

SOUTH AFRICA

The movement for the rating of land values has made very rapid strides in the Transvaal in the last five years. In 1902 the Johannesburg Town Council asked for power to rate land values only. The legislature ignored this request and made it compulsory to rate land and buildings equally but required the value of the two items to be shown separately in the valuation roll. At various periods the same council, influenced as time went on by the action of an increasing number of other town councils, urged the legislature to give the power to rate land values only, but no notice was taken of the request. In 1911 the Labor Party put the rating of land values only in the forefront of its programme for the general town council election in that year. A majority was secured in favor of the Single Tax. The question then became one of practical politics, but still the provincial legislature refused to alter the law.

In 1912 the Leasehold Townships Commission unanimously recommended that the rating of site values only was the only effective means of enabling leaseholders to secure the enfranchisement of their titles on fair and equitable terms. In March, 1914, the General Provincial Council elections for the Transvaal took place and the Labor Party secured a majority of the seats in that legislature. That majority at once introduced and passed a Rating Ordinance making the rating of site values only compulsory on all local authorities. This was hung up by the Union government at the request of the township companies. The same fate befell the next rating ordinance, which conferred optional powers on local authorities to rate site values only. Both these bills lapsed owing to the Union government's taking advantage of the veto power.

In 1916 a new rating ordinance was passed and this time received the assent of the Union government and is now law. This ordinance provides that before any other rates are levied

there must be an original rate of one penny in the pound on the site value. All additional rates are to be on the site value, but the local authority on a resolution supported by a majority of all its members (not merely of those present), may rate improvements equally with or at a value less than the additional rate levied on the site value of land.

For the first two years that the Ordinance is operative, that is, until March 22, 1918, the local authority must levy a rate upon improvements equal to not less than one-half of the additional rate upon the site value. Thus the Pretoria rate for 1916 is:

(a) On site value, original rate of one penny and additional rate of three pence.

(b) On improvements rate of one and a half penny (half the additional rate).

The maximum of the additional rate is six pence on site value or three pence on site value and improvements, both being exclusive of the original rate of one penny compulsory on site value.

TAXATION OF LAND VALUES IN THE TRANSVAAL

The majority of the Provincial Council has made strenuous efforts to secure the taxation of land values for provincial purposes, but under the constitution no expenditure (*e. g.*, for preparing a valuation roll) can be incurred and no taxation imposed without the recommendation of the Administrator, who is a nominee of the Central government, the Land Owners' Party, and is not responsible to the Provincial legislature. The Administrator refused to recommend the necessary expenditure or taxation. This absurd constitutional provision is the only reason why a land tax is not at the present moment being levied in the Transvaal.

LAND OWNERSHIP IN THE TRANSVAAL

The total area of the Transvaal is 110,426 square miles or 70,672,640 acres. The Transvaal Consolidated Land Company owns 3,330,000 acres and the African Farms, Ltd., about 1,580,000 acres. There are a number of other companies and private

individuals owning over a million acres each, but there is at present no means of ascertaining the approximate figures of their holdings as they refuse to supply the information. Very little use is being made of these holdings.

LAND SYSTEM

The chief titles to land (other than special mining titles) are freehold and leasehold. The great bulk of the land has been alienated from the crown. In 1912 Parliament passed an Act which empowered the government to purchase land for closer settlement, which is having the inevitable effect of raising land values. In the Transvaal a law has recently come into force which prevents town councils from disposing of their land except under lease for a period not exceeding twenty years, or a freehold title subject to an annual charge which shall not be less than four or more than ten per cent. (as shall be settled by mutual agreement or arbitration every seven years) on the value of land (excluding all improvements) as appearing in the current valuation roll. Any improvements made on such land are to be forever free from rates whether other improvements in the town are rated or not.—F. W. L.