

LAND & LIBERTY

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The Repeal of the Land Value Tax.

On other pages we print a very brief summary of the debates in the House of Commons on the repeal of the Land Value Tax during the committee and report stages of the Finance Bill. The debate on third reading added little to the discussion and has been omitted on account of space.

It is noteworthy that the Prime Minister carefully refrained from taking part in the debates and did not vouchsafe to the House of Commons any explanation of the Government's action. His letter to the United Committee still remains his sole excuse, or rather confession of capitulation to the vested interests. His National Labour and National Liberal colleagues in the Cabinet adopted the same policy of silence.

Lord Snowden's speech on the second reading in the House of Lords on 3rd July (made as we go to press and to be reported in our next issue) confirmed the impression made by the Prime Minister's letter that the Conservative section of the National coalition commenced to bring pressure for the repeal of the tax from the moment of the first formation of the National Government, and that the others lacked the courage or the interest to make a determined resistance. "The National Government was formed," said Lord Snowden, "on the condition that no party to it would be called upon to sacrifice its political principles. . . . But the country has been betrayed."

The Delusion of Over-Production.

The notion that we are suffering from over-production has become an almost universal delusion. It is a mania which has taken possession of governments, of officials and of a large body of the public. It is resulting in policies which restrict production, prevent exchange, and make many essential raw materials and foodstuffs scarcer and dearer. In some circles it is almost as impious to question this fallacy, as it was in the days of Copernicus to assert that the earth circled round the sun. Yet this fallacy contradicts all the instincts of mankind. While the inventors and the technicians are devising means to make things more easily and abundantly, governments are devising means to make them scarce and dear. While men, women and children are starving for lack of food, going threadbare for lack of clothes, living in over-crowded slums for lack of house-room, governments raised to power by these very men and women are striving with might and main to save them from the evils of over-production.

Subsidies and Restrictions.

At the same time subsidies are given, either directly, or indirectly through quotas and tariffs, to bolster up inefficient and uneconomic industries. Every subsidy involves the diversion of funds from uses in which they might be employed more productively to uses in which they will be employed less productively. In practice subsidies are given to every producer in the industry assisted, and are therefore given not only to those who cannot produce efficiently but also to those who could produce economically without any subsidy. In either case the subsidy is a waste of the resources of

the community, which makes the community as a whole poorer. Yet while it makes the community as a whole poorer it actually makes some people richer. It is this which provides the driving force to put such policies into operation.

Those who hope to gain by restrictions and subsidies bring powerful pressure to bear upon governments, while they delude the people into thinking that higher prices mean more prosperity. Immediately effect is given to such demands, the inexorable force of competition begins to take away the benefit from those who may temporarily gain. Only those who are able to establish monopolies are able to withstand this force. The greatest and the only enduring monopoly is that of land. The ultimate result, then, is to impoverish the mass of the people for the benefit of those who hold the natural resources of the country. Land speculation is encouraged. Land is held out of use. Men are deprived of employment.

Shall Monopoly or Freedom Prevail?

So the vicious circle continues. In our own country the process is facilitated by the fact that unused land is completely exempted from local and national taxation. For the time being the seal is set upon this system by the decision of the Government to expunge from the statute book the land-value tax provisions of the Finance Act, 1931. But such a system cannot continue. It conflicts with the innate and instinctive ideas of mankind. There can be neither personal nor economic liberty while some have to pay others for the privilege of living. Political equality can only be an empty shell unless it is translated into economic equality.

Let us clear our minds of the delusion that restriction is better than freedom, that scarcity is better than abundance. Let us get back to the first principle that the earth was made for man, and that the more fully he uses it and the more he produces from it the happier and nobler will his life be.

Dearer Beef.

The Ottawa Agreements having expired, Mr Walter Elliot, Minister of Agriculture, and Mr J. H. Thomas, Dominions Secretary, had an interview with the High Commissioners of the Dominions on 27th June. According to the *Daily Herald* the object of the interview was to obtain a reduction in the imports of beef and to grant a subsidy based on a levy to the home producers, to enable them to keep up prices. The argument used to the Dominions is said to have been: "The less your imports, the greater your profits." This seems to be a repetition of what has happened with regard to bacon, in which case the Danish exporters are actually getting more money for a smaller quantity.

It is long since the landed interests had a Government so completely subservient to their purpose as this one is.

Land for Scottish Smallholders.

Through the generosity of Mr George Bonar of Dundee, the Department of Agriculture for Scotland has been presented with the farm of Barns of Claverhouse, comprising some 423 acres and situated within

three miles of the City Square of Dundee. In accordance with the wish of the donor it is intended that 200 acres shall be laid out in plots of one acre and half an acre, while the remainder will be divided into 21 small holdings of 6 to 7 acres and one larger holding.

The small plots will be let to unemployed men with a preference to those belonging to Dundee. The plot holders will be given instruction in the hope that they will develop a liking for small holding cultivation and will graduate to a holding of economic size.

The small holdings will be equipped with buildings, fences and other improvements by the Department of Agriculture.

This gift has been welcomed by the Government (and by the Press). No one has suggested that it should have been rejected. We may therefore assume that it is regarded as an economic proposition. What is the difference between this and other land settlement schemes? It is in the cost of the land. This is a striking object lesson, for those who hold the view that the cost of land is not a factor of importance in agriculture.

The dark side of the picture is the question: What will happen to the men who are to be trained for small holdings? The Board of Agriculture has time after time published statistics of the unsatisfied demand for small holdings. Here is an addition to the demand, but there is no sign of any measure to add to the supply. The Royal Commission of 1892 reported that there were in the crofting counties no less than 1,782,785 acres of land used for sporting and grazing which were suitable either for extension of existing holdings or for new small holdings or for moderately sized farms. The position to-day cannot be much different. The problem still remains: to bring idle hands on to these idle lands.

The Kenya Land Commission.

Two important articles by Archdeacon Owen, reviewing the report of the Kenya Land Commission, appeared in the *Manchester Guardian* of 28th and 29th June.

In the space at our disposal it is not possible to summarize these articles, which are themselves a summary of a voluminous report. The following passage, dealing with the Kavirondo district, is significant and typical:—

The fact from which there can be no escape is that in reserves covering 7,114 square miles there is a (native) population of 1,029,000,442, averaging 136 to the square mile, and that the European Highlands, with a population of about 17,000, has reserved for its present and future needs 16,700 square miles. The disproportion is too great. The only possible outcome of such a decision must be to condemn the future generations of Africans to economic and territorial subjection to European landowners.

In other words, the natives will gradually be reduced to the same state of slavery which characterizes Europe and the rest of the "civilized" world. Deprived of their rights to the land, they will be compelled to compete among themselves to sell their labour at a low price for the benefit of a small privileged European minority.

Western Codes in Moslem Countries.

In a lecture on Social Reactions in the Moslem World, delivered at the Royal Central Asian Society on 27th June, Professor H. A. R. Gibb, of the School of Oriental Studies, said that the introduction of Western codes of law and conceptions of justice into Moslem countries "had aroused a sense of grievance and had at the same time brought into existence a new and influential class of Westernized lawyers, who were assuming the leadership in a campaign against the vested interests created by the transformation of a

military revenue-farming class into a permanent landed aristocracy."

Although Professor Gibbs deplors this, we may well rejoice that the West is repaying some of the debt which it owes to the East. It was the British under Lord Cornwallis who, in 1793, transformed the Zemindars of Bengal, who had originally been mere farmers of the land revenue, into landed proprietors. Instead of being agents for the Government the Zemindars became owners of the land subject to a fixed rent (the "permanent settlement") which was equal to the amount they were then paying to the Government, but within a very few years became only a fraction of the increased land values.

This disastrous perversion of a system which might easily have been transformed into a means of collecting the land value for the community calls out for remedy.

Regent Street Ground Rents.

In reply to a question in the House of Commons on 4th June Major Elliot gave the following particulars of the average ground rents obtained by the Crown in respect of leases of land in Regent Street:—

				£	s.	d.
1904-14	...	...	...	0	11	11½
1919-21	...	...	...	0	17	11
1922-27	...	...	...	1	7	2
1928-30	...	...	...	1	0	4½

It must not be assumed that there was a decline in values in the last period as the position in the street is naturally a factor in the amount obtainable for each site. What stands out clearly is the great rise in values which has taken place since the period immediately preceding the War.

Although complaints are now being made that the rents are too high, it is significant to find a firm of estate agents writing to the *Estates Gazette* (23rd June) saying that "a number of the head leases were sold over and over again at considerably increased rents over those paid to the Government."

The secretary of the Regent Street Association in the same column writes to point out that it is a mistake to assume that the sitting tenants in Regent Street immediately prior to the renewal of the leases referred to above were benefiting by the much lower rents which had been fixed about 1820. The great bulk of the tenants were paying a rack rent to intermediaries but the Crown was not getting the benefit. The old rents were roughly about one-tenth of the new ones.

