

Election Manifesto of the United Committee

LAND AND HOUSING SHORTAGE, DISAPPEARING COUNTRYSIDE, RATES

THE United Committee for the Taxation of Land Values reminds all concerned with the presentation of party policies at the 1964 election of the urgent need for realistic measures to deal with the shortage and high price of urban land and housing, the related problem of countryside preservation and the need to provide a truly local alternative to the present rating system.

It is generally admitted that government planning, whatever may be its merits as far as the preservation of certain areas from development is concerned, has largely failed on the positive side; too few slum and "twilight" areas have been cleared and revitalised by new housing.

The solutions at present proposed by the major political parties, are: a) The purchase of land, more or less compulsorily (either at full market value, or at use value with or without a "sweetener") for comprehensive redevelopment of old towns and the building of new towns; b) lower interest rates; and c) grants and loans for house modernisation.

These proposals have serious disadvantages.

Compulsory purchase is prohibitively expensive — even at present use value — and is thus woefully inadequate to cope with the re-development task before us.

The creation of New Towns may sound a good way of dealing with the housing shortage — but is it really so desirable? Is it not rather an admission that, because of the very high price of urban "twilight" land, which local authorities cannot afford to buy and develop, the instrument of compulsory purchase has had to reach out into the countryside to build a new satellite town on the cheaper land there? And with the result that now the countryside is ruined by the bricks and mortar that covers the once empty and quiet landscape, and by the dust and noise of the intercommunicating traffic and other "services" which scar the countryside in between. How long will it be before London's traffic-rumble rolls from Gatwick to Stevenage, from Bracknell to Basildon, with London itself one enormous Victorian slum?

As for a policy of low interest rates, the only effect of increasing the availability of money will be to enable people to pay more for the same amount of land and housing. It is a self-defeating policy by which the taxpayer who foots the bill for cheaper money makes gifts to land owners by way of increased land values.

What has been said about interest rates applies equally to grants for house modernisation, which also are reflected in higher property prices. Already today, houses without

plumbing are offered for sale at enhanced prices because "a modernisation grant is available." Further, while the measure may be of limited value to owner occupiers, it is absurd that, as soon as a house has been modernised with the aid of a grant, the owner finds that his rates are increased.

THE ONLY EFFECTIVE COMPREHENSIVE "POSITIVE PLANNING" PROPOSAL

The taxing or rating of land values avoids the difficulties of the other measures outlined above. Its implementation is not restricted by cost. It is not a piecemeal measure, but a truly comprehensive one. While it is comprehensive, its effect is greatest in the areas of greatest need — the rotting hearts of our cities at which compulsory purchase can barely afford to nibble. By promoting the best use of land, it reduces or avoids the need to build ever outward on to cheaper country land.

Unlike any other measure, land-value taxation actually brings down land and house prices, making "cheap money" policies superfluous. It is based upon the sound principle of impartiality in that everyone contributes in accordance with the land value he enjoys. At the same time it provides the "positive" element so sadly lacking in our current planning — which nothing else can provide without turning this country into an authoritarian state.

As a rating proposal, it avoids the type of absurdity already mentioned in the present system and also lightens the share of the rates burden at present borne by householders.

It does all these things so easily because it does the obvious thing first — it removes the obstacles that hinder good development and town planning today: the taxes on buildings and the enormous tax-free profitability of letting land lie idle. To tax land values is simply to take the profit out of land and to put it into good building.

THE WHITSTABLE SURVEY, 1963-64

Site-value rating is already in existence in a number of progressive overseas cities and rural areas. For example, its introduction into Pittsburgh, U.S.A., has helped to achieve a transformation of that once ugly and dirty city.

The Whitstable Survey, carried out under the auspices of the Rating and Valuation Association, proves beyond question that what has been done overseas can also be done here. It proves that land valuation is comparatively easy, that there is an enormous fund of land value waiting to be tapped — and also reminds us that the sooner

we get on with the job of a national land valuation, followed by land-value taxation, the better the Britain we shall be able to build for ourselves and for our children.

If Britain is to become a modern well-developed country with the use of land truly reflecting the desires and needs of the community in terms of housing, employment and amenities, then the following principle must be recognised:

The value of land, unlike the value of produced goods and buildings, arises from the activities of the community and not from individuals. The community therefore has a clear right to the values deriving therefrom.

