

## LAND VALUES CONFERENCE IN LONDON.

Under the auspices of the United Committee a Conference to promote the Taxation and Rating of Land Values was held in Caxton Hall, Westminster, on Monday, October 7th. Mr. Charles Trevelyan, M.P., Parliamentary Secretary to the Board of Education, presided. Over 600 delegates representing different associations—County Councils, Town Councils, Borough Councils, Urban District Councils, Small Holdings, Societies, Co-operative Societies, Town Planning and Housing Associations, Trade Unions, Denominational Societies, Liberal Associations, Temperance Societies, and other public bodies—were present, and there was also a large number of visitors. In addition to the various speakers, there were present among many prominent public workers:—

Mr. Sidney Arnold, M.P., Mr. Robert Harcourt, M.P., Mr. Richard McGhee, M.P., Mr. H. G. Chancellor, M.P., Mr. William Young, M.P., Mr. Geo. Barnes, M.P., Mr. J. Duncan Miller, M.P., Sir John MacCallum, M.P., Sir Victor Horsley, Sir Henry Cotton, Capt. Verney, Sir William Lever, Mr. Walker (City Assessor of Glasgow), Bailies Alston and Willcock (Glasgow), Mr. F. L. Crilly (United Irish League), Mr. Geo. Streetley (Allotments and Small Holdings Association), Ald. Thompson, J.P. (National Housing and Town Planning League), Mr. Walter Isaac, J.P., Mr. Alex. MacKendrick (Glasgow), Mr. F. C. R. Douglas (Glasgow), Mr. A. W. Metcalfe (Belfast), Mr. James Busby (Glasgow), Mr. William Reid and Mr. F. Skirrow (Leeds), Mr. A. H. Weller (Manchester), Dr. Percy McDougall (Manchester), M. Georges Darien (Paris), Signor Fantini (Italy), Senor Antonio Albendin (Spain), Mr. F. Verinder (English League), Mr. John Paul and Mr. A. W. Madsen (United Committee).

### MORNING SESSION.

At 10.30 a.m. Mr. TREVELYAN took the chair. He said:—

Ladies and Gentlemen, the Conference which is assembled here to-day is a representative one. It is called to discuss a series of Resolutions which you have before you, which would wholly alter the present rating system and radically affect the use of land by the Taxation of Land Values. The changes proposed in these Resolutions are far-reaching, but British democracy, which is now coming into its own, is not likely to shrink from a drastic change which will stand the test of argument and detraction and which is pronounced sound and just. The Land Question has come up in England too late for settlement. Two great tribunes of the people in the last century, Cobden and Bright, both insisted that the freeing of the land of England was the necessary consequence and the indispensable corollary of the freeing of trade. But in 1850 no democratic Parliament existed in England. Up to that date £300 worth of land per year was necessary for a Member of Parliament. In 1850 we had a Landlord Parliament. To-day the House of Commons no longer represents only the well-to-do, and at the next election may be even more democratically chosen. The House of Lords is reduced to a precarious existence and a grumbling activity. Therefore, the hour for Land Reform has come. All that needs is the man or the company of men who will see and act with sufficient decision and clearness to lead the people through.

What the population needs is the free economic use of land and that it should be no longer left at the mercy of a system which applies to the owner of land no

economic compulsion to use or to part with that essential commodity which he alone possesses. On all other things which men require, on your hats or your clothes or the furniture you sit on, or the houses you live in, labour and capital have been spent, and those who produce them must

sell or be ruined by getting no return for their efforts and expenditure. If they charge exorbitant prices the time will come when competitors will come in and undersell them. But land is a monopoly. The labour, skill and capital of the owner have not created the land, nor can the labour, skill and capital of others create any more land in England, and so it is that, as things are to-day, it is only the whim or the convenience of a landlord that compels him to part with his land for use. That is to say in every bargain with the user of land, the landlord holds the master hand, consequently we find that round every town and village in our country there is land fit for use, but waiting, waiting, waiting because the bribe to use it is not large enough to suit the expectation of the landowner, and men by consequence are deprived of industries which might be started or houses which they might live in. What we demand is a very simple and just thing, that

rates should be on the selling value of land, so that if the landlord then refuses to part with his land, he, at any rate, shall find that it is a luxury to do so.

Now, at this moment land users tumble over one another to buy any land that is cheap in the market. What we wish to see is that landowners should also be tumbling over one another to sell to the market. This is one side of the question, namely, that the landless man who wishes



Mr. CHARLES TREVELYAN, M.P.,  
Parliamentary Secretary to the Board of Education.

to start an industry or to build a house has to pay this huge private tax, exorbitant private tax, before he can begin his industry. The other side that we want to protest against to-day is the huge public tax which we place upon all industry in our present rating system. To my mind the rating system of to-day is the very worst form of taxation that was ever erected into a scientific form of extortion. The man who feels the full force of this penal tax of the rates is the man who has a good shop, who has a large mill, who has nice cottages, who is putting more machinery into his mill, who has good farm buildings, and for every improvement up goes the tax upon him, while for every piece of land, where the landlord is failing to use it, down go the rates until, if he does not use it at all, there are no rates at all.

We ask in these Resolutions for a new basis of land value by which we shall reach, in this rich community of ours which is fully able out of its wealth to pay even the large rates and taxes which are necessary to be imposed upon it, but we shall reach it on the right basis; we shall reach the stored and actually created wealth of the community and we shall stop no man's enterprise, but rather require every man who has got land to use that land with full enterprise or to hand it over to the man who will use it.

I now call upon the Lord Advocate to move the first Resolution.