All this indicates that a new method of letting Crown lands at a rent revised periodically according to the land value at the time is desirable. Such a system is in operation in certain cases in Denmark and in New South Wales. It need hardly be added that if the rating and taxation of land values had been in operation the public would have got back in that way the enhanced land values which the Crown was precluded from obtaining during the currency of the leases.

£20,860 Land Sale at Bournemouth.

What was stated to be the fifteenth sale of land on the Iford Estate, Bournemouth, took place on 12th June. According to the report in the *Bournemouth Times*, 102 plots of freehold building land were sold for a total of £20,860. The auctioneer remarked that the first sale had taken place on 7th June, 1923, at which time the whole of the estate was arable land, and since then about 1,200 plots had been sold. At the present sale the highest prices were obtained for plots in Castle Lane, most of those with a 40-foot frontage reaching £270 to £285. It should be mentioned that in the case of Castle Lane it was stated that no road charges would be payable. Among other attractions of the estate reference was made to its proximity to King's Park and

to Swanmore recreation ground, the latter of which had been laid out by the Corporation on land given by the vendors.

After the most generous allowance for any expenditure of the owners in laying out the estate, this is a striking example of the rapid growth of land value due to proximity to an attractive seaside resort. The people of Bournemouth have done not a little through the rates which they pay on their houses and improvements to make this development possible.

The Edge of the World.

Our note under this heading in last month's issue has brought us two criticisms. One is from Mr D. M. Kennedy, M.P. for Peace River in the Canadian Parliament, who, in the course of a long letter, says: "We have had our ups and downs, and we are suffering with the rest of the country due to the depression, but I think we are in Peace River as well off as any part of Western Canada or, for that part, in any other wheat and mixed farming area in Canada."

We accept that view. If people could make a better living elsewhere no doubt they would not go to Peace River. The operation of the law of rent will inevitably reduce all the working inhabitants of Canada to much the same level. The real point of our comment on Miss Goodenough's lecture was that the holding of land out of use has forced people to make use of the wilder and more inhospitable lands.

Admiral Sir William Goodenough, the father of the lady whose lecture inspired our comment, writes asking us to give publicity to the fact that the inferences drawn are ours and not the lecturer's. This we gladly do. We cannot agree, however, that our comments "are not justified or carried out by the text of the paper."

Our critics are particularly concerned about the reference to wolves trained for traction. Reference to Miss Goodenough's paper makes it clear that this was a unique case. Her own conclusion is clear and definite "that this is a place where men and women are trying to build up homes for themselves and their children under circumstances of difficulty and even sometimes of hardship and often disappointment."

DECLARATIONS OF MEMBERS OF THE GOVERNMENT

THE PRIME MINISTER:

"Our old Socialist argument that economic rent must be taken by the State, because it is created by circumstances of which the whole community is entitled to take advantage, has been enormously increased by the results and the experiences of the War. And it is fundamental."—*Socialism After the War* (p. 53).

MR NEVILLE CHAMBERLAIN:

Speaking in Manchester on 18th October, 1927, the present Chancellor of the Exchequer said: "Everyone who has been concerned in the administration of a great town knows how, when you want to cut a little bit off the side of one of your busiest streets to give a little bit of ease to your congested traffic, you have to pour out money by the thousands of pounds for every yard you snatch for the need of the community."

SIR JOHN SIMON:

Speaking in Manchester on 27th June, 1914, at a Young Liberal demonstration, Sir John Simon was asked what was the difference between taxing land and taxing boots? He replied:—

"If you tax such a thing as boots, you make boots more expensive because the more you tax boots the fewer boots will be produced, fewer people can afford to buy them, and fewer people will be employed to make them. But if my friend thinks a minute he will see you can tax land until you are black in the face but you can't make the land any less than it was before."

At the Annual Meeting of the Yorkshire Liberal Federation on 22nd June, 1923, SIR JOHN SIMON referred to the Taxation of Land Values, and said that Liberals were determined to pursue a crusade, which was the only great crusade that the Liberal Party had ever undertaken that it had not carried to a successful issue. In 1920 the last Government not only repealed the tax, but returned to people who had contributed to the public Exchequer the very large sums they had paid in under the tax. The Government left the valuation untouched, but on 19th June a Conservative majority in the House of Commons abolished the valuation and destroyed the last remnant of the effort made to get this information. He did not believe that the people of our small island would accept this deliberate denial and obstruction of the right to get a proper contribution from those who received unearned wealth from the increment of the land.

Speaking on his Bill for the Rating of Land Values, House of Commons, 15th April, 1924, SIR JOHN SIMON said:—

"The present system of rating is one which discourages development and handicaps building, and at the same time it often fails to secure for the community that contribution which ought to be made from land value created by the efforts of the community as a whole, and particularly by the expenditure of money out of the rates. The object of the Bill, therefore, is to encourage building and improvements by relieving those who undertake them in the future from the burden of the additional rates caused thereby and further to introduce a system of valuation which would enable a proper contribution to be secured from land values."

MR WALTER RUNCIMAN:

Speaking at Staincliffe on 18th July, 1914, Mr Walter Runciman said:—

"In the town, too, there must be a readjustment. In a town like that they had every day a standing example of one of the grave injustices, for instance, of the rating system. A man who drew a large amount of money out of that constituency as a ground landlord—take it at a thousand a year"—(a voice: "Nearer twenty!")—"on that specific thousand paid nothing in the way of rates. A man who drew a thousand a year from mill property or house property had to pay a large quota. Both men drew their benefits from municipal activities, and both had their wealth increased by the work of the Corporation."

Speaking at the Reform Club, Manchester, on 28th March, 1925, MR WALTER RUNCIMAN said that in towns particularly, the whole system of assessment must be put on a new basis. Improvements must be free from local rates and the burden placed directly on the unimproved site value of the land.

SIR GODFREY COLLINS:

Speaking in the House of Commons on 25th June, 1914, Sir Godfrey Collins said:—

"Every pound spent on education is well-spent public money. Better roads will make for improved transit. Attention to public health will increase the productive power of this country. With these factors at work, however trade may ebb and flow, special and specific advantages accrue to the property owners. The good government of a town and local activity will increase in the future, even more than in the past—the price of land. Why not, therefore, endeavour to tap and intercept these new sources of profit which this new public expenditure will create?"

(The above statements were among the matter circulated for the Parliamentary Debates by the United Committee.)

IN MEMORIAM

As we go to press we learn with deep regret of the passing of Charles E. Price, former Liberal M.P. for Central Edinburgh, and one of the foremost Parliamentary figures in the Land Value movement. With equal regret the news has just reached us of the sudden passing of Oscar Geiger, of New York, the leader and inspirer of the Henry George School of Social Science. It is appropriate that in our next issue a tribute be paid to the memory of these colleagues and co-workers.

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LAND VALUE A PUBLIC VALUE

The debates on the repeal of the land value tax, which are briefly reported in this issue, disclose two significant facts. The one is the poverty of the arguments against the principle; the other is that National Labour and Liberal members who normally support the Government were compelled to place on record their disagreement with this step. It might even be added that the speech of Lord Eustace Percy indicated certain qualms on the part of some Conservatives.

The Chancellor of the Exchequer said that representations had been made to the Government that the mere fact of this legislation "remaining on the statute book was actually interfering with the flow of credit into the land—was actually preventing or hindering the operations of landlords for the improvement of their property."

If this statement were true it would certainly be important, but it has no support either in fact or in theory. A tax which is imposed upon the value of land, and of land only apart from improvements, cannot prejudice people in improving land. A tax which is imposed upon the value of land, irrespective of whether the land is used or not, cannot prevent development. On the contrary, by requiring those who hold land unused to make a contribution on its value, such a tax must have the effect of stimulating the use of land.

The same kind of statement was made about the land value duties of 1909, that they had prevented the building of houses. Mr Lloyd George made the pertinent reply in the House of Commons that the figures of unemployment in the building trade had shown a steady decrease from 1909 to 1913, so that in March of the latter year they were one-third of the amount in 1909.

It may be that what Mr Chamberlain had in mind was that the existence of this legislation tended to reduce the price which could be obtained for land. If that be so, it was no injury to those who wished to develop land. On the contrary, the less capital the land-user has to part with in order to obtain land the more he will have left with which to improve it.

Sir George Courthope expressed a similar view when he said that "the interests concerned with the business and management of real property are profoundly grateful" to the Chancellor of the Exchequer. "It will be a relief to agriculture and industries of that kind." How the removal of a tax which did not apply to agricultural land could be a relief Sir George did not explain. Even if it had extended to agricultural land the fallacy is similar to Mr. Chamberlain's. A tax on land values cannot be a burden on agriculture or on any other industry. It merely diverts to the Exchequer some part of the economic rent which would have been received by the owner of the land. This is obvious when the landowner and the land-user are different persons. A little reflection will show that it is true also if they are one and the same person. Owners of

land do not make less out of it than they could get by renting it to some one else: they do not sell its products more cheaply than those who are tenants. If they have to pay to the State part of what they receive as mere owners, and would continue to receive if they let the land to another, it cannot possibly pay them to take the land out of use.

