

NATIONAL CONFERENCE ON THE RATING OF LAND VALUES.

Held in Glasgow, 8th October, 1921

Under the auspices of the United Committee and the Scottish League for the Taxation of Land Values, a National Public Conference on the Rating of Land Values was held on Saturday, 8th October, at 3 p.m., in the Trades Hall, Glassford Street, Glasgow.

The Hall was well filled. In addition to many visitors, more than 270 delegates were present from Town Councils (including Glasgow, Dundee, Inverness, Greenock, Falkirk, Dunfermline, Saltcoats, Airdrie, and Newport), Ward Committees, Co-operative Societies and Guilds, Trades Councils and Trades Unions, and from many of the Leagues for the Taxation of Land Values and Henry George Clubs.

Ex-Bailie Councillor John Muir, J.P. (Glasgow), presided. Mr. P. Wilson Raffan, M.P., moved, and Ex-Bailie Councillor Peter Burt, J.P. (Glasgow), President of the Scottish League, seconded the following Resolution:—

This Conference condemns the present method of raising local revenues, because it imposes an unjust burden upon wages and the earnings of industry, obstructs trade and commerce, promotes bad housing conditions, and enables those who own the land to appropriate, in higher rents and land prices, the benefits of good government and municipal expansion; this Conference declares that the value which attaches to land, apart from improvements, is the natural and proper source of public revenue, and that rates should be levied on the value of land whether it is used or not—all houses, buildings, machinery, and other improvements being excluded from assessment; this Conference further calls upon the Municipalities and other Local Rating Authorities to apply for Parliamentary power to rate land values; and, in order that this reform may be instituted without delay, to demand that the Government shall cause the Land Valuation to be completed, revised, and made available to the public; this Conference also affirms that the essential first step to the Rating of Land Values is to procure for each town and district the records of the Land Valuation already made; and urges the Municipalities to demand from the Government the facts and figures relative to their respective areas.

The Chairman, in a preliminary address welcoming the delegates, said they were out to speak on the land question and to tell the effect of the present system of taxation upon the social life of the people. He referred to the alleged remedies that had been tried and had failed because none had gone to the root. Unemployment was facing the country as a menacing problem, but it could quickly be solved if by the Taxation of Land Values the great areas of land now withheld from their best use were made available to all on equal terms.

Mr. P. WILSON RAFFAN, M.P., said that the present system was not merely a legitimate object of criticism—it had absolutely broken down. It operated not merely against the improvements of housing and good social conditions in the cities and towns, but it had broken down as a system of securing revenue for municipalities and other local authorities. Since 1914 the rates throughout England and Wales had increased by something like 100 per cent., and in Scotland the story was practically the same. In the sixteen principal burghs of Scotland the rates had increased by 89 per cent. since 1918, and in their own city of Glasgow he observed that the rate for 1920-21 was 16s. 9d. per £1 as compared with 8s. 2d. in 1919.

What they proposed was that before other sources of revenue were suggested they should secure to the community the revenue which was created by the community, and so get rid of all the inequalities which at present existed. This could be done by the Taxation of Land

Values, and could be defended entirely on fiscal grounds. It was a tax which it would be fair and easy to collect, for a man could not hide his land and prevent their finding the value of it.

Ex-Bailie PETER BURT dealt specially with the Rating of Land Values as it would affect Glasgow. There were 10,000 acres of valuable land within the Glasgow boundaries which the Assessor had estimated to have a selling value of £3,700,000, but which in 1918-19 paid rates amounting to only £2,928. In this way the present rating law protected the land speculator and threw the burden of taxation on all enterprise and improvement. No wonder there was a house famine. Everyone agreed that it was impossible to carry on municipal government under the present methods of taxation. The Glasgow Town Council had referred the whole matter to a Special Committee, of which Ex-Bailie John Muir and himself were members. That Committee was later incorporated in the Parliamentary Bills Committee which after prolonged deliberations had agreed on 17th May to an extensive report full of valuable information. The recommendations were summarised as follows:—

That the present system of valuation for local rating, namely, the letting value of land and buildings, including improvements—

(a) is unjust in its incidence as between individual ratepayers;

(b) places an undue burden on industry by penalizing buildings and improvements, while allowing vacant and partly-used land of high value to escape its due contribution to local public expenditure;

(c) encourages the withholding of land from its best use and tends to create an artificial scarcity of houses and business premises, and retards the making of desirable improvements on lands and buildings; and

(d) should be replaced by a system under which local rates would be imposed on the combined or separate value capital values of all land and buildings (as defined in the Lands Valuation Acts) in the area of the rating authority.

The Committee had decided against any recommendations in favour of taxing incomes for local purposes.

A special meeting of the Glasgow Town Council was held on 16th June to consider these proposals, but unfortunately they were not discussed. Questions arose regarding the manner in which certain municipal ratepaying departments would be affected by the suggested change. Members of the Labour Party took advantage of the occasion to demonstrate against the rating of land values, and secured a vote referring the proposals back to the Committee on quite trivial grounds. But in the speeches supporting the return of the report to the Committee, the Labour spokesman made it clear that they really wanted a recommendation in favour of income taxation. Thus, in his mind, they joined hands with the reactionary and pro-landlord influences who will accept any kind of revenue proposal except the Taxation of Land Values. The report had been sent back on a minor and technical issue that could have been easily and quickly adjusted, but the vote was supported by arguments pleading for the local income tax.

