

## INTERNATIONAL NEWS

## SOUTH AFRICA

## Native Settlement and Land Prices

The *Cape Times*, 17th January, in a leading article, says :—

Members of the public who have in the past felt concerned about the seemingly outrageous prices sometimes paid by the Government for land intended for native settlement will derive little comfort from the report of the Controller and Auditor-General for 1937-38, which has just been issued. In his previous report, it will be recalled, the Auditor-General mentioned several extraordinary contrasts between the price paid for land on behalf of the Native Trust on the one hand and its value, as declared some time earlier, on the other hand ; in one of those cases, the Government bought a farm at five times the price it had fetched five years earlier, and in another instance at nearly six times the price paid for it only two years before. The present report, it is true, mentions no such extreme example ; on the contrary, the Auditor-General is careful to point out that, for various reasons, the prices at which farms are bought for the Native Trust tend to be appreciably higher than their ordinary market value—which, of course, nobody will dispute. Obviously a large land-purchasing scheme is inclined to send prices soaring, quite apart from the gratuitous extras for which the Native Trust and Land Act specially provides.

But the Auditor-General proceeds to relate, at some length, the history of five properties which are now held by the Native Trust ; and since all of them are holdings which, before they were purchased for the Native Trust, were allotted to settlers under the Land Settlement Acts, this history is based not on vague recollection or conflicting particulars, but on information contained in the files of the Department of Lands. One of these properties—a farm bearing the uninviting name of Verdwaal—was, in the course of years, denounced as very poor, both by the man who farmed on it and by several inspectors of lands who valued it. The former, in 1935, wrote that he could not make a living on it, and one inspector, shortly afterwards, stated that it was "the poorest farm" he had visited. As recently as March, 1937, an inspector of lands valued the property—without improvements—at £555. But six months later, a member of the Central Land Board paid a visit to Verdwaal and declared it to be worth £1,457, plus £227 for improvements and £337 by way of solatium. It was thereupon bought for the Native Trust at a total of £2,021.

The other instances described in the report also show that the Native Trust paid a good deal more for the land than it had been competently declared to be worth only shortly before. But what is even more important is that, in the words of the Auditor-General, these particulars "reveal wide differences of opinion between the valuers of the Central Land Board . . . and the local inspectors of lands, not only in regard to the value, but in some cases as to the character of the holdings." That is disquieting comment. On more than one occasion in the past, the *Cape Times* has called attention to the danger of inflated prices being paid by the Government for native land, which would impose an unjust burden not only on the tax-paying public in general but on the segregated native population in particular. In the last resort, however, it is not so much a question whether this or

that price seems too high, but whether the valuation machinery adopted is in all respects efficient, dependable and uniform. Last year the Central Land Board's system of valuation already appeared to be open to grave criticism, but in the light of the discrepancies now revealed, the case for the introduction of an independent check valuation seems overwhelming.

## IRELAND

## The New Valuation Bill

The *Dublin Evening Mail*, 20th February, reported that the new Valuation Bill was strongly criticized at a special meeting of the National Standing Committee, United Irish Leaseholders' Association, held at the offices, 73 Middle Abbey Street, Dublin. The statement goes on :—

The Committee discussed the terms of the proposed Valuation Bill to see in what way it could be usefully altered or amended in the interests of leaseholders and tenants generally, with special regard to the probability of early legislation by the Government to deal with the question of fixing fair rents for leaseholders and town tenants.

It was decided to request the Minister for Finance to consider introducing an amendment to the Bill to enable the Valuation Books to be compiled in such a way on the revaluation as to show the annual site-value of each holding, apart from the buildings erected on it, and that such a proposal would help in subsequent legislation for leaseholders and tenants to define a fair rent.

Such a clause would simply mean providing an extra column in the Valuation Book showing separately the site value ; that is, what the site, if vacant, would let for.

## TO SHOW SITE VALUE

In the 1931 Landlord and Tenant Act, the Commissioner of Valuation has certain functions in relation to furnishing valuations for the purpose of fixing fair rents for leaseholders and town tenants, and, under the new leaseholders' Bill, to come shortly before the Dáil, it is intended to extend those functions so as to simplify the process of ascertaining what is a fair rent in any case. If the site value of a holding apart from the buildings erected on it were shown in the Valuation Books, both developed and undeveloped, it is suggested that it would go a long way towards providing a satisfactory basis for fixing fair ground rents on renewal of leases in relation to the true site value of a holding. The organization claims that leaseholders demand recognition of the principle that the entire building built by the leaseholder, and its letting value, is the absolute property of the leaseholder, and that the ground landlord is not entitled to claim any portion of its value.

The National Secretary (Mr Owen Mulholland) was directed to forward the proposal to the Minister for Finance, Mr W. T. Cosgrave, Finé Gael, and Mr Wm. Norton, Labour Party, and several prominent Deputies, with a request to them to support the proposals for an amendment to the Valuation Bill on the lines indicated.

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