It is therefore entirely wrong to suggest that a land-value tax can discourage agriculture or any other industry. Perhaps Sir George did not really mean this. His reference to the gratitude of the interests concerned with the business and management of real property was probably a polite reference to the landowning classes. Yet even here we must be careful. There are many people who are owners of land who would be greatly benefited by the taxation of land values with a concomitant remission of, let us say, the burden of indirect taxation. This is particularly true of the many people who own the houses in which they live and the sites of those houses, or who own small-holdings, but are otherwise not interested in landowning.

More interest attaches to the remarks of Lord Eustace Percy who, while supporting the repeal, made a plea for the Government to tackle the problem constructively. He formulated the arguments for the taxation of land values under three heads. The first is that land should pay its full share to the revenues of the State. This is a principle of such vague generality that we need not waste time over it, except to remark that the implication of this statement seems to be that land (or rather land value) does not pay its full share at present.

His second principle was that "increment arising out of public activities or, at any rate, out of activities having no connection with the landowner should, in part, anyway, be paid over to the State." We may assume that Lord Eustace Percy had in mind some form of increment taxation, that is, a tax levied upon the increase of the capital value of the land at some date as compared with some previous date. This argument deserves a little more consideration, especially as it appears to have appealed to some speakers in other parties.

The whole of the value of land is an increment which arises, to quote another phrase of Lord Eustace Percy, "out of public improvements" and "out of other autonomous developments." It is all entirely unearned, and it is all maintained in existence by the day-to-day activities of the community. It is created by conditions which exist *now*. More than that, the capital value of land is the value of the right to collect economic rent in the future, and has no relation to the past. Any argument which will justify the taking of any part of the land value for public revenue because it is an unearned value (*i.e.*, unearned by the owner, though earned by the community) will also justify taking any other part. If it be said that only the increment over the present value should be taken because people have bought and sold land in the expectation of keeping it, then it may equally be said that they have bought and sold land in the expectation of reaping the future increment. No arbitrary dividing line can be drawn at any date.

The idea of taxing future unearned increment is merely an illogical compromise with the sound principle that land value is a public value. It is a compromise in which those who suffer by our present unjust system of taxation gain very little, for their prospect of redress is remitted to the distant future. In fact the advocates of "unearned increment taxation" really depend upon the vested rights theory—upon the assertion that if some people have profited by a wrong it is unjust to set it right. Once that argument is admitted, no wrong can never be righted.

The third argument alluded to by Lord Eustace Percy was "the desirability . . . of forcing land which is ripe for building into the building market." This argument he either disapproved of, or thought of little weight, considering apparently that the danger was of having too much building. His opinion on this point was evidently dominated by the view that this was "not really a taxation question or a question of social justice at all." Here is revealed the very narrow standpoint from which he views this problem. The question of the utilization of land is not merely for building; it is according to its nature for production of all kinds of foodstuffs and raw materials, and it is the foundation of every branch of production. Even in connection with building land is required not only for the site of the house, but for gardens and open-space, for amenity as well as for utility. Lord Eustace Percy implies that although the taxation of land values would make land available for purposes of utility, it would prevent its use for purposes of amenity. He overlooks the fact that it is precisely the holding of land out of use and the artificial enhancement of its price which makes it difficult or impossible to provide amenity.

But the criticism of this argument is more fundamental. The holding of land out of use is a question of social justice. It is a matter of primary justice, for it raises the question: are some men entitled to deprive other men of the opportunity of earning a living by depriving them of access to the only means by which men may make a living for themselves? This question is not to be evaded or trifled with. It lies at the roots of all social life.

While governments all over the world are dominated by the delusion that the world is suffering from over-production, and are devising means for restricting the production of wealth and making the means of life scarcer and dearer, the stark fact still remains that many millions of men are suffering from lack of food, clothing, house-room and all the essentials of civilized life, because they cannot obtain the opportunity of employing themselves. Side by side with that fact is the fact of natural resources of all kinds lying idle. One reason why land is lying idle is because we encourage its owners to keep it so by exempting them from taxation; another is because we burden all the processes and products of labour with an unjust and grievous weight of taxation.

This is indeed a question of social justice, and one which unceasingly cries aloud for remedy. The crime of the National Government in repealing the land value tax is not so much that they have condemned some to bear taxation out of their slender earnings that should have come out of the common pool of rent, but much more, that they have condemned millions of their fellow countrymen to bear for a still longer period the destitution, misery and heartbreak of involuntary unemployment.

F. C. R. D.

EINSTEIN ON HENRY GEORGE

Albert Einstein in a letter to Mrs Anna George de Mille refers to the high degree in which work of Henry George is appreciated by serious thinking people and to the "extraordinary foresight of this great personality." In another letter he writes:—

"I thank you for your great friendliness. I have already read Henry George's great book and really learned a great deal from it. Yesterday evening I read with admiration the address about Moses. Men like Henry George are rare, unfortunately. One cannot imagine a more beautiful combination of intellectual keenness, artistic form and fervent love of justice. Every line is written as if for our generation. The spreading of these works is a really deserving cause, for our generation especially has many and important things to learn from Henry George."

NOTES AND NEWS

A society gossip merchant states in a Sunday paper that it is a delusion to believe that the Aga Khan—the Muslim leader and racehorse owner—was born immensely rich. "In truth, he has made the majority of his fortune himself"—(now hold tight!)"—"greatly aided by the increase in the value of land round Bombay." That sort of fortune, of course, goes on making itself whether the Aga Khan happens to live in India, at Ascot, or on the Riviera, or, indeed, if he did not happen to live at all.—Mr TOM DICKSON in *Forward*, 30th June.

We record with deep regret the death of Mrs Katherine E. Bradley of Olean (New York State). She was a lady of many accomplishments and an ardent supporter of land value taxation. She attended the international conferences held at Oxford and Copenhagen.

Remarkable evidence was given at a Ministry of Health inquiry at Manchester on 5th June respecting the Corporation's application for a clearance order affecting the Collyhurst area. Certain shops in Queen's Road were stated to be taking £75 to £100 in a week and the adjoining land included in the scheme would run to £40,000 an acre.

The land question is at the root of the housing problem. The monopoly of the land crowds the population into slums; it extorts extravagant prices for every needed public improvement; it enriches the landowner by allowing him to appropriate land values, which are rising rapidly around every urban area.

The Government, instead of dealing with this public scandal, has found time to repeal the modest effort which was made by the previous Government to deal with this question. By this act it has shown a petty partisan spite wholly inconsistent with its claim to be a National Government.—Viscount SNOWDEN in the *Daily Mail*, 11th June.

"That this Conference believes that the taxation of land values should be the basis of all plans for development."—Resolution passed at the Annual Conference of the Union of University Liberal Societies held at Glasgow on 11th to 13th April.

The June issue of the *Bath Liberal News* contains articles by Mr S. R. Daniels and by Mr Harold Wood, both strongly condemning the Government's action in repealing the Land Value Tax.

Coventry City Council is purchasing 16 acres of land from the English Electric Company at Crabmill Lane. The price is stated to be £11,750, of which approximately £2,300 represents the value of roads and sewers and some houses on part of the land, the balance of £9,450 representing the value of the land itself.—*Midland Daily Telegraph*, 1st June.

Twickenham Town Council has 28 perches of land at the corner of Church Street and Arragon Road for the sum of £1,040. This works out at a rate of £5,942 per acre.—*Richmond and Twickenham Times*, 2nd June.

One of Southsea's largest remaining building sites, the Craneswater estate, for many years the residence of Sir William Dupree, was put up to auction recently, and was bought by Mr A. A. Jacobs, Eastern Parade, Southsea, for £25,000. The price realized—over £7,000 an acre—constitutes a record for land in Portsmouth.

The site of St. George's Hospital, Hyde Park Corner, London, is for sale. The price required is understood to be about £750,000. The area is roughly an acre and three-quarters, of which five-eighths belongs to the Hospital absolutely. The remaining three-eighths, according to the *Daily Telegraph* (25th May) was bought from the Grosvenor Estate in 1906 for £23,700. "The sale was subject, however, to the important restriction that if the ground ceased to be used for hospital purposes the Estate should have the right to buy it back at the same figure."

PARLIAMENTARY DEBATES—FINANCE BILL

(Considered in Committee—5th June.)

Mr NEIL MACLEAN (Labour) had on the agenda paper amendments to bring the Land Value Tax into operation in a later year. These were ruled out of order, as requiring a financial resolution.

Sir GERALD HURST (Conservative) moved an amendment to repeal Section 28 of the Act of 1931 which requires the delivering of particulars of sales and leases of land to the Inland Revenue and is the only section which is being left in operation.

In my submission it is a source of danger so long as any of this machinery is retained because it makes it easier for a Government which looks on this question from a Socialist point of view, without regard to the well-being and needs of the country, to reintroduce this unjust tax.

Mr KNIGHT (National Labour): The hon. and learned Member has described this machinery and proposal as Socialist. Is he not aware that it gives effect to proposals which have been supported by almost every municipal corporation during the last 40 years?

Sir G. HURST: Some of them may have supported it; if they were ill-advised they have supported it.

