



## LAND & LIBERTY

Published by THE UNITED COMMITTEE FOR THE  
TAXATION OF LAND VALUES, LTD.

Thirty-seventh Year. Established June, 1894.

3d. Monthly. By Post 4s. per annum.

United States and Canada, 1 Dollar.

Editorial Offices:

11, TOTHILL STREET, LONDON, S.W.1.

*All communications to be addressed to the Editor.*

Telegrams: "Eulav, Parl., London." Telephone: Victoria 7525.

*Postage on this issue is One Penny.*

## THE PROMISED LAND VALUES BILL

The Prime Minister announced on 26th June that Parliament would be prorogued about the end of July and that a new Session would begin in October. He named the Bills that the Government intended to press forward with a view to their immediate passage into law, these including the Coal Mines Bill, the Road Traffic Bill, the two Housing (Slum Clearance) Bills and the Land Drainage Bill. Slaughtered among the innocents are the Education Bill and the Consumers' Council Bill, a project to compel retailers to sell at prices fixed by decree. Both these Bills had occupied Parliamentary time none of which was available for the Land Valuation Bill, a measure not mentioned at all by the Prime Minister in his review of legislation to be passed or dropped before Parliament takes its summer vacation. He was reminded of it by Col. Wedgwood and he answered it had been postponed for this session only.

Mr Snowden has been wholly engaged in piloting the Finance Bill through the House of Commons in the teeth of unrelenting opposition to higher death duties and to such provisions as those intended to prevent "tax dodging" by turning landed estates into private companies; and he has had to battle for days to secure the clauses enacting the revaluation once every five years in England and Wales for the assessment of income tax on land and buildings. That provision incidentally requires Inland Revenue Valuations for Schedule A purposes in London, where up till now the local assessments have been the basis also for income tax. But these local assessments have been so much below the "annual value" (as it is defined) of land and buildings in London, that there has been an annual loss to the Exchequer of no less than £500,000—which indicates an under-assessment of at least £2,000,000 in the local rateable values.

The discussion of these intricacies served only to show the anomalies of the existing basis of real property taxation, whether for State or local

purposes. And Mr Snowden found himself in the conflict over this re-assessment for income tax which in the end will only increase the burden on well-improved property, and still allow the idle land to escape however valuable it is; while the valuation of land apart from buildings and improvements, acknowledged to be of the greatest importance and the greatest urgency, cannot be begun because the House of Commons has no time to consider the necessary Bill.

On 14th April there was no hint of the "congestion of Parliamentary business" when the promise was given to introduce the Land Valuation Bill forthwith. Repeatedly at question-time Mr Snowden assured the House that the Bill was about to be presented and debated. As to his pledge that everything would be done "this session" to pass it into law, the circumstances are altered, since "this session" meant at the time a session that would last till the beginning of next year, whereas now the session will close about the end of July. That by the way. The position of the Bill is that it was presented formally for First Reading on 6th June. It is in print, but has not yet been published and it may or may not be circulated to Members before Parliament prorogues.

At the end of May the Government was faced with internal dissensions caused by the resignation of Sir Oswald Mosley over the question of unemployment, and something had to be done hastily to check the alarming growth in the number of the unemployed. The "congestion of Parliamentary business" became more acute and the chances of the Land Valuation Bill receded farther into the distance. Not a day could be afforded to advance the case for Land Value Taxation. In the estimation of Ministers, that question takes its place among other desirable and necessary reforms, but it is a minor place in this time of crisis. So people think who cannot or will not relate the land value policy to unemployment, low wages and the housing problem. In itself the Taxation of Land Values is a good thing but other things are more immediate. For thirty years or more responsible politicians have talked in that strain. Mr Snowden remarked on 16th April that some of his land tax friends, "like all people with one idea," are very difficult to please. Is it any wonder?

The English and Scottish Housing Bills, which get precedence in the overloaded programme, attack the problem of the slums with the spending of more public money. They add another chapter to all the legislation that has done so little. The persistence of low wages is taken for granted and all the State can do is to make the poorest the objects of its charity. Money must be found to rebuild the slum areas and subsidize the rents of new dwellings. The cost of housing sites, the burden of the rates on buildings, the inability of workers to provide their own homes—the beneficent State will overcome all that. This is a housing question the politicians irritably exclaim to the "men of one idea" and the housing question has little or nothing to do with the land question: why mix it up with the Taxation of Land Values?

The Education Bill held the desirable provision

that boys and girls should have more and better schooling, but it was advanced also as an expedient to deal with unemployment, because, if the entry of boys and girls into the labour market is delayed the competition for jobs will be lessened. Education itself is subordinated to the wage fund theory. In such a debate what room is there for the view that private property in land has something to do with restriction of opportunity? What room was there for this view in the earlier debates at the beginning of the session, when increased pensions were favoured not merely for their own sake, as they should be, but also because the removal of the pensioners from the labour market would give younger people a share in the limited amount of work available? The ghost of Malthus is over it all.

