

LAND & LIBERTY

MONTHLY JOURNAL FOR LAND VALUE TAXATION AND FREE TRADE

Sixtieth Year—No. 715.

4 Great Smith Street, London, S.W. 1.

December, 1953. Price 1s.

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Herbert Morrison's Reminiscences

During the Commons debate on the Queen's Speech, Mr. Herbert Morrison, Labour Member for Lewisham South, said: "Whatever happens, this (housing) is a grave problem. It will cost the local authorities a lot of money, and it will be necessary to help them. I wish we could find some new and independent source of revenue for local authorities in these matters. Of course, they can be given additional State grants, and that is proposed. Indeed, that is the story of the present century. As an old local government man I am apprehensive. It is almost inevitable that as the State grants to local government grow, so the State control over local government grows, and, consequently, the healthy independence and initiative of local government is lost.

"Therefore, I think there is much to be said for the consideration of the rating of land values as a local authority source of revenue in their own right. I once brought in a Bill with that object, but a Conservative majority rejected it. It was a London County Council promoted Bill. I still say that in my judgment there is much to be said for consideration of this proposal. I want the local authorities, if possible, to have an independent source of revenue—an additional independent source of revenue—of their own, as otherwise we are in the dilemma that we must give them more State money, and, if we do that, then there must be an increase in State control.

"We have on the record of this House a speech which pointed out the evils of land monopoly in relation to housing in the city of Glasgow." (Here Mr. Morrison quoted from a speech made by Sir Winston Churchill in the House of Commons, May 3, 1909.) "This speech roundly and vigorously condemned land monopoly and urged that the land owners should be made to pay."

Mr. Morrison permitted himself to engage in light hearted badinage at the Prime Minister's expense. He admired and respected what Sir Winston had said in 1909. "There is one thing which is always pleasing about the Prime Minister. It does not matter what he says to-day about anything, one can always find that some years ago he said something in contradiction of it. To do him justice, he takes it very well. Look at him sitting there beaming. He has no sense of shame about it. He finds these references amusing, and he thoroughly enjoys himself every time they are produced . . . He does not mind at all having said the day before yesterday things in conflict with things he says to-day or tomorrow."

Mr. Morrison's renewed advocacy of land value rating

is most welcome. We are sure that he will forgive us and will enjoy this quotation from the speech he made as Home Secretary in the war-time Coalition Government as much as Sir Winston appears to have enjoyed hearing the echo of his earlier days. Replying for the Government to the Second Reading debate on the local government White Paper, February 16, 1945, Mr. Morrison said:

"I could make a considerable speech against the rating system, but the trouble is to find something that is better. What we have done as the years have gone on, is to merge the rating system, which started in 1601 under Queen Elizabeth, with the device of the grant-in-aid, so that you have a fusion of national taxation and all its elasticity, with the rating system and its admitted lack of elasticity. I do not say that it is perfect, but I think there is more to be said for it than, perhaps, one would think at first sight. I cannot think of anything better myself . . ."

Equalization Grants Fiasco

With acknowledgments we reprint the *Municipal Journal* leading article published November 27 under this title:

Mr. Macmillan probably rues the day in 1952 when he was persuaded that the operation of the equalization grants should be reviewed. No part of the investigation has gone smoothly. Before the Edwards Committee* was even formed, there was difficulty about the terms of reference. Under protest, the local authorities had to submit to an inquiry which ruled out from the start any consideration of derating repeal, of any other additional source of revenue, of return of rating assessments to local authorities, of any increase in the money paid in equalization grant.

As soon as the report prepared on this unsatisfactory basis was published*, there was trouble. The 27 county boroughs not now receiving equalization grant rejected it—and called emphatically for an improved basis of distribution. This demand was renewed on November 24 by an all-party deputation of M.P.s who waited on Mr. Macmillan.

The Minister said that he could not promise action until he had obtained the opinions of all local authorities. These are now largely known. The counties and the urban districts have, through their associations, rejected the Edwards Committee recommendations. Most boroughs

* Committee appointed to Investigate the Operation of the Exchequer Equalization Grants in England and Wales. *Chairman*: Mr. F. L. Edwards, C.B., O.B.E. Report published July, 1953. H.M.S.O. 2s. 0d. net.