

but a vastly larger number will suffer in order that these fortunate few should benefit, and their sacrifice will be measured in less food, less clothing, and less of such simple enjoyments and comforts as they have been in the way of enjoying.

F. C. R. D.

## REGENT STREET LEASES Ground Rents of Crown Land

The London *Evening News*, 20th February, reports:—

The Commissioners of Crown Lands have agreed to negotiate with the Regent Street Association, representing the leaseholders of Regent Street properties, about the ground rents charged.

The Association has been in communication with the Commissioners since 1927, but the answer has always been that there was no point in discussing the matter.

The leaseholders claim that the ground rents are uneconomic, excessive, and fixed at a time of inflated prices.

Although Regent Street is still one of London's leading shopping centres, some firms have had to move, some have closed down.

And high ground rents are blamed.

In 1913 the total rent-roll from Regent Street was £44,000; it is now £520,000.

The street was almost entirely rebuilt between 1920 and 1927, and new leases were made out to last for 80 years. Prices were then very high, and the Association claims that the figure of £520,000 is an inflated one which bears no relation to the present value of the property.

As an instance, a building in Regent Street built for £26,000 was sold recently for £10,5000.

Some few firms still have the old leases granted before 1820, when Nash built Regent Street. A wine merchant who paid £27 10s. ground rent in those days now pays £7,000 for the same premises. Many rents have increased a hundredfold.

The *Evening News* further explains:—

The term Crown Lands seems to puzzle some folk: they do not realize that Crown property is not the King's personal property.

It is true that the 261,000 acres of Crown Lands, and the rights in them, were once the King's own possession. George III surrendered them in return for a fixed annual amount added to the Civil List.

The Government made a good bargain, for payment into the Exchequer from Crown Lands is nowadays well over a million every year.

A good deal of West End property is included, most of Regent Street, Pall Mall, Cockspur Street, Carlton House Terrace and areas round Regent's Park. This vast London estate has 2,000 buildings on it.

One item of Crown Lands income is contributed by the deer in Windsor Great Park. Each year in the accounts of the Commissioners, receipts from the sale of venison, skins and horns are included.

Mr Milner Gray, speaking at the Market Harborough Liberal Association at Leicester (*Birmingham Post*, 22nd February), strongly criticized the Government's Defence Loan proposals.

"The burden," he said, "should be borne by those who had created the necessity. It would be interesting to see if Mr Chamberlain would now tax the great increase in land values created by public expenditure and particularly by the movement of industry to the South."

## ROADS AND AGRICULTURAL LAND VALUES

Access to markets and centres of population has long been recognized as one of the factors influencing the value of land. A valuable article by Mr Charles L. Stewart of the University of Illinois in the *American Journal of Farm Economics* (November, 1936) summarizes a number of investigations on this subject. It points out that not only distance but the quality of the road, enabling faster and heavier traffic to be carried, affects the value of land.

A recent German investigation showed that farms six miles from town had yields of grain and milk ten per cent lower than those which were closer. The gross income was less and after allowing for transportation costs and other expenses the net income was considerably less. The book-keeping results showed that the average reduction in the net rent was about 5 per cent per kilometre, but was higher (6½ per cent) for the small scale farms and lower (4½ per cent) for the large scale farms.

An English writer (Tom Bright, *The Agricultural Valuer's Assistant*, 1910) is quoted as saying that "market towns containing 1,000 to 5,000 inhabitants influence the value of land for a distance of three miles." the difference in value ranging from 30 per cent downwards. "Towns containing 5,000 to 50,000 inhabitants affect the value of land for a distance of six miles from 50 per cent downwards according to proximity. Cities and large towns containing more than 50,000 inhabitants increase the value of land within ten miles, that in close proximity being worth 100 per cent more in consequence of its situation."

A more recent authority is quoted to the same effect. "The distance to the nearest market town or to a railway station will materially affect value. This, perhaps, will have a greater influence on rent than any other feature. Small villages have little, if any, effect; but market towns if not more than a few miles distant, will undoubtedly influence the rent. Land near a town may be worth 50 per cent more than that three or four miles away." (Sydney A. Smith, *The Valuation of Land and Houses*, 1933.)

The results of investigations in a number of States in the United States bear out these results, and show that there the influence of proximity to towns is traceable over longer distances. This is noted as applying to wheat-growing land and in North Dakota it has been reckoned that 1·6 per cent per mile has to be deducted to equalize the cost of marketing.

In the case of land adjacent to large cities more intensive cultivation is adopted and more attention is given to potatoes and vegetables and to dairy products.

Distance from hard roads is noted as a factor of great importance. In most parts of this country this factor will not be so noticeable as the network of public highways is much closer.

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By Arthur R. McDougal

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