rated as "agricultural" that the needed houses must mostly be built. This land, since 1929, has no assessable value. It

<sup>1</sup> *Land & Liberty*, February, 1922 (p. 226).

costs the owner nothing, by way of rates, to keep it out of building use. Any income that he may thus be losing is much more than made up to him by the steady and often rapid increase in its selling value, due to the demand for houses, shops, and so on. If the local authority, for which the land has no assessable value, wishes to buy some of it, for a housing scheme or a Council School, or some other public purpose, the land speculator instantly discovers that the land has a very high value for building purposes.<sup>1</sup>

Mitcham, a growing suburb on the Southern fringe of London, has its housing problem. A local landholder has pointed the moral of the foregoing paragraphs by displaying on some fields, on which a plough has sometimes been seen at work, a notice-board advertising “this valuable *building* land for sale.” More usually, such land is merely used as accommodation land, upon which perhaps the local milkman grazes a few cows.

Within the Greater London area, the London County Council has built great housing estates. Inside the County, at Bellingham, the Council paid £50,339 for land assessed at an (annual) rateable £490; £120,000 for land at Roehampton assessed at £951. Outside the County, £295,544 was paid for the site of the Becontree Estate in Essex, assessed at £3,590, and £369,943 for its St. Helier Estate, assessed at a rateable value of £2,274. For these four estates, measuring in all 3,370 acres, the L.C.C. paid £835,826, an average price of £248 an acre. The land was assessed at an average rateable value of £2 3s. 4d. per acre when the Council bought it at 114 years’ purchase of the figure at which it stood assessed on the rate-books.

Recent acquisitions of sites for block dwellings tell the same story: Stamford Hill Estate, which cost the Council £52,645, had been rated on a value of £1,191; Glebe Estate, Camberwell, cost £57,970 (R.V. £1,380); Honor Oak Estate, Lewisham, cost £20,702 (R.V. £119). Twenty years’ purchase of these three sites on the basis of their

<sup>1</sup> A table giving particulars of 34 purchases of land, acquired during 25 years by the City Council of Sheffield, appears in *Sheffield City Council and Land Value Rating*, reprinted from an official Report by the United Committee for the Taxation of Land Values (1d.).

rateable value would have been £53,800. They cost the Council £131,317.

One more ghastly illustration of what all this means.

Some years ago, a doctor,<sup>1</sup> in the Cathedral City of Hereford, found a man, wife and four children living in a single room, 12 feet by 9 feet, in a house which had been condemned by the City Council as unfit for human habitation. Into that awful "home" in the dead of night a fifth child was born in the presence of an awakened and horrified babe of three years. No room elsewhere to build a house for them to live in? In that same City *more than 75 per cent of its area was rated as "agricultural land."*

The deterrent effect of the non-rating of these urban and suburban lands upon the provision of houses is re-inforced by the pressure of rates upon the houses when they are built and occupied.<sup>2</sup> A surveyor would say that this prolongs the period of "ripening for building": *i.e.*, delays the efforts to overtake the housing shortage. The tenant, even if he does not understand these things, knows that it increases the cost of occupation. He knows that the better the house, the higher the rates; that, if he provides a decent home for his family, he will be fined by the rating authority, and that if he takes them to live in the street he will be fined by the Police Magistrate; that he cannot instal a bathroom, or throw out a conservatory, or add a garage, or a new storey to afford more bedrooms for a growing family, without having his assessment increased. The conversion, at great cost, of a large un-

<sup>1</sup> See his letter in the *Daily News*, October 7th, 1924.

<sup>2</sup> "The late [Conservative] Government appointed a Royal Commission [in 1897] to overhaul the whole question of Local Taxation. . . . These Commissioners . . . explain that our present rates, by bearing heavily on buildings and other improvements, act as a tax on industry and development. 'Buildings,' says the Report, 'are a necessary of life, a necessary of business of every kind. Now the tendency of our present rates must be generally to discourage buildings, to make houses fewer, worse and dearer.' In other words, our present rating operates as a hostile tariff on our industries. It acts in restraint of trade, it falls with severity on the shoulders of the poorer classes in the very worst shape—in the shape of a tax upon house-room." SIR HENRY CAMPBELL-BANNERMAN at Dunfermline, October 22nd, 1907, quoting the Separate Report on Urban Rating and Site Values, signed by five of the Commissioners.

lettable, old-fashioned house, originally built for one family, into self-contained flats with proper sanitary conveniences, cooking facilities and water-supply, is invariably followed by a huge increase of assessment.

The poor, who are the greatest sufferers under the present system, often do not realise that they are paying rates at all, because their share of the ground-rent, the interest on the cost of the building and their share of the rates are all lumped together and paid by weekly instalments in what they call their “rent.” Many of them, who live in houses the rent of which is “controlled” by the *Rent Restriction Acts*, have been enlightened, by the permitted increase of their “rents,” following upon any increase of rates.