The Land Drainage Bill is pushed forward with Conservative approval. It will enhance the value of landed estates; but it will "provide work" and that, at the moment, is the greater consideration. Another Bill from which much was hoped came to grief in the Committee stage and bitter tears were shed over this lost opportunity to help the unemployed. It was the Bill for the construction of the new London Charing Cross Bridge and all the rebuilding connected therewith. The actual structural work was to cost £5,739,000; but the gift to the landowners in the immediate vicinity, as compensation for their legal rights to take all the traffic will bear, was to be £11,126,000. This is called unemployment relief—the giving of work at any price is all that matters to those who refuse to look at the land question.

We have it from the Prime Minister that the present "special outburst of unemployment" is not due to causes that the Government can tackle. It is a problem that the Labour Party were not called on to face when it took office last year. It has overtaken us since the pages of *Labour and the Nation* were written. Since then, there has been a great fall in world prices and everything is so cheap that the bottom has been knocked out of demand; everywhere, all over the world, export trade is in a state of collapse. Nothing can be done except to tide over this despairing period with schemes to provide work. Presently, the disturbing outside influences will pass away and "instead of a period of prolonged continuation of the present depression, we are just as likely to have a period of immediate boom."

Thus speaks Mr Ramsay MacDonald, Prime Minister and Leader of the Labour Party. These are the notions Mr J. M. Keynes and his school of thought are trying to popularize. The steady fall in world prices, which should bring prosperity and abundance and comforts to all, is a catastrophe and a curse to industry. All the exporting countries are in the same fix. Great Britain cannot send its goods to Germany, Germany cannot send its goods to America, America cannot send its goods to Australia, Australia cannot send its goods to Japan, and Japan cannot send its goods to Great Britain, because prices have fallen. Universal cheapness has brought universal distress. Therefore, on with the "work providing" unemployment schemes that

will give relief until world prices operate to restore trade to its normal state.

Ten years ago, another Prime Minister, Mr Lloyd George, was using similar language. Unemployment then was only a temporary condition. It was the aftermath of the war; Europe was in rags and there was general scarcity. We were to lift up our hearts, better times would come of their own volition and unemployment relief works would tide over the distress of the moment.

Ten years later, the position is worse than ever and yet from somewhere millions upon millions of pounds have been found to pay for the unemployment schemes. The immense wealth that is in the community gives the lie to the contention that outside influences are to blame for throwing some people out of work and compelling them to live on public charity. When a drought afflicts a herd of cattle they all grow lean. When the rains come again, they all grow fat. We do not find some lean and some fat either during or after the drought. The national affliction called unemployment is but the evidence of want amidst wealth and until the root cause of the problem is found all attempts to solve it are in vain.

Parliament is now considering emergency legislation to speed up the unemployment schemes of the kind that have proved such a failure in the past. It is said that £103,000,000 have been made available to pay for approved works; but so many obstacles are imposed, by the difficulty of acquiring land, by friction within the local authorities or their hesitancy to embark on schemes, or by obstructions connected with the long process of the law, that it has not been possible to use more than £15,000,000 to £20,000,000. The Prime Minister has spoken of the "cumbersome machinery which democracy sets up" and in the House of Commons on 28th May he instanced the case of approved schemes, with the finance available to back them, that have been turned down by the votes of the ratepayers in Hull, Sheffield and Leeds. The cumbersome machinery of democracy—and in centres where Labour political forces are dominant—was simply asserting itself in alarm over the immense burden that will ultimately fall on the local rates despite the large share of the expense borne by the National Exchequer. One of the items in the cost publicly condemned for example by the Borough Surveyor of Swansea is the exorbitant price of land, and the ratepayers rightly hold out against that.

The emergency legislation is to sweep away the obstacles named, including the veto of the ratepayers who fear the ultimate burden upon them. The new prescription is that any land may be acquired on a fortnight's notice given to the owner, with compensation to be determined afterwards by arbitration. To take forcible possession of land may be in the nature of a revolution, but there is nothing in this legislation to make land cheaper. On the contrary, the land having been appropriated, the owner will get his payment; but Corporations like Swansea will have to foot their share of the account, unable to offer any protest. At all costs, including increased grants from the Treasury, this work must be pushed ahead, the Prime Minister wishing it to be made perfectly clear that no schemes will be held up

for the want of money, and if necessary borrowing will be resorted to although not without restraint and not without careful consideration as to its consequences.