THE LORD ADVOCATE (The Rt. Hon. Alexander Ure, K.C., M.P.), on rising to move the first Resolution, was accorded a hearty reception. The terms of the Resolution were:—

(1) That this Conference is of opinion that the value of the land, which is not due to the exertion or expenditure of the holders of the land, but springs from common need and activity, and is enhanced by public expenditure, is the proper basis for rating, and that the existing system, which imposes the burden on industry and the earnings of industry instead of on the value of land, is unjust, and constitutes a hindrance to social progress.

Mr. URE said:—

The essence of the Resolution which I have now the honour to submit is this, the disentanglement of the value of the land from the value of the buildings and improvements of the land; the liberation of the value of the buildings and improvements from the burden of rating and the adoption of the value of the land alone as the measure by which to fix contributions to the rates. I believe, sir, that states exhaustively and with precision the substance of the Resolution which is now before us.

The question is, does a member of the present Government act in violation of his duty to his colleagues and his chief if he openly supports that policy and that proposal? In the month of February, 1902, there was submitted to the House of Commons a Bill, the object of which was to confer upon Urban Authorities the right to levy rates upon Site Values; obviously a Bill embodying in essence the principles of the Resolution which I am now moving. That Bill was moved, sir, by yourself. The Lord High Chancellor, the Secretary of State for Foreign Affairs, and the former Leader of the Liberal Party in the House of Commons, Sir William Harcourt, spoke in its favour. It received the support of the whole members of the Liberal Party in the House of Commons, and the Bill was backed by the Home Secretary and the President of the Local Government Board. I am referring to these gentlemen by the offices which they at present hold. In all my subsequent remarks, ladies and gentlemen, whenever I refer to any member of the Administration, you will understand that I am designating the present holder of the office for obvious reasons.

In February, 1903, a Bill in essence the same was again submitted to the House of Commons. The Second Reading

of that Bill was moved by the Secretary for the Admiralty, it was supported by the then Leader of the House of Commons, our late revered Leader, Sir Henry Campbell Bannerman, and by my immediate predecessor in office. It was supported by the whole voting strength of the Liberal Party, and prominent among its supporters were the Prime Minister, the President of the Local Government Board, the President of the Board of Trade, the Chancellor of the Duchy, and the Chancellor of the Exchequer. Now, that Bill was backed, I observe, by you, sir, by the Chancellor of the Exchequer and by the President of the Local Government Board.

In the month of March, 1904, a Bill in essence the same, embodying the principle imbedded in this Resolution, was submitted to the House of Commons. The Second Reading was moved by you, sir. The Prime Minister spoke in support of the measure, which was backed by the full voting strength of the Liberal Party, and prominent amongst those who supported it were the Prime Minister, the Lord Chancellor, the President of the Board of Trade, the First Lord of the Admiralty, the Home Secretary, the Secretary of State for the Colonies, the President of the Board of Agriculture, the Postmaster-General, and the Lord President of the Council.

In March, 1905, a Bill the same in essence as those which preceded it was submitted for Second Reading in the House of Commons, and again, sir, the Second Reading was moved by yourself. The Prime Minister spoke in its favour. Once more it was backed by the full voting strength of the Liberal Party, and prominent amongst those who supported it were the Prime Minister, the Lord High Chancellor, the President of the Board of Trade, the President of the Board of Agriculture, the President of the Local Government Board, the Chancellor of the Duchy, the Postmaster-General, the Attorney-General, the Secretary to the Admiralty, and the Chancellor of the Exchequer.

Later on in the same year, May, 1905, a Bill in essence identical with the present Resolution was submitted for the Rating of Site Values in my country, and again it was supported by the full voting strength of the Liberal Party in the House of Commons, and prominent amongst those who gave it their support were the Prime Minister, the Lord President of the Council, the President of the Local Government Board, and the Attorney-General.

Now that, sir, is a full and particular account and an accurate record of the relation of the Liberal Party and of the members of the present Government when in Opposition, to the proposal which is now before us. In office they have supported without flinching or faltering the views and opinions which they advocated while they were in Opposition.

Every one whom I am now addressing knows very well that the Scottish Land Values Bill was read a second time by an overwhelming majority in the opening weeks of the new Parliament, that it was sent to a Select Committee, and, with the express sanction of the Prime Minister, I took the chair of that Select Committee as a subordinate member of His Majesty's Government. I wrote the Report. Everyone here is familiar with the conclusions which we arrived at and announced, and everyone knows that in perfect harmony with the recommendations which we offered, the Government in the next Session introduced a measure into the House of Commons the purpose of which was to value the land of my native country apart from the buildings and the improvements upon the land. Sir, at the express request of the Prime Minister, I moved the Second Reading of that Bill in the House of Commons. I stated in language free from all ambiguity the object and purpose of the measure. I said that it was brought in, not to gratify idle curiosity, not for the purpose of supplying statistical information, but in order that some day it might afford a basis of rating in my country.

Now, sir, that is the record of His Majesty's Government, and I would like to know now who would dare to have the effrontery to accuse either you or me of disloyalty to our colleagues and our chief by the parts we take to-day.

