

lot of devoted civil servants. But politicians come and go and you can never tell who the new men will be. This may lead to unexpected dangers. Europe should certainly be more united. The process, however, should start at a lower level — that is with the individual. As a first step we should get rid of passports to encourage people to come together."

In March, 1957, before the Common Market was established, we commented: "*For the rising class of bureaucrats, the scheme must appear most attractive: it is going to require hordes of experts, economists and planners of every description.*" Subsequent events have proved that to the hilt. A return to free trade would return power to the people. The Common Market, and all other protectionist devices, concentrates power in a few hands. Tens of millions of people are made the helpless pawns of politicians, bureaucrats and monopolists.

STRANGER THAN FICTION

FOR selling two overweight loaves the Co-operative Wholesale Society was fined £2 at Bolton, Lancs. Under the Bread Order, 1953, loaves must weigh up to 10 ounces or in multiples of 14 oz. The offending loaves weighed 11 ounces each. "Probably through artistry", a foreman baker had added a little dough to them to form perfectly shaped loaves. He has been instructed not to let his artistry run riot in this fashion. If the loaves had been too light the society would not have broken the regulations.

This extraordinary incident recalls the case of the "cut price" coal sold in Gainsborough noted here last month.

From Hull there comes a similar sorry tale. Customs officers have been prowling round the largest self-service store in the city because prices there appeared to be too low. Four years ago the proprietor, Mr. Clifford Dunn, and his wife were selling cut-price groceries from an open-air market stall. In July he bought for £40,000 a former cinema to open the biggest super-market in Yorkshire. He has 20,000 customers and employs 70 people. Mr. Dunn said that because of his cut price policy 20 suppliers have refused to accept any further orders from him. "At least three of the largest stores in Hull have complained about my prices," he said, "That is why the customs officers came." Mr. Dunn said that he was not worried about supplies being stopped. He believed that competition was so great that in a few months time suppliers would be glad to sell to anyone.

By his actions and his reported remarks, Mr. Dunn shows himself to be of the free trade breed engaged, like us, in the never-ceasing battle against restrictionism, scarcity and the trend to monopoly. Cheap prices are true "social welfare"; they give value to our depreciated currency and help pensioners and others on low incomes far more than the political doles to which each of the parties is committed. Mr. Dunn deserves to pros-

per. We wish him well and we are delighted that there are in Hull at least 20,000 people who, despite the protectionist propaganda which daily assails their intelligence, are practising free traders.

FREEDOM'S HALLMARK

CONSERVATIVE Ministers no less than the Socialists have dealt the free market economy some savage blows and more are yet to come. But with the return to office, as Minister of Health, of Mr. J. Enoch Powell, economic freedom has at least one highly placed champion. Evidence is provided by his speech at a Mansion House banquet on October 28:—

"The existence of free markets is the hallmark of a free and just society, which cannot exist without them," he said. "Too long it has been fashionable to decry the function of the market. A whole generation or more has been brought up to think of it as a cold abstraction of the economist, or even as something inimical to the well-being of society and the realisation of justice. Never has there been a greater error. If men cannot take their own decisions on the use of their money, their labour, or their talents, then the decision will be taken for them by the State. They become its puppets and its slaves. Such decisions men can only take rationally if there is an open market for their money, their labour or their talents." Mr. Powell said that the City of London provided the nearest thing to a perfect market that humanity has seen, a place where people could "compare the advantage of saving with the pleasure of saving, the benefits of caution with the rewards of risk."

Mr. Powell is what Socialists call a "hard-faced Tory". Even if, as probably is the case, he does not realise that the law of rent is as delicate and beautiful a mechanism as the free market, and that those who oppose or ignore the taxation of land values are in no better case than those who denigrate market forces, we are glad to see him back in office. He showed political courage and personal integrity in January 1958 when, with Mr. Peter Thorneycroft, then Chancellor of the Exchequer, and Mr. Nigel Birch, Economic Secretary, he resigned rather than agree to further increases in Government spending. Mr. Thorneycroft now holds Cabinet rank as Minister of Aviation; Mr. Birch remains a backbencher.

"DEAR LAND HAS GOOD EFFECTS"

MR. Henry Brooke surpassed himself on November 2. Addressing the Federation of Registered House Builders, he said "High land prices have good effects as well as bad. They discourage wasteful use of land such as we have known in the past and cannot afford. They encourage people to look more closely at the possibilities of buying up old areas of towns covered with obsolete buildings and putting up new buildings in their stead."