Land-value taxation is therefore the equitable, logical and supremely practicable answer to the problems of housing, development and land monopoly that have bedevilled our economy for decades.

MARKETING BOARDS IN A NUTSHELL

From *The Estates Gazette*, August 1, 1964.

THE AUTHORITY for this subject is the Agricultural Marketing Act, 1958, which consolidated a number of enactments going back to 1932. It gives power to the Minister of Agriculture to approve marketing schemes for any agricultural or horticultural product, throughout the whole or in a specific part of the United Kingdom. The object of such schemes is to encourage efficient marketing, not by the Ministry or by distributors but by the farmers who produce the commodity concerned. It is they, therefore, who initiate schemes.

Before a scheme can be approved and given statutory blessing, it must be shown that a majority of those it will affect are in favour of it. As soon as it is legally established, however, it applies even to those who never wanted it.

The first stage is for a number of farmers, enough to satisfy the Minister that they are "substantially representative" of producers interested in the product, to draft a scheme and submit it to the Minister. The Minister then publicises the proposals by notice in the *London Gazette*, in newspapers, the farming Press, etc., and he must draw attention to the fact that copies of the scheme may be obtained from such and such an address.

Objectors are given six weeks in which to submit their grievances. The Minister then weighs up the pros and cons, and usually orders a Public Inquiry to be conducted by an independent person at which objections can be raised. Even if there are not substantial objections, he has the right to initiate such an inquiry; furthermore the Minister (after giving notice) may make modifications of his own to the draft scheme.

Provided, as the Act says, that the Minister is "satisfied that the scheme will conduce to the more efficient production and marketing of the regulated product," his next step is to submit it to Parliament for approval. Both Houses must approve, in which event an order is made

bringing the scheme into force on an appointed day.

That is, however, not the end of the story. The main provisions of the scheme are suspended for a few months, during which time a register is made of all producers interested in it. The interim marketing board (its members being named in the scheme) then sends every one a form of registration as a producer of eggs, milk, potatoes or whatever the scheme is dealing with. After that, the producers are invited to vote on whether or not the scheme should proceed. This, in fact, is the crucial stage, at which schemes have in practice been killed off. To succeed, there must be a majority in favour of not less than two-thirds of the registered producers who vote, and they must produce at least two-thirds of the commodity to be regulated. But again, even though the poll results in the required majority, if during the suspensory period it transpires that less than half the registered producers troubled to cast their vote, the scheme must be revoked.

Assuming that all objections have been overcome, the suspensory period ends and the scheme comes into full operation. The main effect is that no farmer can sell the product in question unless he has registered with the marketing board (or, in limited cases, is exempt from the scheme). The scope of the scheme varies, but it may give the board the right to buy and sell the commodity, to grade, store or adapt it, and so on. Registered producers may be compelled to sell all or some of their produce through the board. It may be noted that distributors do not come under the scheme.

The Milk Marketing Board is a good example of a board with full powers. A farmer who produces milk for sale wholesale must sell it to the board, the board having the task of collecting it from the farm and arranging to market it. Producer-retailers require a licence from the board. The Government fixes the maximum retail price for milk sold for human consumption, but for the surplus which is manufactured the price is fixed by the M.M.B. The board also arranges to implement the guaranteed prices for milk which are agreed at the annual price review.

The board established to administer a marketing scheme consists mainly of members elected by the registered producers, farmers like themselves, although the Minister of Agriculture may appoint up to one-fifth in the person of experts in commerce, finance, administration, public affairs, and so on. From the board members, four to six are appointed, under the chairmanship of an independent solicitor or barrister, to act as a committee of discipline. Producers who infringe the rules of the marketing scheme are called up before them, and the committee may impose penalties on wrongdoers. Appeal is to arbitration or, if on a point of law, to the Courts.

The Agricultural Marketing Act contains provisions for amending existing schemes, the procedure being very similar to the rules for bringing a new one about. Again, if a scheme appears to be unsuccessful, it may be revoked altogether. This happened not long ago when the Tomato and Cucumber Marketing Scheme was wound up.