I go a step further. I say to-day, fully realising the meaning of the words I use, that I am prepared, without any diffidence or any embarrassment, to give my general adhesion to the three Resolutions which follow the one I have now the honour of moving. To that one I now turn in order to offer a very few observations for, in a company such as this, it would be idle indeed to dwell upon the grotesque absurdity of the grievous injustice connected with the system of rating now in operation in this country. It is only amongst the ignorant that it finds its defenders; it has no champions amongst those who understand it. The marvel to us all is that we have endured it for so long. It is a very singular and striking testimony to the slowness and caution in action of the British race, for by reasoned argument it never has been defended, it never will be defended, and it never can be defended. It is not merely, sir, that we deliberately lay a burden and impose a check upon industrial effort and industrial enterprise. It is not merely that we deliberately and of set purpose discourage men from making the best possible use of the soil of our native country and encourage them to make a poor, an inferior use or no use at all. It is not merely that we measure men's obligation to contribute to the rates by the use they chance to make, or choose to make of their opportunity, rather than by the value of the opportunity itself. All that would be bad enough; it is indeed supreme folly when you think of it to say to one man, "Sir, we observe you are spending freely on your land in material and wages; spend on and we shall ask you to offer a handsome contribution to the rates"; to another man, "Sir, we observe you have spent but little on your land, spend still less and we will invite a smaller contribution from you to the rates; we can well afford to liberate you because your neighbour is spending freely, and, therefore, contributing handsomely"; and to a third, "Sir, we observe you are keeping your land idle and disused; you are no doubt waiting until the needs of your neighbours have forced its price up to a figure which meets your views; wait on; you are liberated from all contributions to the rates as long as you keep your land out of use; we can well afford to free you also for your neighbour who is spending freely is contributing all the more handsomely." That is our present system. No man has defended it. The injustice is so flagrant and yet a closer examination and investigation shows that we are not even reaching the aim which we think we have achieved, the rating of land and buildings, but in failing to reach that aim, we are doing still greater injustice. The ratepayer little understands the system under which he lives. He thinks, and perhaps some of you think, that we have in the value of our dwelling-houses and our business premises the value of the land added on to the value of the buildings and improvements. You almost never have. The composite value of the two subjects sometimes represents land alone, sometimes represents buildings alone; sometimes represents a large admixture of land value and a small admixture of building value; sometimes a large admixture of building value and a small admixture of land value, and sometimes, less often, very much less often, the value of the land alone. But that is the grotesque, the inevitable result of mingling, rather attempting to mingle, for you can no more mingle the value of land and buildings than you can mingle oil and vinegar, attempting to mingle two elements so utterly and absolutely dissimilar both in their origin and in their essence. And so the injustice is suffered. It is far beyond the ken of the ordinary average ratepayer who grumbles but pays.

Now, ladies and gentlemen, I address specially those of you who are going forth as apostles and missionaries of the cause; if we can only by simple and direct language

bring home to the minds of the people the certain grotesque injustice of the present system, the battle is won. Now there is really no alternative, no alternative offered, upon which you can rest your system of rating. I am not here to-day, in such an assemblage as I find myself amidst, going to expatiate upon the advantages of adopting the land alone as your basis of rating, of measuring men's contributions to the needs of the community in strict proportion to the advantages which they derive from the community. I am sure I am doing no man here injustice when I say that he is much less concerned about the redistribution of the burden upon the shoulders of the ratepayer than he is about the feeling of the land. I know very well most of my friends who surround me on this platform, perhaps most of the gentlemen in front of me, are not out merely to do an act of tardy justice to the grumbling ratepayers; we are out for a much greater purpose than that. We are out to do our best to force those who own land to put that land to its best use, and if for any reason they cannot or will not, force them to hand it over to those who will.

But let me beg of you, all those who are going to join in the fray, who are going to lead the campaign, who are going forth as apostles and missionaries to preach the gospel to the people, to steel their hearts, as I steel mine, against all press reporters and other superior persons, to take nothing for granted, to begin at the beginning every time. Let laboured simplicity be the rule of your conduct. And if we all resolve, by simple, direct, and homely language, each in his own way to bring home to the minds of our people the injustice of the present system, and the absolutely essential step we must take antecedent to all others, the purpose of securing freer access to the soil of our native country for the people of the country, I say, gentlemen, if we by simple, direct, and homely language deliver that message to the people, then victory is ours without delay.

I beg to move the first Resolution.

Mr. JOSIAH C. WEDGWOOD, M.P., in seconding the resolution, said:—

When some eighteen months ago we presented to the Prime Minister and to Mr. Lloyd George the Memorial upon which this Resolution is based, the Prime Minister remarked, while welcoming the Memorial, that he considered that the agricultural side of this change in the basis of rating was even more important than in urban areas, and I want in the few minutes at my disposal to show you with that laboured simplicity of which Mr. Ure spoke, how iniquitous the present scheme of rating is in connection with rural areas.

Some time ago the County Council of Staffordshire purchased a farm for the purpose of creating small holdings. The farm was Oak Farm, near Penderford; the farm was about 198 acres; on that farm were employed a farmer and three or four labourers. The farm was bought by the County Council and broken up into seven small holdings, so that where was originally one master and three or four labourers, there are now employed upon the land seven masters, and as three of these employ labour of their own, seven masters and three labourers; in other words, twice as many people are employed upon that farm now as were employed upon it before it was broken up into small holdings, and therefore we may assume that twice as much wealth is being produced from the land as was being produced before.

Now there is a change which everyone here would consider to be to the advantage of the whole of the community, and at the same time to the manifest advantage of those people who are converted from hired labourers into their own masters. Yet, what is the way in which under our present rating system we treat those landlords who put their land to this better use by breaking it up for small holdings? The rates paid in respect of the Oak Farm before it was broken up into small holdings, the gross rateable value was £155 a year, land, £65 a year buildings,

and that is the basis upon which all the surrounding farms are still rated at the present time. It was broken up into small holdings, the rates were re-adjusted, and the land has now a gross rateable value of £282 instead of £155, the very same land, the buildings have a rateable value of £81 instead of £65, so that you will observe that the present rateable value of those seven small holdings is very nearly twice the rateable value of the old farm, and the people who use the land now are paying very nearly twice what the farmer used to pay before the land was broken up into small holdings. The County Council has spent very little money on buildings, farm buildings. The increase in the rateable value has been in the land alone, although the land alone has not been altered. It has simply been due to our iniquitous rating system that this double penalty is laid upon the more industrious use of the land. Because the price the County Council paid was higher, because on top of that price you have 20 per cent. for the cost of management and repairs, because the unfortunate small holder has to pay a sinking fund on the capital which purchased the land, the sinking fund on the capital expended on putting up a cottage or the making of fences. Therefore his rent is higher, and therefore, according to our beautiful system, the man is penalised still more heavily by having higher rates clapped upon him.