All this is true. A tax, national or local, on land values would have precisely the same good effects — and none of the bad. Perhaps we may list a few of the latter as the Minister appears not to have been specific. High land prices tempt owners to hold land back from sale in the hope that they will rise still further. Thus needed redevelopment is delayed or undertaken piecemeal, resulting in cramped layout visually displeasing and uneconomic. High land prices drive small firms out of business and accelerate the trend to monopoly. They force builders to chafe on materials, space and amenity and they saddle house buyers with crippling mortgage repayments. Families who need and should have houses with gardens are cooped in flats, and so on. An exhaustive list might occupy our next few columns. But, as Mr. Brooke mentioned, high land prices do at least encourage people to “look more closely” and, unquestionably, they have “good effects” for the vendors — always providing they do not over-indulge themselves.

The Minister also told his audience “I can promise enough building land”, sombrely adding that it would not be cheap and it might not be where the builder or his client might wish. Heigh-ho!

THEY BEG TO DIFFER

CONSERVATIVES do not share Mr. Brooke's belief that dear land is desirable. The party's annual conference of Scarborough passed an amended resolution which said that the high and rising price of building land was detrimental to the Conservative policy of spreading house ownership, and called on the Government to allow higher density building in appropriate cases and encourage the full redevelopment of central sites, many of which were not properly utilised. The amended resolution called for relaxation of the Planning Act where necessary to make more building land available.

Three days earlier the Conservatives held their annual local government conference, also at Scarborough. Councillor Miss Ann Spokes (Oxford) called for examination of the rating system. It was not always fair, she suggested, and a local sales tax and income tax might be better methods of collecting an income for local authorities.

Replying to the debate, Mr. Brooke said there were many convincing arguments against local income tax or sales tax. The administrative work involved in collecting and assessing local taxes would be immense, and he reminded the conference that national income tax began at 3d. in the £.

UNACCEPTABLE PROPOSALS

TWO other proposals in aid of local government and the hard-pressed ratepayer received wide publicity last month. The leader of the Labour group on Shrews-

bury council, Alderman T. G. Ryder, supported by a Tory and an Anglican Minister has drawn up a plan for a municipal lottery. The town chamberlain of Ayr, Scotland, has suggested as a new source of local revenue what he calls “the good old-fashioned crude poll tax”. He would call it a “citizenship tax”.

Neither suggestion is new and neither is likely to be accepted. They are intended to supplement, not replace, the local taxes on buildings. Under either or both schemes the increment in the value of land which is directly attributable to municipal expenditure would continue to be reaped by private interests.

DEAR LAND ENDANGERS HEALTH

THE health of vast numbers of the working population is threatened by the soaring price of land, according to Mr. Frank Walsh, Carlisle branch secretary of the Confederation of Health Service Employees. His concern is for the people who work in some of the 200,000 workshops and factories which employ fewer than 200 workers. “In many cases they work under unhygienic conditions which would not be tolerated in larger factories.” Yet, with the best will in the world employers are prevented by “sky-high” land prices from transferring to more suitable premises, Mr. Walsh says.

Although factory inspectors have power to close a factory where the standard of hygiene is considered to be detrimental to the health of the worker, Mr. Walsh asserts that this power is rarely used because of reluctance to cause unemployment.

“If the Government had the interest of the British worker at heart,” says Mr. Walsh, “they would pass a law to set aside for small employers wishful of building a certain amount of land at a reasonable price and free from tax.” Additionally, he believes, industrial medicine should be brought within the scope of the national Health Service.

In view of our comments elsewhere it is almost superfluous to point out that the rating of land values would sensibly contribute to an improvement in the working conditions, and thus the health, of the people for whom Mr. Walsh is so rightly concerned. The rates for many of these slum factories would soar, compelling the owners to redevelop. Land would be cheaper and their new buildings would be rate-free. Repeal of derating, on the other hand, would aggravate present bad working conditions.

