

"Small farmers will welcome this measure with joy. At long last they will not pay taxes on their houses; they will not pay taxes on their fruit trees," said Mr. Norman Manley, Chief Minister, during debate on the

Jamaica Land Valuation Bill

AFTER a three-day debate, a *Land Valuation Bill* completed its passage through the House of Representatives on November 29 last. The following day it went before the Legislative Council. We await further news from our correspondent on the island.

Conduct of the Bill through the House of Representatives was the responsibility of the Minister of Agriculture and Lands, Mr. William Seivright, who received assistance from the Chief Minister, Mr. Norman Manley, Q.C., leader of the People's National Party (P.N.P.), the Minister of Finance, Mr. Noel Nethersole, the Leader of the House, Mr. Florizel Glasspole, and the Minister of Education and Social Welfare, Dr. Ivan Lloyd.

The Jamaica Labour Party, the official Opposition in the House, opposed the Bill. Principal speaker was Mr. Edwin Allen, supported by Sir Alexander Bustamante, Opposition leader and Chief Minister in the former administration, Mr. Donald Sangster, deputy leader, and Mr. Tacius Golding. Mr. Ken Jones, Jamaica Labour Party, supported the Bill.

As the Hansard reports of the debate and copies of the Bill are not available in London as we write, we rely on the extensive reports published in the *Jamaica Daily Gleaner*, from which the following has been condensed and adapted.

MR. SEIVRIGHT, opening the Second Reading debate, described the Bill as one of the "cornerstones of my Party's plan for Progress." The first attempt to establish a Valuation Law had been made in 1903. It was not done by physical work; no individual inspection was carried out on the lands. People were asked only to send in "in-givings" (returns). "As a result, a number of anomalies and inequalities exist and are crying out for remedy and adjustment. Apart from anything else, the need for valuation is long delayed. The absurdities by which it was established in the past—all of them—make an abundant case for revaluation of property in this country." The Bill sought to obtain power to establish taxation on the unimproved value (*i.e.* the land value) of land in the island. It was not a taxation bill and it was not intended to raise more money. It was intended "only and primarily . . . for the setting up of an organisation under which a proper valuation of property will be done for the first time in Jamaica."

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The system of land-value taxation in Australia and New Zealand fully supported the principle of the Bill. Quoting from the report of the International Research Committee on systems of Taxation, Mr. Seivright said that world opinion during the past 10 years had been swinging round to accept that the basis of real estate taxation should be the unimproved value of land. The World Bank Mission to Jamaica had recommended that type of land taxation as an adjunct, indeed an incentive, to development in Jamaica.

The taxation of land values would be an incentive to the proper use of land. It would discourage speculation in land and it would remove the fear of making improvements to the land. It would force developments in the built-up areas.

The Government had secured through the United Nations the services for three months of Dr. J. F. N. Murray, chairman of the Australian Valuation Board. In his report, which would be published shortly, Dr. Murray stated that there would be no great problem in the urban and suburban areas. The only real problem would be in the rural agricultural areas, and these he had suggested should be tackled rapidly and effectively.

MR. CLAUDE STUART, Minister of Health, seconded.

MR. EDWIN ALLEN said that the Opposition opposed the Bill. (Sir Alexander Bustamante: "Violently oppose.") The Minister had not touched upon the most important truth about the Bill which was that although it was not a taxation measure, a Taxation Bill would follow. He was entirely suspicious of the Government's motives and he did not believe the Minister's statements at all. Conditions in Australia and New Zealand could not be compared with those in Jamaica where there was tremendous fragmentation of land. Although he was one of the oldest advocates of taxation on unimproved values—from as far back as 1931 and in 1938 before the Moyne Commission—he opposed the Bill which was full of pitfalls and illogical definitions, particularly those of "unimproved value," "improved value," "land," "unimproved land" and "improved land." The Bill was bad because those definitions would frustrate it from doing what was intended. Periodic revaluation of a large number of holdings was going to cost a tremendous amount of money, and since it was intended to raise rather than to lose money, this led him and his colleagues to conclude that the Government's intention was to increase taxes. It was said that if the Bill became law, people not wanting to pay taxes on unde-

veloped land would rush to develop their land. "But is Government sure that there will be money available?" If such owners wanted, and were unable to obtain credit, the Bill would have the effect of creating bankruptcy all round.