Let me put in one word a warning here about any possible suggestions for setting up Rent Courts which shall stereotype the existing large holdings in England. If you are going to establish the existing rights of tenant farmers in great holdings of 200 acres or of one thousand-acre farms by giving them tenant rights in those large holdings you will thereby make it even more difficult to break up these big holdings as we wish to do as we shall be able to do if the rates are levied upon land value, irrespective of the use to which that land is put. If you do that, if you give these great farmers tenant rights you may very easily set back the clock of progress and check this gradual development of small holdings and intensive cultivation which we see so markedly in Great Britain at the present time.

I want to touch also on a question which has been raised in connection with this change in the basis of rating by Mr. Trustram Eve. Mr. Trustram Eve has said that however excellent or disadvantageous the change in the basis of rating in urban areas might be, by way of encouraging the best use of the land, it would be impossible to apply it in rural areas, because the land value would not be sufficient to meet the cost of the local rates, and that if it were taken as the basis the farmer would be penalised and the capitalist exempted entirely, the industrial capitalist exempted entirely. And he took an example; he took a parish, I think in Bedfordshire, a small parish with a railway running through it and with a couple of brickfields in the parish and by assuming that the value of the franchise enjoyed by the railway was merely the agricultural value of the land through which the railway ran, and that the value of the brickfields was nothing at all, except the agricultural value of the field in which the brickfields stood, he worked out that the farmers would have their rates enormously increased, but that the Midland Railway Company would pay practically nothing where they at present paid some two-thirds or one-half of the rates of the district. But if Mr. Trustram Eve would read the report drawn up by Mr. Ure and signed by the Select Committee on the Taxation of Land Values (Scotland) Bill, the Report upon which the whole of the recent movement for the rating of land values has been based, he would see there that Canals, Docks and Railways are exempted from this scheme of rating purely upon land values, and that there you are considered to continue to take into account, not the mere agricultural land value of the railway, but the value of the franchise enjoyed by the Corporation, the right of way across the land, and that therefore the old system of rating the railway, the railway line, should be continued. In the same way with

your brickfield you are not justified in taking merely the agricultural value of the field in which the brickfield lies. The value of the minerals under the soil, whether they be clay, gravel, coal, iron ore, or what not, all those have to be taken into account in estimating the value of the land, and if all those values are taken into account, a very different picture will appear from the analysis applied by Mr. Trustram Eve to that village of which he did not tell us the name.

Then there is one other point that Mr. Trustram Eve sadly forgot in making that attack upon the possibility of rating land values in a rural area. He should study the words and the works of his friend, Mr. Chaplin. Mr. Chaplin stated in the House of Commons this absolute truth, that any tenant in taking land, considered not only the rent but the rates that he would have to pay. And that as a general rule it was the fact that the higher the rates the less the rent, and the less the rates the higher the rent, that the rates and rent must be taken together, and that in so far as we are not advocating an additional, a new rate upon land values, but are merely substituting for the existing rates a rate upon land values, we are relieving the farmer, we are relieving the ratepayers of the burden of the existing rate, and merely collecting from property as a whole in any area the same sum total as they contribute at present, and that, in effect, the value of land should be not the value of the land with the present rates placed upon it, but the value which the land would have if rates upon the improvements were removed altogether. In that way the value of that land is greater than it appears to be, and I feel quite confident that when the valuation is made Mr. Trustram Eve and the Land Union will find out clearly that full site value—we are not alluding to assessable site value—that the full site value obtained by the Budget valuation will give us sufficient value in the country as in the town to form the basis upon which the rates shall be levied.

The Chairman then threw the Resolution open to discussion.

Mr. HENRY S. KEITH (Hamilton Town Council) moved an amendment to the Resolution making it read as follows [words to be omitted are enclosed by (brackets); words to be added are underlined]:—

That this Conference is of opinion that the value of the land, which is not due to the exertion or expenditure of the holders of the land, but springs from common need and activity and is enhanced by public expenditure (is) together with all other forms of wealth similarly derived, are the proper bases for rating, and that the existing system (which) in so far as it imposes the burden on industry and the earnings of industry instead of on the value of land and other forms of wealth in proportion to ability is unjust and constitutes a hindrance to social progress.

He said:—

Since this Resolution was sent to my Town Council there has been an alteration made in it; two words have been deleted. The words "and taxation" have been deleted. But I am perfectly prepared to take the motion as it has been proposed and deal simply with the question of rating, and to say that land must not be the sole basis of rating, also that other forms of wealth must contribute to rating as well as the form of wealth derived from land.