The Economic Advisory Council, the new Cabinet Committee, the body of experts drawn from the Government departments, the local authorities in conference with the Government and the conversations with the advisers accepted of the Liberal Party, have all had a hand in formulating this plan of dealing with unemployment by relief work during the waiting period while world disturbances adjust themselves and industry finds salvation in a general increase of world prices.

We look back on Mr Snowden's statement when he introduced his first Budget on 29th April, 1924. Reasons were stated why Land Value Taxation could not be included in that measure but the Government attached the greatest importance to the question. They regarded it as important from the point of view of unemployment, of housing and other reforms, and assurances were given that there would be no unavoidable delay in bringing the question to a direct issue. With that clear view of the case, we place in contrast Mr Snowden's latest idea, spoken to his constituents at Colne Valley on 12th July, that "the worry, the anxiety of having a problem to deal with that you know is beyond all national control is enough to break the heart of a stone and make the most optimistic almost inclined to pessimism." Has Mr Snowden too been caught up with the grievance that the fall in world prices has been too much for British statesmanship?

The friends and correspondents of the United Committee all over the country, and indeed in distant parts of the world, are anxious to know what the situation is. We have tried briefly to explain it. The declared intention of the Government to promote Land Value Taxation is one thing: The inability of the Government to relate the Land Value Policy to unemployment, housing and low wages is another thing. This granted, it is not difficult to understand how and why the Land Valuation Bill has been put into some sort of shame corner, while schemes are brought before the House of Commons that can only result in the hardening of land monopoly and aggravation of the unemployment problem it is sought to solve.

There is abundance of labour and capital. The one obstacle to production is high-priced land and taxation bearing unjustly on industry. The argument is that Land Value Taxation will shatter the monopoly and release labour and capital to secure their full earnings. If the Government could but recognize the powerful sentiment in the community for this view of the matter, the Land Valuation Bill, instead of being postponed till the autumn, would be the corner-stone of their legislation in the present emergency.

A. W. M.

### July-August Issue.

The present issue of "Land & Liberty" is a double number for the months of July and August. Our next number will appear in September.

## NOTES AND NEWS

Among the visitors to the office during the past month were Mr Alexander Greene and Mr and Mrs Malcolm Franklin, introduced by Mrs Alice Thacher Post and by Mr John Lawrence Monroe. Mrs Post wishes to be remembered to her friends on this side.

\* \* \*

In an interview published by the *Daily Herald* of 12th June, Alderman Hubert Jenkins, Chairman of the Glamorganshire County Council, stated that three "schemes of work" put forward by the Council involving an expenditure of £5,000,000 have been definitely held up by the difficulty of obtaining land for the development and extension of road work.

\* \* \*

There is no local news of any interest in the Jamaica papers. . . . For some time past the *Courant* has been kept in a state of unusual vexation and uneasiness by the proceedings of some anti-slavery society, formed somewhere about Clapham by a few superannuated spinsters, the existence of which we had not suspected until it was most ungallantly brought to light by the paper in question. The *Jamaica Courant*, having long since set itself up as the champion of slavery, thinks it will best succeed in perpetuating its existence by lavishing unsparing abuse on all who presume to think that no portion of mankind was ever destined to be the personal property of their fellow creatures. Scurrility will at all times make but few converts, and we would advise this vindicator of human degradation to try some other mode of showing that the globe would cease to turn on its axis if slavery were to be removed from its surface.—From the *Times* of 26th June, 1830.

\* \* \*

From two newspaper cuttings to hand we are pleased to notice the activity of our old friend John Stephen of Aberdeen. He has two short pointed letters bearing on the land value policy in recent issues of the *Aberdeen Evening Express*, to the effect that the land value policy should have been brought in before the Budget and that the Government in its schemes for unemployment are causing the very evils which they are pretending to cure. Not bad for an octogenarian.

\* \* \*

Mr Ashley Mitchell, Treasurer of the International Union, is given a complimentary note in the "gossip column" of the *Yorkshire Observer*. He is described as "a bonnie fighter" whose "big enthusiasm in life is the Taxation of Land Values, on which he is an acknowledged authority."

\* \* \*

No Egyptian has yet suggested the only possible cure for the economic difficulties of Egypt—the reduction of land values and rentals . . . and the late Government could not introduce such a policy without antagonizing its wealthiest and most powerful supporters. The new Customs Tariff has put up the cost of living.—The Alexandria Correspondent of the *Times*, 20th June, writing on the Egyptian crisis.

## FORM OF BEQUEST

I bequeath (free of duty) to the United Committee for the Taxation of Land Values, Limited, the sum of £ . . . and I declare that the receipt of the Treasurer or Treasurers for the time being of that Company shall be a sufficient discharge to my Trustees, who shall not be concerned to see the application of such legacy.