VEHEMENT OPPOSITION

SIR ALEXANDER BUSTAMANTE: "The revaluation, whether by air or land, will cost more than £½ million and I know the Government has not that money to throw away. It is an undeniable fact that this Bill is intended to create higher taxation . . . and this country cannot stand any more taxation." [MR. E. V. ALLEN (P.N.P.): "It is not taxing the people. Do not tell the people that."] "Most of the persons today who are owners of houses, or land or farms—big or small acreage—are mortgaged up. . . . This Bill reminds me of the Inquisition in Spain. Here is the fact that this Government has not been able to raise money abroad, and so taxation should be increased." [DR. IVAN LLOYD: "Most false statement. Shame! Shame!"] "This Bill is deceptive. It is going to destroy this country. . . . It is going to work greater hardship for the rich and the poor. . . . It is intended to raise taxation and further crush the rich and the taxpayers. . . . The country will curse you if you raise taxes any more. . . . This Bill will hang you. We know that it is going to be passed but I give you this assurance that in two years, I will smash up all these Bills because I will be back in power again."

MR. E. V. ALLEN said the country would welcome the Bill which was the best legislation to have come before the House. There were places which covered 8,000 acres paying only £100 4s. taxes while a neighbour with one acre of land and a good house paid £7 10s. The Bill

would protect the small man. The Opposition, apparently, was seeking to protect the big land-owner.

MR. DONALD SANGSTER (J.L.P.) said that the Tax Bill which he presumed would follow should have been presented with the Valuation Bill. As it was they did not know what was in the Government's mind. There might be a few acres of land which were not being used as effectively and as productively as everyone would require but Jamaica had reached a state of fair development. At first hand he had learned in New Zealand that the rating of land values was not all what it was made out to be. He suggested that instead of pressing for the land-value taxation system, the Government might think "of using the terms of rateable or annual value." [In other words: taxation should be levied on the assessed value of buildings and other man-made improvements, according to Mr. Sangster, and the House of Have left in undisturbed possession of the economic rent of land. ED.L&L.]

REFORM LONG OVERDUE

MR. NORMAN MANLEY, Chief Minister, said that the Bill was designed to implement decisions which the two parties had taken jointly many years ago, and a decision arrived at by a Committee* in 1944 which the Labour Party when in office had accepted in 1950 and had embodied in a Bill exactly like the present one. That Bill had received its second reading on June 20, 1950, and an expert had been engaged to formulate plans for valuation but it had been struck by the 1951 hurricane. So the present Bill was not of recent origin. It was designed to do something which the People's National Party had advocated for 18 years—to alter the basis upon which land was taxed and rated,

*Report of the Valuation Commission, chairman the Hon. Simon Bloomberg, Collector General, published July, 1944.

THE JAMAICA LAND VALUATION BILL BRIEFLY DESCRIBED

According to the Daily Gleaner, November 23, the memorandum of objects and reasons for the Bill states:

"It is the policy of the Government, with a view to encouraging the development and utilisation of land, that in future all land taxes (that is to say, property tax payable under the Property Tax Law, and Parish Rates payable under the Parochial Rates and Finance Law) should be based on unimproved value, while any local rates imposed for the purpose of providing for any local improvement or public service for the benefit of any particular town or district should continue as at present to be based on the improved value of the land.

"This Bill is designed with a view to implementing this policy, and accordingly makes provision for the valuation of properties on the basis of both their improved and unimproved values.

"The administration of the Law is vested in the Commissioner of Valuations upon whom the onus for making valuations will be placed . . .

"The Bill contains provision for a landowner who is dissatisfied with the value attributed by the Commissioner to his land to lodge an objection with the Commissioner and,

if necessary, to appeal to a Valuation Board and from thence to the Court of Appeal."

In the Bill "unimproved land" means land on which no improvements as defined have been effected; "unimproved value" means the capital sum which the fee simple of the land might be expected to realise if offered for sale on such reasonable terms and conditions as a *bona fide* buyer would require, in relation to unimproved land—minus the value of improvements if on improved land.

The Governor in Council shall appoint for each district (normally a parish) a Board to be known as the Valuation Board for the hearing of appeals. The Board will consist in each district of a Chairman, who shall be a Resident Magistrate or some other person qualified to be a Resident Magistrate, and four other members appointed by the Governor in Council.

Valuations of both the unimproved and the improved value of every parcel of land will be made by the Valuation Commissioner every five years, excepting land occupied by the Crown, or of estimated low unimproved value as the Governor in Council may order, with the approval of the House of Representatives. Provision is made, however, for valuations at times outside the five-yearly period under certain circumstances.

repudiating the present system which made land tax a tax upon capital and labour and effort, and discouraged the adding of improvements to land. When land was taxed on its value as raw land the holder found it unprofitable to keep it idle. "And so it has been argued with perfect truth that the new system of valuation tends to discourage withholding of land and encourage the putting of land to use." It had been 27 years since there had been a revaluation of land and during that time thousands of small people had acquired land on inflated value. They were paying taxes on those inflated values, while at the same time many more were sitting down on lands of a tax value which had no relation to modern trends.