Now, to illustrate my point I give my own burgh, and I represent practically all the burghs of Scotland through the Convention of Burghs, but I represent my own burgh specially, and I illustrate my own point through it. My burgh consists of about 1,200 acres and the total rates this year will amount to £40,000 or thereby, consequently to get the whole of the rates out of my burgh upon land, there must be contributed something like £32 per acre. Now in my burgh there are 500 acres of agricultural land at present being held by farmers and by small graziers, and the average rent derived from that agricultural land is £2 per acre. Now then, if you are going to put a burden of

£32 per acre, it is absolutely impossible. But assume that you take the whole of the rent that is £2 per acre, you only raise £1,000, and there is still £39,000 to be got out of the remaining acreage. Of that remaining acreage, namely, about 700 acres, 100 acres is taken up with streets and open spaces; there is only left therefore 600 acres to rate. That 600 acres must therefore raise £60 per acre at the very least, to give you £36,000. Within the last two years the burgh parted with an acre or two of ground for an engineering work, and we parted with it at £16 per acre. Indeed, the highest rate for land in our burgh is £40 per acre, at which it is feued, I mean £40 per acre per annum at which it is feued, and within the last three months ground has been offered to us at £25 per acre. Now then, how are you going to raise £60 per acre out of land which is only giving £40 per acre, or how are you going to get at it? Is the system to be that you are going to allow all the existing receivers of feu duties to escape from this rating? That is what Sir Henry Campbell-Bannerman promised was to be, so that all existing feus and ground annuals were to escape. How, then, are you going to raise your £60 per acre? You must raise your £60 per acre from the occupiers of the acreage. You cannot raise it in any other way. You assume probably that some parts of the burgh are very much more valuable than £60 per acre. Perhaps they are, but the small amount of the excessively valuable part of the burgh can probably be restricted to about 5 acres, and out of that 5 acres you will not get anything at all equivalent to the half of £36,000.

Now, then, we are asking for a system of cottage holdings. We want the working-classes to come out of the tenements and to occupy cottages with probably one-eighth of an acre, or thereby. If we give them that, and we have to raise the burden upon the land which they occupy, we are going to put a burden upon the working-classes greater than they are bearing now. If, gentlemen, we have to raise £40,000 out of the community of Hamilton just now by any system of rating, it does not matter how you alter the system, if you insist that it is to come out of the land upon which that community lives. The money, the £40,000, must come out of the community, and if you have a community of working people such as we have, then that £40,000 must come out of the pockets of the working-classes.

We say that the system of rating is absolutely wrong. We say that the rates, instead of being a burden upon one form of wealth alone, should be a burden upon all forms of wealth, and that that £40,000, instead of being paid by the working-classes either in respect of the amount of land which their house occupies, or in respect of the rent of the houses which they occupy, ought to come out of the pockets of those who have the money which they have derived from the community, because I accept the position that the Lord Advocate puts down, I say that rating ought to be derived in strict proportion to the advantages that people derive from the community.

But they do not derive the advantages from the community simply in respect of the land that they occupy. Every wealthy man in this country to-day has in some shape or other exploited the community. The community has made his wealth. Without the community no one man could have made £1,000 a year, and consequently it is in proportion to wealth and not in proportion to land alone. The landowners ought to bear their share; they have been escaping, many of them, their fair share, they ought therefore to be made to pay their fair share; and the Lord Advocate knows that in the evidence which I gave before that committee which he refers to, I stood up for that most completely, but I will not stand up for allowing two-thirds at least of the wealth of the country escaping the rates of our country.\*

I move my amendment.

\* See page 294 for a reply to Mr. Keith's speech, by Mr. A. G. Miller of Hamilton.

Mr. HARRY DE PASS: Mr. Keith gave us to understand that he would base taxation according to the amount that owners of wealth had exploited those who had produced the wealth. Well, I know that is some people's idea of taxation to wait until the wealthy people have accumulated fortunes by exploiting labour and then taxing them. We would begin the other way; we would stop the exploitation. I maintain and maintain without fear of contradiction that the only way to assess the advantages a man is receiving from the community is to value the land to which he has exclusive right. (Cries of "No.") Other gentlemen say no. They have never yet succeeded in putting forward a practical proposal to measure advantages received. Directly you begin as a basis of taxation ability to pay you get involved in the frightful difficulties we are involved in at present. It is because we wish to simplify our system, because we wish to establish a system based on justice, that we are going to sweep out of the road the Shibboleth of ability to pay and put in its place taxation based on advantages received from the community.

To-day, because our people are crushed down by means of our iniquitous land system, they are in receipt of a wage barely sufficient to keep body and soul together, therefore the municipalities have to step in and spend money in giving them charitable relief. Alter your system of rating and taxation, throw open the land to the people, so that men can work for themselves and earn for themselves that which they produce, and there will not be any need of Government help, there will not be any need of municipal charity, they will not need Mr. Keith and the town of Hamilton to provide them with cottages at charitable rents, but will be able to pay out of the fruits of their earnings for the cottages which they require, for all the comforts which are their due, without needing to depend on the expenditure of any municipality. In this way, I say, then, this expenditure of £40,000 can be reduced, because when the wages of workers rise, it will be no longer necessary for the municipalities to spend the money in charitable help which they are spending to-day.

Mr. MILNER (Luton): Mr. Keith says £40,000 is wanted out of his borough. It is being raised to-day out of his borough, and unless you change the contribution to Local as against Imperial rates, and leave that as it is to-day under whatever system, it will still have to be raised out of that borough. Now the point I want to put is just this; if the whole of the land of that area, the 1,200 acres, is at the present moment being used for its best economic use then the change to the basis of land value will not alter the proportion of payment made by any individual in his borough. But assume for the moment that the whole of the land is not being put to its full economic use then the difference is this, that land to-day is not being put to its full economic use, is not now paying its proper proportion, and the moment you change your basis of rating to the value of land it will pay its proper proportion and other citizens of that borough will pay less.