AN ECONOMIC AND SOCIAL PROBLEM

THE high cost of land received passing attention in Parliament on November 8. For the Opposition Mr. Michael Stewart, M.P. (Fulham) moved an Amendment regretting that the Queen's Speech “contains no proposals to alleviate the hardships caused by excessive rents and insecurity of tenure, to assist local authorities in providing homes or to deal with the high cost of land and other difficulties which now obstruct a solution of

the housing problem." Mr. Stewart said that the price and use of land was a problem which would probably increase in severity as the years go by. Replying, Mr. Brooke fell back on arguments he used during the July 18 debate, offering this cold comfort: "The Government are determined to preserve the beauty of the countryside and not to allow building everywhere, so the price of land is inevitably rising in those places where it is most sought after." In other words, the very high price which some vendors receive for land are due in large measure to Government action. This endorses one of our basic arguments.

A Conservative, Mr. W. F. Deedes, M.P. (Ashford) expressed concern about "the large proportion of home owners, new and aspiring, whose wives must become wage earners . . . I think this will lead to some problems. In particular there is the problem of the young wife who goes to work at the same time as she may be having children. The results on family life might shift certain problems from the Ministry of Housing one door down Whitehall to the Home Office, which is next door. This policy needs watching to see that we do not reach a stage when home ownership exercises a social compulsion which tempts certain families to overreach themselves."

Mr. Pavitt (Labour, West Willesden) said that 10 years ago his local authority had paid prices of £2,375 and £3,588 per acre. This year, there were figures of £11,611 and £9,167 per acre. In one case £22,647 per acre had been paid but this included considerable compensation for leasehold interest.

Replying to the Debate, the Home Secretary said: "I have not time to deal with land values." That was that. Presumably he then returned to his desk at the Home Office to deal with some of the social problems which are rooted in the land monopoly.

THE SITE VALUE TAXATION DEBATE

From *Rating And Income Tax*, November 10.

THE cost of a pilot valuation on site value rating principles is beyond the means of the advocates of the basis, desirable though it may be. That is the most important point made by Mr. V. H. Blundell, secretary of the United Committee for the Taxation of Land Values Ltd., in his answer to Mr. Hector Mark Wilks, published in *Rating and Valuation*, the monthly journal of the Rating and Valuation Association, last week. This claim can no doubt be justified because the cost would be heavy. But it does not prevent the committee from taking tentative preliminary steps for such a valuation preferably in collaboration with others in a position to assist. A fund might be set up for the purpose . . . No better method of advancing the cause of site value rating could be devised.

For the rest, the reply is concerned too much with polemics, partly, no doubt, because it deals in detail

with Mr. Wilks' shots in the battle . . . But, granting the validity of Mr. Blundell's main themes — that rating supports high land prices by not rating idle sites, that local rates are basically a charge for services and amenities which being community created "ought to be paid for out of the land values so created" — the fundamental question remains of whether site value rating will be more equitable in practice than the existing system, and until something is known of its probable incidence little progress in this matter seems likely.

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Rating and Income Tax announces that after lengthy consideration and consultation with interested bodies, the proprietors have decided to extend the paper's scope "to include the valuation of land, not only for rating purposes, but also in its broader aspects". Accordingly, starting in the new year, it will in future be known as *Rating and Valuation Reporter*.

WHAT A WAY TO ENCOURAGE . . . !

From *Stratford Express* Notebook, November 4.

BUSMAN Mr. John Aylett of Manor Park, eager to better his home, improved his bathroom. Like most men of initiative he decided to do the job himself. It saved him cash. And he gained satisfaction out of doing the job himself.

He got no satisfaction when he applied to East Ham council for an improvement grant. And he received a positive deterrent when his rates were increased by £2. His appeal to East Ham valuation court was rejected. What a way to encourage people to maintain old property!

HUDDERSFIELD RATEPAYERS

CONCLUDING an article on Rating Reform which appears in the first issue of the quarterly newspaper published by the Huddersfield Ratepayers' Association, "J.G.L." offers excellent advice. "Remember, every M.P. has been informed of the Rating Reform Campaign. If you agree with its principles write your M.P., write your local Councillor, write to the local press on the subject. Above all, make your voice heard and your opinions known. The Land Value Taxation League requires help and funds to pursue their campaign. Their address has been stated and your enquiries will be welcomed by the Secretary." The article briefly examines the present rating system and the alternative method of rating land values only, explains why the Rating Reform Campaign was formed and how it operates and points out that as matters stand at present commercial and residential ratepayers must expect to shoulder a greater proportion of the rate burden when the new valuation comes into force in 1963. "J.G.L.'s" views are not necessarily those of the Huddersfield Ratepayers' Association. He is not known to us.