He hoped that the recommendations would be brought once more before the Council at an early date and that after thorough discussion the Council would be in a position to convene an influential Conference of the local rating authorities to urge Parliament to institute the Rating of Land Values.

Mr. Burt's remarks on the reasons that had temporarily prevented the Glasgow Town Council from coming to a

decision on rating reform provoked keen discussion in which a number of delegates took part. Mr. J. O'D. Derrick reminded the Conference that land value rating was one of the main issues at the general election of the Glasgow Council in November last. Many Labour candidates had made the declaration that

Land value as the permanent basis of taxation provides a fair, just, inexpensive mode of levying rates, and its operation would benefit industry, reduce fluctuations of employment, and bring back to the community what is created by the community. Any other levy, if the land value rate should be insufficient, should be made upon an equitable system, based on ability to pay.

This stated quite clearly that the first reform was the rating of land values. It was only if that was found insufficient that there would be any suggestions for other taxation. That declaration could not be reconciled with the recent enthusiasm of the Labour Party for local income taxation, when the report of the Parliamentary Bills Committee was before the Council.

After discussion had dealt with other points, and questions had been answered relating to the effect of land value rating in diminishing congestion and overcrowding, the Resolution was put by the Chairman. A forest of hands was raised in support and only one against. The Resolution was declared carried by an overwhelming majority.

Social Meeting

After the Public Conference a Social Meeting under the auspices of the Glasgow Henry George Club was held at 6.15 in the Christian Institute, Bothwell Street. About 100 people attended, including Conference Delegates, members of the Scottish League and the Henry George Club, and friends from a distance. Tea and refreshments having been served, Mr. C. E. Collier, President of the Club, took the chair, and Ex-Bailie Peter Burt, J.P., introduced a discussion on "The Best Method of Presenting our Case to Rating Authorities." Mr. Burt and subsequent speakers agreed that the rating authorities would only take action if they were impelled to do so by those to whom they were responsible, namely, the ratepayers and voters themselves. Therefore it was clearly the duty of all to make the most of every opportunity for public discussion of the reform they were organized to promote. This view was emphasized by Mr. John Paul, editor of *LAND & LIBERTY*. They had shown time and time again how ready was the response to their agitation, and how both municipalities and Parliament could be made to listen. Want of finance was their chief drawback at the moment, and all that financial support meant in enabling them to hold meetings, publish literature broadcast, and equip the head office once more with that Press Bureau which from 1908 to 1913 did such effective work. If any appeal or exhortation should go out from that meeting it was for every Single Taxer to recruit new strength financially and personally for each of the Leagues for the Taxation of Land Values, for the United Committee and for the Henry George Clubs. That would be the best way to present our case to rating authorities and all public bodies concerned with just taxation.

Among others who took part in the discussion were Councillor Macdonald (Inverness), Mr. Fred. Skirrow (Keighley), and Messrs. Durward and Derrick (Glasgow). During the intervals in the talk music and songs were contributed by Mrs. Chas. E. Collier, and Messrs. Duncan Ramond and A. Murray Mackay.

Other Meetings

The United Committee and the Scottish League for the Taxation of Land Values made their headquarters through the week-end at the Central Station Hotel, Glasgow, where many useful and informal discussions took place. It was an opportunity for those who had come together from many parts to hold consultations on all that might be or could be

done to advance our reform. These conversations were supplemented by two important meetings held in the Board Room of the Hotel on 9th October in continuation of the Conference. Mr. Charles E. Crompton presided on both occasions over an attendance composed of numerous Conference delegates remaining in town from the day before, and members and friends of the Scottish League and the Glasgow Henry George Club.

The first meeting, beginning at 3 p.m., was addressed by Mr. A. W. Madsen, who gave an informing and encouraging account of "The Progress of the Movement Abroad, with special reference to Denmark."

Mr. Madsen's address will be fully reported in next month's *LAND & LIBERTY*.

The evening meeting, at 7.30, was devoted to a consideration of the Outlook and Prospects of the Movement at Home. The discussion was opened by Mr. P. Wilson Raffan, M.P., and among those who spoke were Councillor Macdonald (Inverness) and Messrs. John Paul, G. B. Waddell, G. Cassels, F. Satterthwaite and A. Little.

The conference concluded with a hearty vote of thanks to those who had presided at the meetings, to the speakers, and especially to Mr. James Busby for his able services in organizing the various proceedings.

A scheme for the provision of small holdings in Cheshire for ex-Service men has been abandoned by the Agricultural Committee of the Manchester Corporation after being considered and reported on for three years. It was proposed to purchase 108 acres for £5,850, and 15 out of about 100 applicants were to have been provided with six or seven acres each.

At the autumn meeting of the National Chamber of Trade, held at Burnley on 27th September, a resolution was adopted urging the Government to institute an exhaustive inquiry by a competent tribunal into the incidence of local rating, the opinion being expressed that the present basis constituted one of the most grave of the problems affecting traders and the whole community.

The Mexican Government has ordered exemption from taxation of all new buildings erected in the city of Mexico within "a reasonable period." The object is to stimulate building and cure the housing shortage.—*From the BULLETIN (September) of the National Single Tax League, U.S.A.*

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