THE CHANCELLOR OF THE EXCHEQUER (Mr Chamberlain): The reason for the retention of Section 28 is that the information which the Valuation Department is able to obtain is of first importance in saving public money, and when I tell hon. Members that during 1933-34 the Inland Revenue Valuation Department valued property of an aggregate value of £133,000,000 for the purpose of assessing Death Duties and Stamp Duties, and property of an aggregate value of £27,000,000 for the purpose of advising other Government Departments in relation mainly to land requirements, either by the Government or by local authorities, it will be seen that figures of great magnitude are involved. In the process of valuation it is, of course, necessary that the Government valuer, or those who represent the Government, should be able to produce evidence of the current market value of land in different parts of the country. Unless they have that information at their disposal they must necessarily be placed at a great disadvantage as compared with the representative of the landowner who, of course, has that information at his finger-ends.

Amendment negatived.

Mr NEIL MACLEAN (Labour): I challenge any Tory Member to say that he fought his election in 1931 on a proposal to repudiate and revoke the Land Tax.

Mr MICHAEL BEAUMONT: I made it plain in speeches during my election that in no circumstances would I support a Government unless they were likely to repeal these taxes.

Mr WILLIAM ALLEN: I did exactly the same.

Mr MACLEAN: I made a challenge in 1931 when the National Government was first formed, after the Election, regarding statements in the election addresses of hon. Members opposite.

Mr M. BEAUMONT: I stood as a supporter of the National Government and I made it plain, not in my address but in speeches, that I demanded the repeal of these taxes.

Mr MACLEAN: I challenged any Tory who had stood at the 1931 Election to state that in his election address he advocated this repeal. The hon. Member for Aylesbury (Mr Beaumont) admits that he did not put it in his election address but merely made statements in his speeches. A lot of speeches are made which are not recorded.

I am speaking, I hope, for the great majority of our supporters in the country, who still number millions and who are becoming increasingly numerous, in saying that when the next Labour Government comes in, after the defeat of this Government at the next General Election, these things which are being repealed by this Government will be brought forward again; and if I have any influence in that Government I shall see to it that anything that has been lost by the action of this Government is added to the very first instalment called for under the new land taxes in the Labour Budget.

Sir F. ACLAND (Liberal): Nobody can go about the country in any capacity without being convinced of the necessity of keeping and using the power of taxation of land values. It is quite extraordinary, as anybody with eyes to see surely must recognize, how quickly developments are happening and how the lack of taxation of this kind is hitting the public interest day after day, and in a very serious way. Is it from that point of view a disaster that legislation constructed with so much trouble and after so much controversy and difficulty should now be swept away? One sees industries moving from the north of England to the south, new coalfields developing in counties like Kent where it was not suspected a few years ago there was coal, and tube railways being pushed out from the big towns in a night almost—they decide where their new stations

are to be, and land which is worth £100 an acre one day becomes worth £1,000, £2,000 or perhaps £5,000 an acre next day. One sees new roads and new electric cables adding to the value of land almost daily, according to the very rapid development that we have been making, but the nation does not get back one farthing of the added value, which is all passing almost automatically into the pockets of the private individual who happens, by good fortune, to own the land. That is a scandal which the owners of the land can hardly justify.

I am bound to say for myself that, in a very small way, I hold a little of this sort of land; I wish I held a lot more. It seems to be altogether wrong, when I pass, as I do about four times a week, through a few fields of mine four or five miles from Exeter—they have an agricultural value because they are used for agricultural purposes—that slowly but surely that land is getting more valuable, not because of anything that I am doing, but because Exeter is going out in the direction of my property.

It is a most sinister triumph that we have been shown this evening by the action of the Government, of private selfishness over public good. We have done nothing at all, in spite of the efforts that were made in 1909 to bring the principle of the taxation of land values into effect, now that the efforts made under previous Governments are to be finally swept away. As was stated by an hon. and learned Member, practically all our great municipal bodies, who are by no means all of a Labour complexion or anything of that kind, have passed resolutions over and over again on this matter. Wherever the principle has been carried out by foreign countries or by our Dominions it has worked well, and has brought in useful revenue to them. This is simply a ramp on behalf of private land interests against the public interest, and I am ashamed when I feel that all this good work, which seemed to give promise of leading up to a real enactment of a system of land taxation, should be swept away.

Lord EUSTACE PERCY (Conservative): What are the arguments in favour of any form of taxation of land values? They are, I think, three. One is that land should contribute its full share to the revenues of the State. The second, no doubt closely connected with it, is that increment arising out of public activities, or at any rate out of activities having no connection with the landowner, should, in part anyway, be paid over to the State; and the third is not really a taxation question or a question of social justice at all, but the desirability, as a matter of planning expediency, of forcing land which is ripe for building into the building market.

These are three perfectly clear considerations. So far as the first two are concerned—I say frankly that I am expressing only my personal view—there is very little difference between my attitude and the attitude of any Member of the other side of the House. I accept the principle that land should pay its full share, which has to be assessed on a number of considerations, to the revenues of the State, and that increment arising out of public improvements, and possibly out of other automatic developments, may properly be specially taxed by the State. In doing so I am voicing principles which I learned in very Tory circles when I was young, and am also voicing principles which have been accepted by the whole Tory Party and by the whole of the supporters of the National Government within the lifetime of the present Parliament.

The third consideration has completely changed in the last 25 years. The old 19th century idea that the one great act of public spirit that any landlord could perform was to offer his land for the building development of the jerry-builder who was building for the industrialist population in the big towns has faded out within the last 25 years, and within the last 10 years we have begun increasingly to realize that my right hon. Friend the Member for North Cornwall may be performing the most essential public duty in preventing those fields of his from ever being developed for building, either now or in the future. Of course, if he intends to develop their building value, I quite understand that he should not object to paying some small taxation, with all the protections devised by Lord Snowden, during the interval. But suppose that he considers it to be rather his duty—and I fancy it is a very arguable question in Exeter, as it certainly is on the outskirts of many towns—that that land should not be developed for building, is it desirable, speaking now from the landlord's point of view, that the fear of taxation should drive that land into the building market when the landlord otherwise would not have put it in?

Therefore, I shall certainly support this Clause in the Finance Bill.

On the other hand, I think it is peculiarly the duty of a National Government, faced by a situation of such confusion as our land taxation to-day, not to be content with mere repeal of an additional element of confusion, but to tackle the problem constructively.

Mr WEST (Labour): Perhaps the most astounding thing is the attitude of the Government towards Lord Snowden. I

think he was the principal architect of this scheme of land values. He put most of his life's work into it. I should like to read what he said on the Third Reading of the Finance Bill in 1931:—

"The principle underlying this Bill is to assert the right of the community to the ownership of the land. The party for whom I speak have always put the question of land reform in the forefront of their programme. Although I may not live to see the step that we have taken this afternoon advance still further, at any rate I submit this Bill to the House of Commons with the satisfaction that I believe we have begun a far-reaching reform which some day will liberate the land for the people and abolish once and for all the tyranny under which the people in this country have suffered."

I do not want to prophesy, but I feel certain that after the next election we shall have a Government which will bring in a much more vigorous form of land values taxation and a Measure which will make hon. Members opposite very much regret their action to-night.

Mr KNIGHT (National Labour): I think it (the repeal) has certain practical consequences which I want to describe. First, in the necessary acquisition of land required for public purposes, there will not be available a valuation which will prevent taxpayers and ratepayers being called upon to pay extortionate prices. What sort of effect will that have on the general body of taxpayers and ratepayers, out of whose pockets those values are paid? The second result is this: When land has to be acquired, why should not the man who owns the land whose wealth has increased as the result of national or municipal expenditure contribute towards the cost which the public authority has to pay for the land?

The third case is that of the occupier of a house, who at present has to pay the full rates and taxes required for the occupation of that house, and the man who owns the site of the house contributes nothing to the municipality whose expenditure largely creates the site value. Those are actual, practical illustrations of what is going to happen in the absence of a valuation. I am bound to say that in my view that is not giving effect to the commission that this Government received, and I am afraid that in the days to come the support which may be received by them will diminish if this sort of policy is persisted in.

Mr MANDER (Liberal) moved to report progress in order to give the Prime Minister an opportunity of being present.

The Committee divided: Ayes, 65; Noes, 251.

Original Question again proposed.

Mr BERNAYS (National Liberal): A serious problem is involved in land values. They are in many cases rising to staggering heights. I had a vivid picture of that during the last week-end, when I visited Stanmore, which I remembered from my boyhood years and which is now being swallowed up by Greater London. Ten years ago Stanmore, which is only 10 miles from the Marble Arch, was in the depths of the country, and agricultural land was then worth something like £20 an acre. First of all the railway, then the motor-omnibus, then the arterial road, and now the Metropolitan have made these pleasant fields what the building speculators call "ripe for development."

