

## THE VALUER'S FUNCTION

Speaking on the second reading of the War Damage (Valuation Appeals) Bill on November 9, Mr. F. C. R. DOUGLAS said:

It is a fundamental defect in the procedure, which is not altered or remedied by this Bill, that in matters of this kind disputes are settled by arbitration, and by a legal process. Valuation in its essence is not a legal process at all, and no satisfactory result will ever be obtained by trying to treat it as a legal process. Everybody who has had experience of arbitration in regard to questions of valuation knows perfectly well that what happens is that, on the one hand, the claimant brings some expert witnesses, and, on the other hand, the defendant brings some expert witnesses; and on either side they try to exaggerate the case which is put forward to its utmost. On the one side, they place the value as high as possible and, on the other side they place it as low as possible. The arbitrator, after hearing this evidence, has to come to a conclusion, and the arbitrator very wisely never gives any reason for the conclusion to which he comes because it is impossible for him to do so.

You cannot arrive at the truth, in matters of this kind, by a process of litigation; and, therefore, I am sorry that this Bill rather tends to encourage that process, by the assumption that members of the legal profession are desirable people to put upon this tribunal. They are not. The question which it has got to decide is not a question of law. Questions of law are all subject to appeal to the ordinary courts, which are the proper bodies to deal with them. The subject with which this Bill has to deal is one of valuation. This fact has been discussed by the expert Committee on Compensation and Betterment, over which Mr. Justice Uthwatt presided, and they have made—although I do not agree with all their conclusions—some extremely sensible remarks about the question of valuation. They say that uniformity in valuation is necessary, and the machinery of valuation should be directed to secure this end. Nobody, I think, will dare to say that valuation by a process of arbitration ever secures uniformity of valuation. The Committee go on to say:

"We suggest that the valuations be made by the Valuation Office of the Inland Revenue Committee. The District Valuers are well qualified by their experience for the work and know the conditions of their districts, and they would, we believe, have the confidence of landlords and their professional advisers in undertaking these valuations."

Then on the question of appeal—because this is what we are on at the moment—from the War Damage Commission, the Uthwatt Committee say:

"We think that there should be some right of reference by a dissatisfied claimant from the valuation made by a district valuer.

It is clear to us that the reference should be treated as an administrative matter and dealt with on those lines by the higher officers of the Valuation Office, and that the introduction of a referee appointed from a panel would be wholly inappropriate."

I believe these are wise observations, and investigations into this subject made in other countries, where a great deal of thought has to be given to the problem of securing uniformity of valuation, show, without the slightest shadow of doubt, that it can never be obtained by any process of arbitration. It has got to be decided by means of professional valuers, who are continually and constantly engaged upon the work of valuation of a particular area and who know all the circumstances connected with it. The only people who can be in that position are, in fact, the district valuers of the Inland Revenue, who have the inestimable advantage of having delivered to them, under Statute, particulars of every transaction in land which takes place either by way of sale or lease for more than 14 years; and who, therefore, have at their disposal information which is at the disposal of nobody else, and which will not be at the disposal of this tribunal, which it is intended to set up under this Bill.

"The high price of land is as much a handicap to the individual who wants land for building houses or for some industrial and commercial process. Such activities are the essence of economic life, for private enterprise covers by far the largest sphere of it. The object of the State should be to encourage them, but there is not a single proposal in the [Uthwatt] report which is calculated to ensure that land for such purposes shall become available more freely and more cheaply. The ultimate and extremely dangerous result with which it confronts us is this: that the State and the local authorities will spend a great deal of public money upon planning, that a heavy burden of rates and taxes will be levied to pay for it, but that the individual use of land for dwellings or for industry will not follow upon the new roads and layout because of the high price of land accentuated by increased local rates. The only known means of avoiding this result is through land value rating and taxation, and it is imperative that this measure should be promptly applied if the real objects of planning are not to be completely stultified."

—From "Land Policies: Official Reports Explained and Examined," by F. C. R. Douglas, M.A., M.P., L.C.C. New Pamphlet, 20 pp., price 6d.

6d. LIGHT ON THE LAND QUESTION. A frank inquiry into the Land Value Policy.

6d. LAND VALUE TAXATION IN PRACTICE. Review of what has been done in a number of countries. By A. W. Madsen.

## BOOK PRICES REVISED

In view of the prevailing conditions the prices of a number of the books and pamphlets catalogued by the LAND AND LIBERTY Library have been raised as from December 1, 1945, and the new prices of the publications in question are:

*Progress and Poverty*, by Henry George, 3s. 6d.

*Social Problems*, by Henry George, 2s. 6d.

*A Perplexed Philosopher*, by Henry George, 3s. 6d.

*Protection or Free Trade* (abridged), paper covers, 1s. 6d.

*Protection or Free Trade* (abridged), cloth bound, 2s. 6d.

*The Condition of Labour*, now only in rexine, and supplies are short, 3s. 6d.

*Land and Freedom*, by Fredk. Verinder, 3s. 6d.

*What's Wrong with Taxation*, by Judge Jackson H. Ralston, 2s.

*Lectures and Addresses by Henry George—The Crime of Poverty; Moses; Scotland and Scotsmen; Thou Shalt not Steal; Thy Kingdom Come; Justice the Object, Taxation the Means; The Land for the People;* 3d. each.

*Henry George, A Biography*, by Prof. George Geiger, 1s. 6d.

*The True National Dividend*, by W. R. Lester, M.A., 6d.; *Unemployment and the Land*, by the Same, 3d.

*The New Political Economy*, by John B. Sharpe, 3d.

Other prices remain unchanged.

(Postage is additional.)

Prices of a number of imported books of which stock is exhausted will be quoted as soon as new supplies are obtained. These include: *The Economic Basis of Tax Reform*, by Prof. H. Gunnison Brown; *The Philosophy of Henry George*, by Prof. George Geiger; *Rebel Priest and Prophet*, *Life of Dr. Edward McGlynn*, by Land, by Dr. Thomas Nulty.

Books now out of print (some may be republished when conditions are more favourable than at present) include: *My Neighbour's Landmark*, by Fredk. Verinder; *Why Rents and Rates are High*, by A. W. Madsen; *Gems from Henry George*, *The Story of My Dictatorship* and *Why the German Republic Fell*.

From the Liberal Students' League Branch, Claremont, of the Liberal Party of Australia, W.A. Division, we have received specimens of the many prints they are busily circulating. These include some of the Rating Studies of the Land Values Research Group in Melbourne headed by Mr. A. R. Hutchinson, B.Sc., showing the operation of Land Value Rating in the town of Hamilton and the Shires of Oakleigh and Rosedale in Victoria. Other prints are taken from the Adelaide People's Advocate dealing with Protection, so-called Banking Reform, and Full Employment; also the results of Australian experience in regard to public charges upon land values. All this makes most instructive educational propaganda.

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Al Esperantistoj

Bonvole sciigu en Esperantaj rondoj, ke ni donas informon pri ekonomiaj kaj sociaj problemoj, kun analizo de nun proponataj solvoj.