Sometimes the truth about the rates is brought home to them with disastrous results. For instance, Queen Mary, some years ago, visited some of the terrible slums of Hoxton,<sup>1</sup> and made remarks which stirred the London County Council to activity. The Council built eight blocks of workmen’s flats to re-house some of the slum-dwellers at Stamford Hill, about two miles to the North. With the incurable hopefulness of the poor, many of the Hoxton families moved into the new flats, delighted to come into a healthy district to a clean, light, airy, well-built home, and hoping somehow to be able to scrape together the rents, varying with the number and situation of the rooms from 13s. 6d. to 19s. 3d. a week. They naturally assumed that these rents, like the rents which they had been paying in the slums, constituted their full liability. But they were met with a demand from the Hackney Borough Council for rates, to be paid *quarterly in advance*. Many of them, faced with demands that they could not possibly meet, left; probably returning to some slum. Others, who stayed on, were served with summonses. Some of the new tenants are known to keep maids, a fact which hardly suggests that all the flats are serving their ostensible purpose. At the end of 1933 the L.C.C. was able to make an arrangement with the Hackney

<sup>1</sup> An examination of a sample 100 dwellings in Hoxton and Tidal Basin, by the *Week End Review* (December 16th, 1933), showed 100 per cent of overcrowding.

B.C. under which the County Council now collects the rates and the water charges in weekly instalments with the rents, and pays the rates in bulk to the Borough Council. The effect of the change is shown in the following table :—

	<i>Rent.</i>	<i>Rent and Rates.</i>
3-room tenements	13s. 6d.—17s. 0d.	18s. 0d.—22s. 6d.
4-room tenements	17s. 0d.—18s. 0d.	22s. 8d.—24s. 0d.
5-room tenements	18s. 0d.—19s. 3d.	24s. 0d.—25s. 0d. <sup>1</sup>

In the same district, on the opposite side of the High Road, the Guinness Trust has built ten blocks of dwellings, containing altogether 400 lettings. They stand on the sites formerly occupied mainly by two large houses, of an old-fashioned type, with large gardens; the whole assessed at £735 rateable value. The whole site is now occupied by the Guinness Trust Buildings (assessed at £6,760) and a garage (assessed at £775). One-room flats let at 7s. per week; 2 rooms 11s. 9d.; 3 rooms 15s. 4d.; 4 rooms 19s.; each flat having in addition a scullery and bath. Flats on the upper storeys are somewhat cheaper. All these weekly rents include rates.

The story of the L.C.C.'s Oliver Goldsmith Estate at Peckham is similar to that of their Stamford Hill dwellings. It was known locally as the "Jailbirds' Garden Suburb," because, it is said, at least half of the Council's tenants have been sent to Brixton Prison for non-payment of the Borough Council's rates. Now that the rates are collected with the weekly rent they are in danger of eviction by the County Council, whose rent collectors refuse to accept the rent without the additional sum which represents their instalment of rates, and these poor folk cannot find the money to pay both. In this case the rents vary between 10s. and 18s. a week, with rates averaging from 4s. to 7s. a week.

Why do we thus rate houses, and rate them so heavily? Are we trying to prevent their erection, as the window-tax prevented the making of sufficient windows, and the newspaper-tax made newspapers so dear as to put them beyond the reach of the poor? What hope is there, under such conditions, even of the million houses to let at 10s. a

<sup>1</sup> Figures kindly supplied by Mr. Frank Hunt, Valuer to L.C.C.

week for which the Bishop of Winchester has been pleading?

Under rating of land values, *all* land, including every vacant plot of building land, the site of every empty house, all the so-called agricultural land in and around urban areas, and all land from which building materials can be obtained, would be assessed at and rated on its true market value. This would bring into use a very large area of land now held out of use for speculative reasons, and would not only reduce the price of land and of building materials,<sup>1</sup> by enlarging the market supply, but would also make it possible for local rates on buildings to be reduced and, finally, extinguished. Houses, built on cheaper sites with cheaper materials, and relieved of the burden of the rates, could be let, without the help of subsidies, either out of public funds or from philanthropists, at much cheaper rents; and the workers, with steadier employment and higher wages, because of the opening-up of new avenues of employment, would be able to pay a reasonable recompense to those who build houses for them to live in.

We should no longer be on the slippery slope which leads, through scarce and dear houses, to overcrowding, and so on to slums.

<sup>1</sup> A great national scheme of house-building, without the taxation and rating of land values, would simply increase the swollen dividends of the brick-making companies to which Sir Francis Acland referred in the House of Commons on January 30th, 1935.