What has happened? The land, instead of being worth £20 an acre, agricultural value, is fetching anything from £500 to £1,000, up to £1,500 an acre. Owners of derelict and water-logged land, business men with unimposing country estates, butchers with their few acres of agricultural land, are all in now on the building boom. They are making profits undreamed of. I cannot see that there is anything unfair in making them contribute out of their profits a penny in the pound to the community. Nor can I understand why the Conservative Party should be so fierce in their opposition to this proposal. In the interests of fair taxation why should a professional man have to pay 4s. 6d. in the pound Income Tax, or a rich man as much as half his income in taxation, and these landlords be able to reap their harvest, which in many cases they have not sown, without any additional impost upon them? It is argued that taxation of land values will never work, that it never has worked. It has worked in the Dominions; it has worked in the United States; it has worked in several European countries. Surely, it is not beyond the capacity of British statesmanship to make it work here!

On no fewer than six occasions the Bill to tax land values passed a Second Reading in this House. Six hundred municipalities have petitioned in favour of it, and I suggest that the Government have no right to drop this tax. The policy was not an issue at the last election. If it had been, we might never have had the very powerful support of Lord Snowden. I agree that the value of that support must have been worth something like 100 seats to the National Government. If the Government decide to scrap these land taxes, at least they ought to put something in their place.

This is the first time, since I separated from my hon. Friends,

that I have ventured to attack the Government, but I felt that I could not sit silent to-night and see land reform, which I regard as urgent and long overdue, recklessly scrapped, without anything being put in its place, merely because the dominant section of the Coalition says it must go.

Sir G. COURTHOPE (Conservative): We have listened to a very interesting, very able but very surprising speech. I should be largely in agreement with it if the tax which we are discussing was a tax upon increment values. It is not.

There has been tremendous relief since the announcement of the Chancellor of the Exchequer in the Budget Speech. The interests concerned with the business and management of real property are profoundly grateful to my right hon. Friend. It will be a relief to agriculture and industries of that kind.

Mr DAVID GRENFELL (Labour): The Noble Lord (Lord Eustace Percy) must have lived in a very strange country; he does not know the conditions in the industrial areas and the environs of those areas if he claims that there has been, at any time, an outside or external influence driving unwanted land into the market for building houses. I live in a part of the country where a large number of houses have been built in recent years, and I never knew of any unduly cheap land having made its appearance on the market. My experience, and the experience of housing authorities in all parts of the country, has been that cheap land is difficult to get.

Major Sir ARCHIBALD SINCLAIR (Liberal): I would say briefly that on the question of the taxation of land values there are three main propositions, none of which is affected by the economic situation during the last 30 years, to which the Noble Lord drew the attention of the Committee. The first proposition is, that site value is created not by the owner of the land but, apart from special circumstances as to the nature and situation of the land, by the growth of population, the development of industry, the extension of public works, and so on.

It is said that a great many public spirited and enterprising individuals by the expenditure of capital have greatly developed the land within their own control and that the development is entirely due to them. That cannot be true in hardly any case. I have in my mind an example of the exact opposite in regard to a certain village in the Island of Harris, where the late Lord Leverhulme spent tens of thousands of pounds upon the development, but nobody followed him. The fishermen did not go. The fishermen did not choose to fish from there. The result is that there has been no increase in the value of that land. Therefore, it is clear that the contribution of the community is an essential one in the improvement of the value of the land.

In the second place, the amount of land cannot be increased. That is what differentiates it from other commodities. The critics of land value taxes often say that rubber, cotton, boots and other goods depend for their value upon the action of the community which buys those necessary articles. In those cases, as the population increases the value of those goods does not increase but tends to fall. As the demand increases so the supply increases, but the supply of land cannot be increased, because it is a fixed quantity. The value of the land may fluctuate. In some parts of the country the land values may stand still for a time, and in very remote parts of the country they do not increase, but, taken by and large, with the exception of a very few remote corners of the country, they go on steadily expanding and increasing year after year, without any active steps being taken by a landlord, unless, of course, the individual landlord happens to be enterprising and develops his property. Without the necessity of any action being taken by the landlord these fruits fall into the lap of the landlord.

My third proposition is this: If site values are taxed and the burden of taxation is removed at the same time from improvements, a double stimulus is given to industry and development of all kinds. On the one hand the penalty for holding up land becomes taxation and the access of the community to the land is rendered easy on fair terms, while on the other hand the reward of development becomes relief from taxes and rates.

I certainly say that they (the clauses to be repealed) are workable, that they provide a valuation which is the indispensable basis for any action in the direction of land taxation at all. Certainly I think that this House should take a firm stand on the question of preserving the land valuation clauses, which must be the basis of any such constructive action as the Noble Lord the Member for Hastings and other speakers have asked for to-night.

We will be no party to the betrayal of the Prime Minister's policy. Equally we shall oppose at every stage this foolish and narrow party manoeuvre.

(5th June)

Mr CHAMBERLAIN: I am here now to speak on behalf of the National Government—and on behalf of all the Members of the National Government—and to explain why we have introduced this Clause into the Finance Bill.

Representations were made to us, which we could not neglect, as to the fact that this proposal, still remaining on the Statute

Book, was actually interfering with the flow of credit into the land—was actually preventing or hindering the operations of landlords for the improvement of their property which it was in the interests of the country that they should carry out. I say that it would not be right to leave upon the Statute Book, until the Government are prepared to bring in a scheme of their own, proposals which are interfering with the due development of property to-day, and that it was therefore our duty, as realists, to remove this obstruction and to leave the site clear and unencumbered for the future.

Sir S. CRIPPS (Labour): This section being passed is a token section, showing the behaviour of the National Government rather on the whole approach to the problem of combined action, than the particular problem of land values. It is perfectly true, as the Chancellor of the Exchequer says, this particular method would not, in the first instance, have produced any amount of revenue. But it could have been increased in the next Budget, up to 20s. in the pound. That should have been the course taken.

REPORT STAGE

(18th June)

Sir R. HAMILTON (Liberal) moved an Amendment.

The object of this Amendment is to retain the whole of the Sections of the Finance Act of 1931 which provide for a valuation of land to be made. What we are asking the House to agree to is the retention of the Sections which deal particularly with and provide for the valuation of land.

Sir P. HARRIS (Liberal): Even at this eleventh hour I hope the Government will be able to give us, if not some assurance that this valuation should be kept in being for future use, some promise that the Chancellor has in mind the provision of a form of valuation of the land separate from its improvements. The Liberal Party throughout the country has for years been unanimous on the matter. I challenge any Liberal Member, whether he belongs to the Government or is a supporter on the opposite side, to get up and say that the Liberal Party in his constituency is not in favour of valuation and the principle of land taxation. It has been a cardinal principle of the Liberal Party for the last 30 years. It is something that we have worked for and believed in, and to which we attach the greatest importance.

Great play has been made by various interests with the argument as to the difficulty of making a valuation of the unimproved value of land, but such a principle has been in practice for years in almost every part of the British Dominions. In New Zealand and Australia, particularly in Sydney, they have been able to devise schemes which have worked effectively, have caused no injustice and have presented no exceptional difficulties. It is interesting to find Tory after Tory in favour of some form of land taxation in theory, but always opposed to any kind of land taxation in practice.

I suggest that in these difficult times, with so many economic problems to solve, at any rate the machinery of valuation should be set up. It is, after all, a machinery Clause which we are anxious to retain; it is the Clause which provided the organisation to value the land, so that if any Government or local authority wanted to deal with the value created, there should be the machinery in existence to deal with it. The plea put forward, with some reason, two years ago was that valuation was a costly business, and that in the state of the national finances economy was vital, and to secure that economy it was wise to suspend the operation of this expensive machinery. That excuse no longer holds good, and I suggest that the Government have a responsibility to face up to this question. The local authorities are clamouring for something to be done in this direction, because this value is required not merely for the purpose of the State and taxation, but is asked for by local authorities who desire to see a fairer distribution of the rate burden.

Only in 1930 the Middlesex County Council, by no means a very progressive body—I think it is fair to say that it is generally Conservative in character—passed, by a majority of 39 to 20, a resolution that in its essence required some form of valuation of the land apart from the improvements. It is pointed out that during the previous 10 years no less a sum of £6,000,000 had been spent on creating some 70 miles of roadway, that the owners of the land who had frontages gained the free gift of £1,750,000 by being saved the cost of road making, and at the same time it was estimated, by a careful calculation, that these 70 miles of roadway had added some £13,500,000 to the value of the owners' property jutting on these new roads.

Mr CHAMBERLAIN: The Liberal Party has put down an Amendment maintaining the present system of valuation, but leaving in complete doubt what system of taxation was to be imposed on that system of valuation. You cannot separate the system of valuation from the precise form of taxation you intend to found upon it.

If we are not going to deal with the tax we had better leave the valuation as well as the tax for those who are going to impose the tax, and who will know what kind of valuation they want in order to found their tax upon it.

Sir S. CRIPPS (Labour): I do not agree with the right hon. Gentleman as regards the connection between valuation and taxation. If the valuation is a proper one it can have no connection with the sort of tax that is going to be imposed. I cannot believe the right hon. Gentleman thinks that any Government would "wangle" the valuation to suit the types of taxation it wants.