Mr. E. G. HEMMERDE, K.C., M.P.: It has been asked that some one on the platform should say something upon this point; I would like just to say one word upon the point raised by Mr. Keith. It does seem to me most undesirable that we should confuse this question of the rating upon land value with the rating upon what is called here other forms of wealth similarly derived, but which clearly in Mr. Keith's opinion point to a local income tax; and for this reason if there is one thing more clear than any other in the different Commissions that have been sitting on this question it is the agreement of the economists upon this point that any grants in aid, any grants from the Exchequer in relief of rates are practically a bonus to the landlords. Well now, there is really no difference of opinion upon that point, that directly you give a grant in relief of rates it

allows the landlord a bonus for which he gives nothing whatsoever. Therefore if we are going to do something in relief of these great public burdens it seems to be essential that you should not raise the equivalent of these rates out of an income tax, which is simply giving a bonus to the landlords, but as by relieving rates you are giving a bonus to the landlords, you should therefore raise the money that gives that bonus out of a tax on land values. And surely we have passed the stage at which we can contemplate with equanimity the giving of any more grants in aid of landlordism in this country. I do think we ought to make it perfectly clear in our own minds that if we are going to relieve the rates we are not going to do it by giving a bonus to the landlords but so far as we help the land we burden the land or the land value. That is the first point I want to make clear.

I just want to say one word upon another point raised by Mr. Keith. It does seem to me an incontrovertible argument, at any rate the valuation will soon make it clear, that if the condition of things in the Falkirk Burghs is what Mr. Keith says, his borough must stand to gain very much from a land tax in relief of those great public burdens. Abolishing those public burdens which now fall with crushing effect upon the rates and putting them upon a land tax is bound to relieve any country town, is bound to relieve agricultural land. I do not see how it can be disputed. I have never heard any argument against it. Wherever one has made any sort of provisional valuation to show exactly what would be the effect of such a tax it is invariably shown that far from agricultural land, far from the small cottage holder in town or country being more burdened he is going to be far less burdened under the system that we propose, and therefore I do urge upon this Conference not in any way to commit themselves to mixing up this land value basis which has already been such a brilliant success in some parts of Australia and New Zealand with anything in the nature of a local income tax which has been riddled in Committee and Commission after Commission; which as a matter of fact has no supporters at all practically in the land values movement in this country, and which in my humble opinion would simply be taking this country out of the frying-pan into the fire, and endowing landlordism still further at the expense of the community.

Mr. MAX MUSPRATT (Liverpool): I take it, it is common ground amongst all of us here that we believe in the rating of land values. The point upon which the difference is showing itself is the question as to whether it can be the sole source of rating. It is common ground to all of us, the rating of land values, and I hope nothing at this Conference will be done that will prevent us all working together for this cause, which is taken up not only by Liberals but all over the country by everyone who has to face municipal problems.

I come from Liverpool which, as most of you know, is a strongly Conservative town. It has a strongly Conservative City Council and by a large majority that strongly Conservative City Council has passed resolutions in favour of the rating of land values, so it is quite obvious that in all sorts of unexpected directions we are likely to get support in our campaign. But when we are asked at this early stage in the campaign to commit ourselves to the statement that that is the sole reasonable source of rating, I think we are being asked too much. I want to make this point which was carried out further by another gentleman who pointed out that Hamilton was only a comparatively small provincial town, and that any possible losses would be made up out of the taxation of the country, that is to say by the transference of services which would be paid by the taxation of the country, and that, of course, the big and populous and valuable areas were to make up the difference. So I come to this that Liverpool, the City

Council of which I am on, which is in favour of the rating of land values, is to be asked in a form of taxation to contribute towards any deficiency in the other areas. I do not say that is wrong for a moment, but on the subject of the rating of land values you must look at it from a Liverpool point of view; also for a moment you must carry the big cities with you. The big cities must go with you if you are going to have success in this campaign.

Now the annual value of Liverpool is about £4,000,000 per annum; that is the assessed annual value. The total rates of Liverpool from one source or another are £2,000,000 for one thing or another. Of course, I am rounding off the figures, but they are certainly, within a few ten thousand pounds, correct. Now the site value of Liverpool is, needless to say, a value which one has not got accurately yet, but I have taken every possible step I can from everyone whose opinion is of any value to get something approximating to the site value of Liverpool, and the very highest estimate that I can possibly get is three quarters of a million. I have been talking of annual values the whole time; three quarters of a million per annum. If you convert that land at 4 per cent. you will find it is a perfectly reasonable figure and perfectly harmonises with the other figures. I am very anxious to make this clear. The annual value of Liverpool for assessment purposes is £4,000,000 per annum. The total amount that is raised for rates of all kinds is £2,000,000 per annum. The annual site value is estimated at three-quarters of a million per annum. Therefore if we take the site value as the sole source of value and rate it up to 20s. in the pound you have only got three-quarters of a million towards the £2,000,000 which at present is being expended. We have got to face that. It is no good blinking the fact that we cannot make a case which is going to be accepted throughout the length and breadth of the country unless we are prepared to frankly face that. I think everyone with whom I have talked agrees absolutely that that three-quarters of a million ought to make a very handsome proportion towards the rates, but we cannot see that it is possible to get more out of value than there is in it, and if the expenditure of Liverpool, as I tell you, is about £2,000,000 per annum and the site value is only three-quarters of a million per annum there is one and a quarter millions to be got from somewhere. We only evade the question and evade the difficulty by saying get it out of taxation. That may be the right way, but still we cannot at the present moment say that here is the right source by which you can get the whole of your rates.