"The outstanding agrarian fact of Jamaica since 1926 has been a vast increase in the number of small holdings. . . . The small farmers of Jamaica will welcome this measure with joy. I must say at long last they will not pay taxes on their houses; they will not pay taxes on their fruit trees." This was not the time to consider the recommendation of the Bloomberg Committee that there should be general relief from taxes on land below a given value, but when the time came the Government would consider carefully and sympathetically the proposal that all small property owners should be relieved of all land taxes entirely. It might be necessary, however, to charge even the smallest land owner a nominal tax to prove his occupation of the land.

Refuting Mr. Sangster's reflections about New Zealand, Mr. Manley referred to the Local Government Commission which in its report* published last June had stated that land value taxation was not only more expedient and equitable than taxation imposed on the annual value of land and buildings taken together, but gave rise to fewer anomalies. Nearly all the counties in New Zealand were in favour of changing to the system which was proposed in the present Bill.

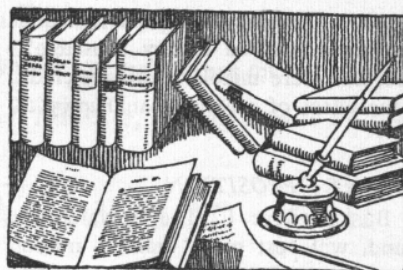
It was not intended to use the valuation of land at improved value for anything other than special rates, for services like water, fire, and so on.

*See L&L, October, 1956. "Ethical, Expedient and Equitable."

OUR CARIBBEAN BOOKSHOP

Advertisements offering a free copy of this journal and literature on the land question were inserted in the *Jamaica Daily Gleaner* and the *Trinidad Guardian* last October on the recommendation of Mr. Ashley Mitchell, who visited the B.W.I. on business last summer.

Among the many who replied was a bookseller in Trinidad—MR. COLVIN W. PATRICK—who immediately bought for retail sale 48 copies of the new condensed edition of Henry George's *Progress and Poverty*. We have been pleased to appoint Mr. Patrick our sole agent in Trinidad, supplying him with a wide selection from our catalogue. Readers in B.W.I. are requested to make known Mr. Patrick's service—his address: P.O. Box 262, Port-of-Spain.



BOOK REVIEW

Malthus Refuted

Must Men Starve?—the Malthusian Controversy.

By JACOB OSER.*

Jonathan Cape, London. 331 pages. 25s.

IF THERE IS one characteristic which distinguishes the mind of the adult from that of the modern child it is surely the placid acceptance of the paradox. Examples are legion. The destruction of food while millions starve; the "protection" of the people from the goods they wish to buy; the acceptance of penal rates of taxation to get something "free"; the cheerful payment of huge sums for "not raising pigs"—one succumbs to mental indigestion before the menu is hardly begun. Now, like a clean, fresh north-easter comes a book which will do much to blow away the smog of ignorance and prejudice which has allowed the grim theory of Malthus to exist side by side with such contradicting realities as North American food surpluses and the soil bank plan.

Professor Oser's approach to his task is methodical—almost clinical. The Malthus "Law of Population" is placed on the operating table:

"Population, when unchecked, increases in a geometrical ratio; subsistence increases at best only in an arithmetical ratio."

With a few deft incisions, the vicious doctrine is exposed in all its stark malignity:

"All the children born beyond what would be required to keep up the population to this level must necessarily perish. . . . To act consistently . . . we should facilitate . . . the operations of nature in producing this mortality. Instead of recommending cleanliness to the poor we should encourage contrary habits. In our towns we should make the streets narrower, crowd more people into the houses, and court the return of the plague. In the country, we should build our villages near stagnant pools, and particularly encourage settlements in all marshy and unwholesome situations."

That there is hunger in the world, Professor Oser does not deny. About two-thirds of the world's population, he says, are not getting enough to eat. But what is the cause? Is it the inherent indolence of mankind? Is it the implacable severity of Nature? Is it Man's natural bent for war and destruction? Resolutely, categorically, the Professor turns his back on any verdict savouring of "natural causes." In a few, well-presented chapters he demonstrates that responsibility for the world's hunger lies

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