There is only one true and proper basis for valuation, irrespective of what is the tax to be afterwards imposed. The basic value of the site must be arrived at by the best means available, and that is only a question of threshing out what are the proper matters to be taken into account, as was threshed out in this House three years ago. The valuation is being dropped because the Conservative Party do not like it. They made it quite clear, when it was going through the House, that at the earliest opportunity they would repeal it—they said so—and this is their earliest opportunity. That is the truth of the whole matter.

Mr CURRY (Liberal): The reason why this valuation Clause is being deleted from our laws is that the Conservative Party have become dominant in the National Government and are determined to entrench the landed interests behind them. Otherwise, what is the reason for the abolition of this valuation?

The Amendment was defeated by 48 to 222.

THIRD READING

(23rd June)

On the motion for the Third Reading an Amendment was moved by Mr Morgan Jones for rejection of the Bill and further debate on the Land Value Tax took place. The Amendment was defeated by 220 votes to 29.

HOUSE OF LORDS

(3rd July)

On the Second Reading of the Bill, Viscount Snowden made a trenchant exposure of the Government's action in a speech we will report next month.

RESOLUTIONS OF PROTEST

Nelson (Lancashire) Town Council at its meeting on 12th June passed the following resolution, which was moved by Councillor Titherington in an able speech, in which he gave many examples of land monopoly:—

"This Council regrets that proposals are contained in the Finance Bill, 1934, for the repeal of the Land Value Tax provision of the Finance Act, 1931. We believe the valuation to be made under that Act would have formed a basis for arriving at a fair purchase price for land for housing and other needs of public authorities. It would also have been of immense benefit if and when it were decided to rate land values in order to give relief to dwelling-houses, business premises, etc., of a part of their present burden. We call upon the Government to seriously consider the whole position before finally repealing the provisions of the 1931 Act."

A resolution on somewhat similar lines was passed by Colne Valley Labour Party. Among other Labour Parties which have expressed themselves in this way are North Croydon and Westhoughton.

Greenock Co-operative Party passed a resolution from which we may quote the concluding portion: "The Taxation of Land Values as the means to solve the problems of unemployment and poverty is more urgently needed than ever."

"The issue now raised in acute form calls for a determined agitation to reverse this set-back to democratic aspiration, and to place in power a Government free from the trammels of privilege and monopoly, which will take drastic and energetic steps to put into operation the Taxation of Land Values with the least possible delay."

Scarborough Liberal Association passed a resolution stating that it "registers its emphatic protest against the unwarranted decision of the Government to repeal the Land Value Tax and urges them to regard the taxation of land values as a means of relieving local rates and helping to solve the problem of unemployment and poverty."

Other bodies passing such resolutions which we have noted in the Press include the Hendon Liberal Association, North Islington Liberal Association and Leicester Co-operative Party.

FORM OF BEQUEST

I bequeath (free of duty) to the United Committee for the Taxation of Land Values, Limited, the sum of £

INTERNATIONAL NEWS

(Press Service of the International Union for Land Value Taxation and Free Trade, 94 Petty France, London, S.W.1)

UNITED STATES

The May-June issue of *Land and Freedom*, together with private letters and other publications, conveys a welcome picture of activity in the United States in so many directions that it is impossible in our space to do justice to them.

Jackson H. Ralston writes encouragingly of the agitation for a constitutional amendment in California which will permit of a reduction in the taxation of industry and an increase in that on land values. This measure is favoured by the two most prominent candidates for the democratic nomination for governor, Upton Sinclair and George Creel.

The annual Henry George Congress is to be held in Chicago on 8th, 9th and 10th October.

Evidence of the success of the Henry George School of Social Science (New York) is the enthusiasm of the students. The members of the student council are organizing a campaign for the purpose of extending the activities of the school and enabling more students to benefit by it.

The annual report of the Robert Schalkenbach Foundation shows a distribution of 5,000 books, 48,000 pamphlets and 50,000 circular letters. The new edition of *Social Problems* has been well received and valuable reviews have appeared in prominent journals. The Foundation will now have even more guidance than in the past from the Hon. Charles O'Connor Hennessy, whose retirement from the Presidency of the Franklin Society gives him more leisure for the work he has so much at heart.

Charles H. Ingersoll is candidate for the governorship of New Jersey on a platform whose main plank is to shift taxation from industry to monopoly.

CANADA

The results of the provincial elections held in Saskatchewan and Ontario show sweeping Liberal victories. In Saskatchewan it appears that not a single Conservative secured a seat. In Ontario, which has had an unbroken succession of Conservative Governments since 1904, that Party carried only 17 seats, while the Liberals carried 65. At the moment of writing we have no information of the policies to be adopted by the new administrations, but we are glad to note that Mr A. W. Roebuck, who has long been known as a strong supporter of land value taxation, is to be Attorney-General in the Ontarian Ministry.

SOUTH AUSTRALIA

The Henry George League of South Australia (11 Carrington Street, Adelaide) has recently published a pamphlet, *The Case for the Single Tax*, by E. J. Craigie, M.P. (price 2d.). It is a telling statement of the case with striking illustrations of how the present system hits the farmer and remarkable illustrations of the growth of land values in Adelaide and in Melbourne. The whole site of the city of Adelaide (1,042 acres) was sold for £3,594 in 1837, and to-day the unimproved land value is £11,000,000. Individual sites are shown to have increased from £1 an acre to over £230,000 an acre. In Melbourne plots of land totalling 92½ acres were sold in 1837 for £6,770 and their unimproved value to-day is £22,314,850.

Mr Craigie makes an effective comparison of the high land values of the cities with the low values in the country, and contrasts the high proportion of existing taxation which is thrown on the farmers with the relatively small amount they would bear if the whole annual land value were taken in taxation. This is an extremely effective and valuable pamphlet which deserves the widest circulation.

VICTORIA

The report of the Committee of the Country Party, whose resolution in favour of the single tax was quoted in our April issue, has been published as a pamphlet and contains a good summary of the arguments for and against. It, together with Mr Craigie's pamphlet referred to above, was distributed to all the members of the Annual Conference of the Party, and the matter is to be further discussed.

BULGARIA

Mr Jordan Rousseff, in a letter from Plevenska, Okelia, writes:—

"The general conviction is that parallel with the development of culture and invention in all fields of art, humanity instead of advancing in happiness and progress, millions of human beings have been thrown in misery, while a privileged minority lives in abundance. Those things have forced many economists to regulate the relation between capital and labour so that peace and happiness may come to all the people in the world. But so far all has been in vain. There is no equality and brotherhood among the nations. The latest teaching of Fascism in Italy, the legal Socialism in Austria and Germany, and the revolutionary Bolshevism in Russia have failed to accomplish what was expected of them.

"So far, the only lasting results remain in the ideas of Henry George and to-day, though he is not living, his ideas live in the hearts of millions oppressed labourers all over the world. Having learned of the existence of an organization of international relation, I write this letter in order to come in contact with you, so that I may work for the good of the labouring village people.

"I am the Editor of *Zemledelska Borba* (Farmers' Struggle) which fights for bread, land and peace. The Bulgarian farmers are struggling to reach the ideals of Henry George. My paper has accomplished a great deal in that line. We desire to enter in direct communication with your organization so that we may work together. Therefore I beg of you to receive me as a member in the International Union which propagates the ideas of Henry George."

CHESTER C. PLATT

The death of Mr Chester C. Platt on 3rd May removes from our ranks an energetic and colourful personality who was well known both in the United States and on this side of the Atlantic, through his visits to Europe and his participation along with Mrs Platt in our International Conferences at Copenhagen, 1926, and Edinburgh, 1929. His latest letter to us looked forward to another visit this summer. Mr Platt described himself in politics as a progressive democrat. He was interested in promoting government or municipal ownership of monopolies, and was a consistent advocate of the taxation of land values. After having in his early life been interested in other business undertakings he had for the last 31 years been the editor of the *Batavia* (N.Y.) *Times*. A weekly article from his pen, under the title of "Human Behaviour," appeared not only in this paper but in a large number of others. We offer our sincere condolences to his wife and family.

HENRY GEORGE ELL

The death is announced at Wellington, New Zealand, of Henry George Ell, who was Postmaster-General in that Dominion in 1912. He was a member of the House of Representatives for twenty years, and was largely responsible for the removal of the condition that a majority of the electors on the roll must vote affirmatively before local rating of land values could be adopted by a municipality, and substituting for that a simple majority of those actually voting. He was a faithful friend of our work. Before his election in 1899 he was closely associated with the writer in the agitation to increase the classes of minor local rating authorities entitled to adopt the rating of unimproved land values for raising their revenues.

M. J. S.

Frank P. Rand, who has been a reader of *Land & Liberty* ever since its inception (as the *Single Tax* in 1894) passed away in Victoria, B.C., on 18th March. His interest and activity in the movement has been long-standing. He was personally acquainted with Henry George, and helped in the campaign for the Mayoralty of New York in 1886. A genial personality and always alert, he will be greatly missed by his colleagues and co-workers in British Columbia.