Mr. R. L. OUTHWAITE, M.P.: I am to second a Resolution presently which covers the whole question with which we are dealing really and meets all these difficulties I think. But there is one matter that I would like to set Mr. Keith right upon and other speakers too. For instance, Mr. Keith based his whole argument on this fact that in his town they raised £40,000 a year by way of the rates, and he says you could not raise that amount from the land values. Well, his area is 1,200 acres, and the average, I should think it was the very minimum annual value, is £30 an acre, so you may take it that £1,000 an acre would be the capital value of the land all through. I am quite sure it is more than that to start with. That gives you £1,200,000 of capital value which at 4 per cent. gives you an annual value of £48,000. In the first place, £40,000 could come out of £48,000, but the mistake all these gentlemen make is this: supposing you are just going by way of localities alone they forget that of that £40,000 which they raise at present at least half comes out of the value of the land already, and our proposal is just to remove that part which falls upon buildings and transfer it on to the land values, that is to say that supposing with £40,000 raised by way of the rental value of land and buildings half of it falls on the value of the land and half of it on buildings. That is the general average they have discovered throughout Australia and America,

who have introduced this system. Then you see we only want to get the amount that now falls on buildings raised from the buildings and transfer it on to the land value; so you have only to transfer not £40,000 on to the £48,000 but £20,000 on to the £48,000, and that is a very easy proposition.

Mr. JAMES BUSBY (Glasgow): I would like just at this point to offer one argument against Mr. Muspratt's estimate of valuation for Liverpool. These things are all mere estimates, and they do not amount to a row of pins so far as the valuation is concerned. In Glasgow—and our Assessor is here—an estimate was made of the value of Glasgow before the Select Committee of which Mr. Ure was Chairman, and Mr. Ure asked Mr. Henry, the late Assessor of Glasgow, what in his opinion was the annual value of the land in Glasgow apart from improvements. Mr. Henry said in his opinion the annual value of the land of Glasgow was 47 per cent. of the annual assessable value of the whole of Glasgow, or £2,700,000. Now here are two cities almost equal in industry and go-aheadness and Mr. Muspratt wants us to believe that in the one city the land value is only three-quarters of a million and in the other city where the valuation is made in a thorough way—far more thorough than it is made in any of your English towns—(loud laughter). Ladies and gentlemen, if you dispute my word I will call upon my Assessor. In Glasgow the value is £2,700,000, but what I say is this: do not disturb yourselves about these things; the valuation will tell.

On a show of hands the Chairman declared Mr. Keith's amendment lost by a large majority.

MR. D. MUSGRAVE EDWARDS (London) moved the following amendment:—

To alter the word "the" in the third line to "a."  
To insert the word "greatest" before the word "burden" in line 4.

To insert the words "a due proportion" before the words "on the value of land" which appear in line 5.

He said:—

Now what have we to guard against if we are to conduct a land campaign in this country to a successful issue? We must guard against putting weapons in our opponents' hands that can be used with deadly effect against us, and to-day, not only the Tories, but the various Socialist parties are on the pounce to try, for their own particular ends, to kill this land taxation agitation, and if it goes forth from this Conference that in any way we have tied ourselves to the idea that the true and the only basis of rating and taxation is the Taxation of Land Values, we shall hand ourselves, I am afraid, over to the enemy.

I think with those insertions in that first resolution, whatever our views may be concerning a single tax or the necessity of having other means of taxation also, it will enable every man who believes in the Taxation of Land Values being a just and a beneficial proposal coming into line and carrying the resolution in that form with unanimity.

On a show of hands the amendment was rejected and the resolution carried by a very large majority.

MR. C. E. PRICE, M.P., then moved the following resolution:—

(2) That this Conference cordially endorses the Memorial on Land and Taxation Reform presented to the Prime Minister and the Chancellor of the Exchequer on May 18th, 1911, and signed by 173 Members of Parliament, urging the Government to levy a Budget Tax on all land values, to be applied, first, towards the cost of Education, Main Roads, Police, and Poor Relief, thus lessening the burden of such services now borne by the local ratepayers; and, secondly, in substitution for the remaining taxes resting on the food of the people.

In the course of his speech Mr. Price said:—

I did not adopt this principle of the Taxation of Land Values on anything I read; I was driven to it entirely

by my own experience. I have mentioned it before. I trust I shall be excused if I give it again, because it is the best illustration I know. When I first went into business, we inquired as to the value of the land in Edinburgh, and we found it was there let at £40 an acre. On inquiry we were at once informed that the value of this land had increased to £60 an acre. We accordingly took it: in fact, we were compelled to take it. The moment we took our land to build a factory on, the land on the other side of the street became £200—£40, £60, £200. Who increased the value of that land? Not the persons who possessed it.

Now let me follow that out a little further. After we had built our factory and had been in business for some years we had the great misfortune to have our place burned down. We took another factory; we took a factory in Yorkshire; we took another factory in Edinburgh. The factory in Malton, the flues fell in, with the result that it came to a standstill; the second factory was burnt down. Within six weeks we had three factories on our hands idle at the same time. Is not that a painful experience? I hope no other man will be called upon to go through it. The result was that we decided wherever we had a wall in the factory, we should run it right through the roof. We should put in double iron doors, we should put in flues, and we put in sprinklers wherever we could in that factory. The result was we spent thousands upon thousands of pounds in making a factory such that it could never again be wholly burnt down. The moment we had finished, the assessor said to us, "How much money have you spent?" We told him that was our business. Let him value the property. He said, "Nothing of the kind, you must tell us what you have spent." The result was we told him what we had spent. He said, "Five per cent. upon that is your assessed value." Think of the effect that has upon the industry of the country, the effect it has upon business people. Why, it was a fine upon every virtue. It meant that everything you are doing to meet the conditions of the people you employ, putting them into a satisfactory condition, was going to be fined, whilst at the same time we are paying that heavy penalty upon building a factory of that nature. We also held land which was unoccupied, and which was actually rated less than agricultural value. That experience converted me to the principle of Taxation of Land Values. It was not studying Henry George's or anybody else's speeches; it was my own painful, bitter experience that drove me to that, and I am quite satisfied that if we present our case fairly moderately before business people, we shall carry Conservatives and all classes with us, because our policy is based upon equity, upon justice, and upon right.

