LAND & LIBERTY

MONTHLY JOURNAL FOR LAND VALUE TAXATION AND FREE TRADE

Forty-ninth Year-No. 581.

4 Great Smith Street, London, S.W.1.

October, 1942. 2d.

THE ARCHBISHOP OF CANTERBURY AND THE LAND QUESTION

AT A mass meeting in the Albert Hall, London, on 26th September, arranged by the Industrial Christian Fellowship as a sequel to the Malvern Conference of last year, the speakers included Dr Temple the Archbishop of Canterbury, Dr Garbett the Archbishop of York and Sir Stafford Cripps. In the course of his address Dr. Temple said:

"There are four requisites for life which are provided by nature, even apart from man's labour: air, light, land and water. I suppose that if it were possible to establish a property claim upon air, somebody would have done it before now and made people pay if they wanted to breathe what he would then call 'his air.' So too of light. But it has not been found possible to do this.

do this.

"Unhappily it has been found possible in the case both of land and of water, and we have tended to respect the claims that have been made by owners of land and the water flowing through it or beneath it, in a way which subordinates the general interest to the private interest

of those owners.

"I am not myself at all persuaded that the right way to deal with this question is by the nationalization of the land, but I am quite sure that we need to assert the prior interest of the community in respect to land and water with a vigour of which our recent political history shows no trace.

"Here supremely the principle of the old Christian tradition holds good, that the right of property is a right of administration or of stewardship, never a right to exclusive use

to exclusive use.

"Our present treatment of land and of the buildings placed upon it strikes me as peculiarly topsy turvy. If a landlord neglects his property and it falls into a bad condition, which is an injury to society, the rates upon that property are reduced; while if he improves the property and so does a service to society, the rates are increased.

the rates are increased.

"But if the rates were levied upon the land itself and not upon the buildings placed upon it, there would always be the inducement to make the property as good as possible in order that the best return might be received from it."

The foregoing is as reported in the Sunday Express. Reynolds Newspaper also reported these passages, but the other London newspapers except for a reference by Mr Hannen Swaffer in the Daily Herald, and the Manchester Guardian, ignored the statement on the rating of land values. Extracts broadcast by the B.B.C. also omitted this.

THE UTHWATT COMMITTEE'S PROPOSALS

THE PROPOSALS put forward in the Report of the Expert Committee on Compensation and Betterment (Chairman Mr Justice Uthwatt) fall under three main headings:

(1) The purchase by the State of "development rights" of all land outside built-up areas and the consequential arrangements suggested for permitting development in such areas.

(2) Amendments of the law relating to town planning in built-up areas including simplification of procedure, extension of powers of the planning authority to acquire land needed for planning, and modification of the rules for assessment of compensation for land purchased.

(3) The imposition of a levy of 75 per cent of future increases in the annual site value of land. This arrangement applies mainly to land in built-up areas, but may apply also to such land in other areas as is permitted to be developed.

The distinction between built-up areas or "town areas" and the rest of the country is not to be defined by existing municipal boundaries, but by a survey to be made by the proposed Central Planning Authority which is to ascertain the limits by the test that "there is such an amount of continuous occupancy of the ground by buildings that persons may be said to be living in the same town or place continuously." It will be evident that the "town areas" will necessarily contain considerable areas of vacant or undeveloped land as well as areas which are poorly or inadequately developed.

are poorly or inadequately developed.

The making of the delimitation between "town areas" and other areas is, therefore, a condition precedent to the application of the main proposals of the Committee.

What are Development Rights?

By "development" the Committee mean the use of land for purposes other than agriculture (including forestry and horticulture) but excepting the erection of buildings which serve the amenity of a dwelling house. The purchase of development rights by the State will, therefore, prevent the owner of land, and any tenant or lessee, from using the land for any purpose except agriculture. The Committee, however, propose that an owner should not be deprived of the right to erect a dwelling for his own use subject to his obtaining a licence from the planning authority.

The land the development rights of which are to be acquired includes all land outside "town areas" except dwellings and other buildings occupying a site of not more than one acre, land occupied by industrial and trade premises including railways and docks, churches, hospitals and various other institutions.

Arguments for Purchase

The reasons for the proposed purchase of development rights is explained by the Committee in these terms: " A coastal area, a beauty spot, the fringe land round existing towns, may all have a high building value for residential or industrial development, yet it may be in the national interest to forbid building whether for reasons of amenity or because the soil is highly fertile and suited for agriculture. Similarly it may be in the national interest to prevent some of our large existing cities from expanding further. This will involve sterilization from building of much land which, if unrestricted, would command a high price for development. Action such as this is practically impossible under the existing planning legislation on account of the liability placed upon the local planning authority for compensating all the landowners concerned for depriva-tion of development value." On this, however, it may be remarked that the burden of compensation will not cease to exist, if it is transferred from the shoulders of the local authority to those of the State. It will have to be paid in the end by individuals either out of rates or taxes. It may be suggested that the burden will be more equitably spread, but the inhabitants of rural areas required to contribute to the cost of establishing green belts round great cities with high rateable values might not assent to that

Speculative Values

The Committee go on to say that "potential development value created by the expectation of future development is spread over many more acres than are actually required for development in the near future or are ever likely to be developed." And again "potential development value is by nature speculative."

It is implicit in their scheme for the State acquisition of development rights for a global sum, which is afterwards to be apportioned among the owners of the land, that the price paid will be less than the sum total obtained by valuing the development rights of each individual plot and adding them up to find the total. This would result in a "heavy over-capitalization." Their view is that "between two and three times too much would be paid if piecemeal valuation formed the basis of compensation." In other words the proposal is one for confiscating from one half to two thirds of present values of the land in question.

The Committee do not give any indication of how the global sum for the value of "development rights" is to be arrived at except that "the amount should be fixed by the Government after taking