NEWS OF THE MOVEMENT

THE UNITED COMMITTEE FOR THE TAXATION OF LAND VALUES, LTD., 94 Petty France, London S.W.1. **A. W. Madsen, Secretary**; **F. C. R. Douglas, Assistant Secretary**; **W. R. Lester and C. E. Crompton, Hon. Treasurers.** (Telephone: Victoria 4308.) (Telegrams: "Eulav, Sowest, London.")

The activities of the office during last month have largely centred round propaganda related to the repeal of the Land Value Tax. Further memoranda were supplied to Members of Parliament, including a survey of such arguments in favour of repeal as had emerged during the debates on Second Reading and Committee stage. The extent to which all the material supplied by the Committee was utilized can only be appreciated by a reading of the verbatim reports. Quotation of this matter on account of space have been omitted from the condensed report published in this issue.

Circulars sent to all local Labour, Liberal and Co-operative Parties have met with a gratifying response, resolutions having been passed by a considerable number of these bodies.

Mr Madsen has been on holiday during the three last weeks of June, visiting Leningrad and Moscow. A meeting for the purpose of hearing his impressions of Russia will be held in the Caxton Hall, Caxton Street, Westminster, on Friday, 13th July, at 8 p.m. Readers of *Land & Liberty* are cordially invited to attend.

Henry George Foundation Essay Competition, 1933-34

The results of the Essay Competition for 1933-34, conducted under the auspices of the Henry George Foundation (of which the United Committee are trustees), was announced in *The Times Educational Supplement* of 29th June. The prize fund amounts to £100, and in addition consolation prizes of books to be chosen by the recipients from the Committee's publications have been awarded to those who did not qualify for monetary prizes.

The subject of the essay was *The Moral and Economic Teaching of Henry George*. A large number of meritorious essays were submitted, and in some cases the adjudicators found some difficulty in grading them, especially as the subject lent itself to a wide variety of treatment. A number of essays, although well written, contained irrelevancies or were too long in coming to the point, and others suffered from lack of originality, depending too much upon long quotations or paraphrases from Henry George. The general standard, however, was satisfactory, and many of the essays showed a strong grasp of the subject matter and indicated independent reflection.

Three essays which would otherwise have won prizes of £5 each were disqualified because the authors had won money prizes in previous competitions, viz., E. I. S. Harding, Toowong, Queensland; G. Tulloch, Glasgow; and P. Boyle, Bradford.

Six essays which were graded to receive £2 prizes were disqualified for the same reason, viz., W. Barrett, Middlesbrough; G. H. Froggatt, Bradford; S. Langford, London; R. A. Murray, Glasgow; R. A. Reed, Plymouth; and A. Lamsley, Southsea.

The competitors in all these cases will be entitled to consolation awards of books.

The result of the adjudication of the remaining essays is as follows:—

Two Awards of £10 each.—F. G. Martin, Stockton, California; Miss A. Trickett, Rossendale, Lancs.

Six Awards of £5 each.—S. Batten, London, S.W.20; R. Dobbie, Dunfermline; A. Flanders, Fence Houses, Durham; T. King, Walsall; O. Ommer, M.A., Glasgow; W. J. Thorne, Exeter.

Twenty-five Awards of £2 each.—Mrs Alderson, Hull; Mrs L. M. Baker, Bradford; G. V. Birks, Woodville, S. Australia; W. Bowler, Bexley Heath, Kent; W. M. Cameron, San Francisco, California; Miss E. A. Compton, Wabash, Indiana; J. H. Flint, Marple, Cheshire; G. Gale, Wellington, Somerset; T. L. Gaskell, Albany, New York; R. E. Kiebach, Reading, Penna; A. J. Jones, Rhondda, S. Wales; C. E. King, Sydney, Australia; H. Lythgoe, Tonge Moor, Bolton; C. Morgan, Devizes, Wilts; A. Marson, Scunthorpe, Lincs; W. McClimont, Strathaven, Lanark; D. C. McTavish, Alberta, Canada; W. T. Newman, Greenford, Middlesex; H. Proctor, Eccles; N. Ratcliffe, Manchester; T. B. F. Ruoff, Waltham Cross; W. H. Scarlett, London, S.E.18; F. Thomson, Sydney, Australia; W. D. Woodson, Los Angeles, California; F. J. Wright, Cardiff.

Book Prizes (20) value 10s. each.—G. S. Bush, Chattanooga, Tennessee; Mrs A. Dennison, Bradford; W. van der Maaten, Washington, U.S.A.; L. Fishbeck, Gouvernor, New York; J. Houston, Londonderry; Mrs J. C. Jones, Llanelly, S. Wales; J. H. Knight, Bristol 4; Mrs C. Lien, Denver, Colorado; F. Logan, Glasgow; Miss M. G. Macdonald, Cobourg, Ontario; G. A. McDonald, Yorkton, Sask., Canada; J. Page, Nyon,

Switzerland; W. Percival, London, N.W.7; C. L. Phillippus, Denver, Colorado; Rev. W. Warcup, M.A., London, N.8; R. Williams, Swansea; F. Winzer, Bristol.

ENGLISH LEAGUE: Frederick Verinder, General Secretary, 7 St. Martin's Place, Trafalgar Square, London, W.C.2. (Phone: Temple Bar 7830.)

Miss Razelle Lapin delivered two lectures on "Social Justice" at the Memorial Club, High Street, Shadwell, last month to highly interested audiences. Some of the members of the Club have found their way to the League's Economic Class at St. Martin's Place. In spite of the recent hot weather, the attendance at the class has been well maintained, and there is no talk, at present, of closing down for the summer recess.

Lunch-hour open-air meetings have been conducted by Mr Blackburn with help from other members in Finsbury Square, on all the Wednesdays and Fridays in June, and have been well-attended by City workers. Mr L. J. Adams has also been holding meetings at Wimbledon (St. Mark's Place at 8 p.m.) on Wednesday evenings. These meetings will be continued, weather permitting.

19th July.—S.W. St. Pancras Labour Party (Women's Section), 123 Drummond Street, N.W.1: Fredk. Verinder, 3 p.m.

20th July.—Fabian Society, Dartmouth Street, S.W.1: Miss Lapin, "Social Justice."

On five days during the week in which the Second Reading of the Finance Bill, 1934, was debated in the House of Commons, the League sent out six sandwich-men carrying boards upon which various statements relative to the repeal of the Land Value Tax were inscribed. They perambulated Charing Cross Road, Shaftesbury Avenue, Regent Street, Oxford Street, New Oxford Street and Holborn, and on one occasion formed up before the London School of Economics.

Letters by Mr McLaren and Mr Blackburn have appeared in the *Daily Herald*. A letter by the President and the Secretary has appeared in a number of newspapers.

Mr Michael Jacobs, who in pursuance of a Resolution passed at the Annual Meeting of the League, issued an appeal for a Testimonial to Mr William Munn, late Assistant Secretary, desires to thank the members who subscribed the sum of £80 12s. which has been handed to Mr Munn. The recipient also tenders his grateful thanks to the friends who have responded so generously.

The General Secretary will be absent on holiday for about a fortnight from 24th July.

NOTE.—A recent police court case revealed that very extensive robberies of letters had been taking place in the W.C. District Post Office, through which all the Office correspondence passes. Will any member who has sent a subscription to the League recently and not had a receipt kindly send particulars to the General Secretary?

SCOTTISH LEAGUE: William Reid, Secretary and Treasurer, 150 North Street, Glasgow, C.3.

We have to record with regret the death of two veterans. One, R. C. Barton, was actively associated with the first organization formed in Glasgow during the early visits of Henry George. Although seventy-eight years of age he had a robust appearance, but caught a chill as a result of night work. He was distantly related to Thomas Carlyle, as is indicated by his second initial. The other, Mr Joseph Cowan, spent his early life in the Army on Indian service, but has been long known in Liberal circles and was a Vice-President of the League. We understand that he had reached the age of eighty-two.

While the League has not directly organized any open-air propaganda, several of its members have been constantly engaged on Young Liberal and other platforms during the past month.

The cancellation of the Land Valuation Department has revived interest in the literature of the League, and there has been an increased demand for such literature. Newspaper correspondence has been maintained at about the usual pace with Mr A. J. Mace leading and showing a good example. Mr Mace has found time also to write to the B.B.C., but the lecturer has not promised to deal with Land Values and Unemployment.

A new magazine called *Liberty* is about to be published, and among other items will contain comments on the National Government and Land Values by the secretary of the League.

YORKSHIRE AND NORTHERN LEAGUE: F. Skirrow, Secretary, Compton Buildings, Bow Street, Keighley.

The Annual Meeting was held at Leeds on the 2nd June. The President (Ashley Mitchell) in the Chair.

The Financial Statement and the Secretary's Report were adopted. The past officers were re-elected and a few new members were elected to the Committee.

The meeting adopted a resolution vigorously protesting against the Government proposal to repeal the Land Values Tax. The action of the Government, the resolution said, was "palpably dishonest" in using its majority, given to it for other reasons, to reverse the step in land values taxation enacted in 1931. The resolution called for public support to re-establish land value taxation at the earliest opportunity.

