

Yet we find that in the large cities of our country one-third of the land is rated at agricultural value only. In many cities the proportion is even more striking. This land pays only a trifle in rates, while the building land with its buildings pays for itself and for the so-called agricultural land.

This proportion is astonishing. The average sum paid per acre by so-called agricultural land in cities is 4s. 2d., the average sum per acre of the rest of the city is £69 per acre.

This proportion of 4s. 2d. to £69 means that the former is paying too little and the latter too much.

And the £69 expended adds daily to the market value of the so-called agricultural land, for every movement to improve a city enhances the market value of land, whether built on or not.

The proposition which I put before you is this. That just as land and buildings are assessed on their value, so land without buildings should be assessed on its value. There is no unfairness in the proposal. The value of the land is taken into account in the one case; what unfairness is there in taking it into account in the other case?

The result of this would be that the acres at present paying 4s. 2d. would pay £23, and the acres paying £69 would pay £46. In other words, the manufacturer and trader would be relieved of one-third of their rates and industry and commerce would accordingly benefit. That is all. I do not propose a new tax. I ask only for an equal distribution of existing rates.

This proposition, first enunciated by the Corporation of my own city (Glasgow), has been adopted by 557 municipal authorities. It is not a political question, or rather it is not a party question. Lord Robert Cecil in 1909 declared in the House of Commons that "rating of land values as a substitute for our existing system of rating is a perfectly easy and rational proposition." Mr. A. J. Balfour, in 1909, stated that "rating of land value is legitimate for it means that which gains by the rates should contribute to the rates."

That, gentlemen, is my proposal. It is to broaden the basis of rating so that all those who benefit by the rates should contribute to the rates. It is to bring into the rating sphere that land which is ever growing in value on account of the expenditure of the rates but which at present contributes nothing or a negligible sum to those rates. It is to relieve industry and commerce of their over-burdened condition and make citizens bear the burden of citizenship in proportion as they enjoy its privileges and profit by its activity.

SHOPKEEPERS AND THE WAR

By Arthur H. Weller

The war has closed many of the foreign markets on which British manufactures depend and the effect is seen in silent mills and workshops and the unemployment or partial unemployment of millions of men and women—cotton operatives, engineers, and other workers. The Board of Trade returns for August show a decrease of £13,613,000 in British imports, and £19,899,000 in exports, as compared with August, 1913. This has enormously reduced the purchasing power of the general public, and amongst the first to suffer are shopkeepers who, even in normal times, only make a living. Their rent is high and they have to pay rates based on that high rent, and however trade may fluctuate their expenses go steadily on, and in many cases increase periodically. Owing to the war the trade of many has been cut down to half its usual amount, but there has been no corresponding reduction in their expenses. Indeed, there is every probability of rates increasing because municipalities are undertaking relief schemes which will entail greater expenditure, and

also because many ratepayers are likely to be ruined and their contributions will have to be paid by those who are a little less unfortunate.

What shopkeepers need, and need quickly, is a lightening of the burden of rent and rates. That will relieve the unbearable strain that will otherwise drive many of them into the bankruptcy court. In Manchester nearly the whole of the local revenue is raised from a little more than half its area. About 10,000 acres of Manchester land is "undeveloped" and contributes very little to the rates, but under the scheme advocated by the Land Values Group (176 Members of Parliament) rates would be levied on the real value of every site in the whole area, and houses, shops, factories, and machinery would be unrated. Besides that it is proposed to take off the rates the cost of Poor Relief, Education, and other services, and to finance them by a Budget Tax on land values. Three or four landowners take more than £800,000 a year out of Manchester in ground rents, and a dozen men in London are said to draw between them over £20,000,000 annually. These people contribute nothing out of those huge sums to the local rates, but by means of the Taxation of Land Values a part of these communally created values of land would be appropriated for public purposes and the unjust burdens now imposed upon shopkeepers and other business men would be greatly reduced.

But still more important benefits can be secured by setting the wheels of industry running again in this country. Some people suggest that the balance of trade can be restored by capturing German trade. Leaving the possibility of the proposal an open question we may ask whether the continued dependence on foreign customers is necessary. Four-fifths of the cotton goods produced in Lancashire are sent abroad, and yet there are many millions of our own countrymen needing more cotton goods, more coal, and other things that we send across the seas. In the unsatisfied wants of these people is the opportunity of developing a great home-market that would bring national prosperity and strengthen our independence.

The Taxation and Rating of Land Values would reduce the taxes on industry. It would also make it unprofitable to withhold land from its best use and would soon bring millions of acres into use at lower prices for agriculture, building and mining purposes, as it has done in Australia and other colonies. That would mean more employment in every branch of industry, and in this way a great and prosperous home-market would be established.

The prosperity of the shopkeeper depends on the prosperity of his customers—the people—and a reform of taxation that will force more land into productive use, increase employment, and therefore raise the spending capacity of the people will bring substantial gain to retail and wholesale traders and manufacturers. The Taxation and Rating of Land Values is a practical policy that will enable Britons to utilise the country's abundant natural resources and thereby restore our national prosperity and independence. It therefore deserves the hearty support of every business man who is animated by the common instincts of patriotism and self-preservation.

Any one who has seen the benefits that will come from adoption of a reform can easily wish success to the movement to gain it. No exertion is necessary for that. It involves no trouble or sacrifice. But to pitch in and help get it. That is different. It is a fine thing to feel for a good cause in one's heart. But it is still finer to feel for it in one's purse. It is only when this splendid impulse extends from the heart to the pocket that one can be sure that it exists at all.