In a message to the meeting, Lord Snowden wrote: "The action of the Government in proposing to repeal the land valuation and taxation clauses of the 1931 Finance Bill has aroused keen resentment among progressive people and it will, I have no doubt, re-awaken interest in the land question. This action on the part of the Government is a proof, if further proof were needed, that it is but the Tory Party masquerading as a National Government."

Following the League business a well-attended public meeting was held, over which William Thomson, J.P., presided.

W. R. Lester, M.A., spoke on "How Civilization May Decline."

The address was much appreciated and warm discussion followed, in which Anarchists, Fascists, Communists, Socialists and Douglas Creditists took part. The hope was expressed by several people that Mr Lester's address might be published in pamphlet form.

The President moved a strongly worded resolution condemning the Government's proposal to repeal the Land Value Tax in the 1931 Budget. Mr Ernest Lightowler seconded and the resolution was carried unanimously.

MANCHESTER LEAGUE: Arthur H. Weller, J.P., Secretary, 4 Piccadilly, Manchester 1. (Phone: City 5527.)

Three meetings were held at Alexandra Park Gate and addressed by Messrs Owen, Ginders, Withington, Wright and Weller. The Secretary also spoke at a meeting in Read which was organised by the Clitheroe Group.

A circular letter on "Public and Private Property" has been sent to a large number of political and Co-operative associations in Lancashire and Cheshire. This is likely to lead to many requests for the League's speakers during the coming winter.

Letters by members of the League have appeared in various newspapers.

CLITHEROE HENRY GEORGE GROUP: J. L. Hamilton, Hon. Secretary, "Waverley," Brungerley Avenue, Clitheroe, Lancs.

On the 6th June, Mr A. H. Weller, of Manchester, visited Read, a small village near Clitheroe, and addressed a public meeting, organized by the Read Debating Society, on "Getting a Living." After an excellent address questions were invited, which the speaker answered in his usual capable manner. The Secretary was Chairman.

BRISTOL LEAGUE: E. T. Baggs, Hon. Secretary, 29 Ponsford Road, Knowle, Bristol 4.

During the summer months the usual weekly meetings of the above League are being held in the homes of interested members where economic subjects are discussed under the guidance of the President, Mr E. J. Brierley. These meetings will continue each week until September, when the winter session will again commence in the Co-operative Buildings, Castle Street.

In the *Bristol Guardian and Gazette*, Mr Brierley continues his analysis of the many palliatives put forward by all parties for the solution of the problems which everywhere exist. It is pleasing to note the increased circulation of this paper.

A further contribution of the President has appeared in the *Bristol Labour Weekly*, which, together with his continued talks and addresses to the various Guilds and organizations is making good propaganda for the League.

Mr J. H. Knight, Vice-President, has addressed several organizations, and his remarks were very favourably received.

A great effort is being made to introduce the League to every organization in Bristol, from which we hope many applications will be forthcoming for further information.

WELSH LEAGUE: Charles A. Gardner, Hon. Secretary, 27 Park Place, Cardiff.

Useful work has been done in connection with the presentation to the Cardiff City Council of a resolution deploring the repeal of the land value tax in terms similar to that recently adopted by the London County Council. The League sent a letter to the Council asking them not only to pass the resolution but to follow it up in co-operation with other Welsh local authorities. The resolution was to be moved by Councillors Griffiths and Weston and was set down for the meeting on 11th June. Unfortunately it was not reached owing to pressure of business. At the adjourned meeting on 15th June it again could not be taken and will come before the Council on 23rd July.

The League has sent a circular to all borough and county borough councils in Wales and to the Carmarthen, Brecon, Glamorgan and Monmouth county councils urging them to take similar action.

HIGHLAND LEAGUE: I. Mackenzie, Hon. Secretary, The Arcade, Inverness.

The Secretary toured round Bonar Bridge, Spinningdale, Dornoch and the Mound on the 20th June; and Golspie, Helmsdale, Rogart and Lairg on 21st. Some more members joined and a supply of literature was distributed. Many expressed regret at repeal of land values tax and hoped that a strong force of Radicals would be in the next Government which would not only repeal all protective duties but would also bring in a measure of justice and free the production of wealth.

MIDLAND LEAGUE: Chapman Wright, Hon. Secretary, 20 Cannon Street, Birmingham.

On 29th May the meeting of the Sparkbrook Debating Society took the form of a discussion when Mr J. C. Milne, of the Birmingham Douglas Social Group, advocated that plan of monetary reform. In opposition, Mr Chapman Wright contended that the Taxation of Land Values, as set forth by Henry George, was the essential reform. He claimed that social benefits, whatever be their nature, would be neutralized by land monopoly and increase of rent until this fundamental evil was ended. A number of questions were put and hearty votes of thanks given to the speakers.

Candidates' Answers to the United Committee

In response to the questionnaire sent to the candidates at the Weston-super-Mare by-election, the Labour candidate, Mr A. E. Millett, wrote that he was "whole-heartedly in favour of the taxation of land values" and that "the present haphazard system of local rating demands complete revision. . . . Such legislation would receive my whole-hearted support and would go far towards re-establishing a sane relationship between true and artificial land values." The Liberal candidate, Mr H. F. Scott Stokes, wrote saying that he was "in favour of the taxation of land values" and would "support legislation to reform the system of local rating as suggested."

The Labour candidate at Twickenham, Mr Percy Holman, wrote: "I beg to enclose a copy of my election address. From this you will see my policy is nationalization of land, but failing this the alternative of taxing land values would have my support. In reply to your second point I agree that rates should be levied on the market value of land whether in use or not." It may be added that perusal of Mr Holman's election address does not disclose any reference to land nationalization, unless he considers that this is included in a reference to "national control of all the more important economic activities."

* **Progress and Poverty.** By HENRY GEORGE. Cloth, 1s.; superior rexine, 2s.; leather cloth limp binding, gilt top and gold lettering, 3s.

* **Protection or Free Trade.** By HENRY GEORGE. Abridged Edition. Cloth, 1s.; paper, 6d.

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* **The Condition of Labour.** By HENRY GEORGE. Cloth, 1s.

Addresses by Henry George—The Crime of Poverty; Thy Kingdom Come; Thou Shalt Not Steal; Scotland and Scotsmen; "Moses"; Justice the Object—Taxation the Means. 1d. each.

The Philosophy of Henry George. By Prof. GEORGE GEIGER. 10s. 6d. post free.

Unemployment and the Land. By W. R. LESTER, M.A. Fifth Edition. 1d.

Agriculture and Land Value Taxation. By F. C. R. DOUGLAS, M.A., Capt. A. R. McDUGAL (Tenant Farmer), and JAMES SCOTT, SS.C. 1d.

Causes of Business Depression. By HENRY GEORGE. 1d.

My Neighbour's Landmark. Short Studies in Bible Land Laws. By FREDK. VERINDER, 1s.

By the same Author: *Methods of Land Nationalisation*, 2d. *The Crying Injustice of our Rating System and the Remedy*, 1d.

Pioneers of Land Reform. Spence, Ogilvie and Paine. Cloth, 2s.

Social Justice and the Jew. By LOUIS P. JACOBS. 6d.

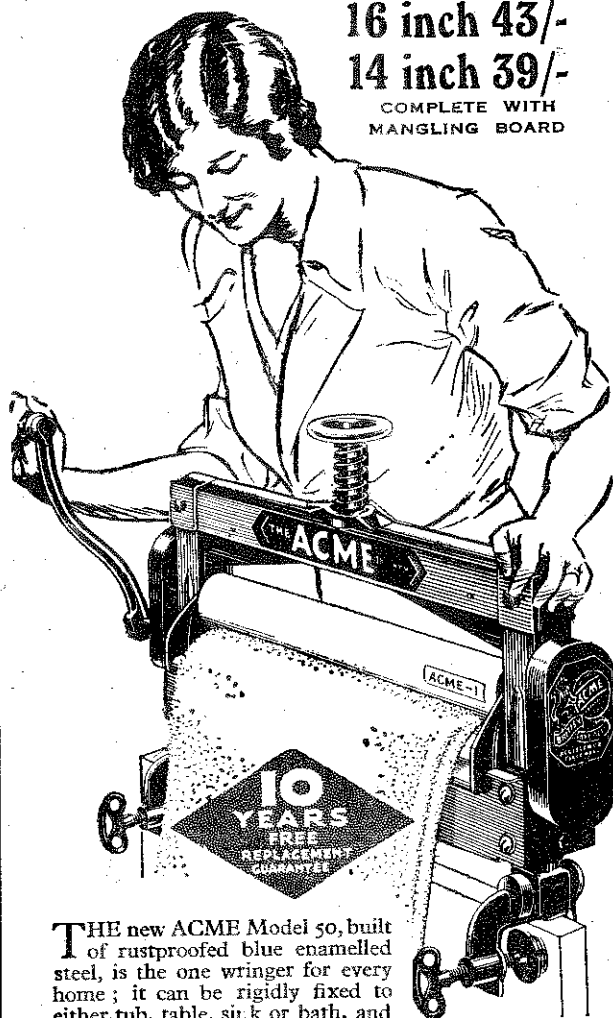
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