MR. R. L. OUTHWAITE, M.P., in seconding the resolution said: This Resolution, in the first place, asks for the abolition of the tea and sugar duties. I think we have long enough asked for that free breakfast table, and it is now time that we got it. Surely we will not appeal to Mr. Asquith in vain for an extension of the Free Trade system, because we think also the question of Free Trade is involved in the abolition of these rates falling upon industry. It is ridiculous to say that trade is free. Exchange of wealth may be free, but the production of wealth is limited in every direction and penalised in every direction. Whenever you start to produce wealth, erect a factory, do anything whatsoever in the production of wealth, immediately it is penalised; and it is no uncommon thing to see factories closed down in this country, simply because the manufacturers could no longer stagger along under the burden of the rates.

So this resolution, in the first place, asks the abolition of the food taxes. It asks for relief of buildings from taxation so far as they are taxed for education, poor relief, and these other national services. So much has been said on that side of the question that I do not propose to add anything to it, but there is something else, which to my

mind is of enormous importance involved in this resolution. One of the greatest grievances, I think perhaps the great grievance, in regard to our rating system, is that there is no justice in the manner in which the burdens are cast upon localities. When you raise your revenue for these great services by way of localities, this inversion of justice occurs that the greatest burden is thrown upon the poorest locality. Take education and poor relief. Where the poor people live, there there will be most children to be educated by public authority, and there there will be most poor to be relieved, consequently, on the poorest locality is thrown the heaviest burden. Look at it on the other side: where the rich people live there there will be fewest children to be educated, perhaps none at all, fewest poor, perhaps none at all, to be relieved. The number of poor to be relieved in Kensington is not so great as the number to be relieved in Poplar. Consequently, the least burden is cast upon the richest locality, the locality best able to bear it, but when we make the whole country the basis of assessment for education and poor relief, then that injustice disappears. Then at last we call upon the localities where the vast values are, to contribute their just share to these great schemes.

That is what meets the difficulty of Mr. Keith's entirely, I think. I know it means difficulties will arise. For instance, in my constituency, which is a very poor one, it is not a place where wealthy people live, the manifest injustice of the present system is shown in Hanley. It is not a pleasant place to live in, so the rich people live outside; outside the rating area. Then, supposing you raise your revenue by taxing buildings, they put their buildings in a lower rated area and escape, so within the rating area of Hanley you have workers not highly paid living, and the burden of the rates there amounts to 11s. 3d. in the pound, so that I have found that the working man sometimes paid a pound a week, or even less, his average contribution in respect of what is little better than a hovel, very often amounts to 1s. 6d. to 2s. a week, and perhaps if his wage is only £1, that means an income tax of 1s. 6d. to 2s. a week. I found he paid something like £4 10s. a year on the cottage, the character of which can be shown from the fact that when I looked up the provisional valuations made under the Finance Act, 1909, and these valuations are going to clear up many difficulties when we have access to them; when we have that new Domesday Book before us there will be no gentlemen afraid that they will not be able to raise the revenues in their localities. Why, in my division this same thing arose. The other night gentlemen were wondering where they could raise the money. I pointed out to them that from three collieries within Hanley, the proprietors were taking £25,000 a year in royalties, and that we tapped that under our new system. The character of the cottage which is so heavily fined can be shown from the fact that I find from the provisional valuations that the full site value of the land on which it rested was £20. We will take it that the worker there owns the site and would have to pay this tax for the relief of education, poor relief, and so on. Well, if you take the whole of the annual value of £20 of site, if you levied that horribly confiscatory single tax, he only pays 16s. where he is paying £4 10s. now. But I look at somebody else. I noticed a little while ago that the *DAILY MAIL*, a most excellent authority on such questions no doubt, says that if the Duke of Westminster lives an average lifetime, it is calculated he will be drawing over a million pounds a year in ground rents. If you capitalise one million pounds a year at 25 years' purchase, that gives a capital value to his estate in London alone of 25 million pounds. What I want to point out is this: under our present system where the Hanley worker or the Poplar worker, about on the same basis as regards the rates, will pay his £4 10s. a year, will pay his income tax, you may say, of his wage of 1s. 6d. to 2s. with a site of only £20 of land value, the Duke of Westminster with 20 million pounds or 25 million pounds of

land value, contributes not one single penny piece towards these great services so far as they are financed by way of the rates, not one penny out of that value. But see the remarkable change which must take place when we make the value of the land alone, make the whole United Kingdom the basis of assessment for these great national services, the Duke of Westminster owning one million times more land value than the Hanley worker we will put under that tax one million pounds more on the land. To-day every Hanley citizen pays his £4 10s. and the Duke of Westminster pays nothing.

And the great thing about this proposal that we bring before you, is that giving a relief of taxation in all directions, relief of burdens in all directions, it will enable us to introduce our land tax in a way to cover every acre of land in the United Kingdom, will enable us to bring it over the rural areas, so that we can either deal with the locking up of the land, which is the curse of the countryside and the curse of the towns, because the dispossessed of the soil are driven to the towns to seek for work and cut down wages. We can show to the men using land in rural districts this means a relief.

This reform, that we are proposing a national tax in relief of these services will enable us to carry the system of land value taxation to the uttermost corners of the United Kingdom as a measure of relief of burdens, because the agricultural districts are suffering under this burden just as much by the present method of assessment of rates, as are the urban districts. It is known that in some of the districts in the West of Scotland and the Highlands, where men are tilling the most barren soil that is tilled in the United Kingdom, the education rate there alone in some of these parishes is 12s. in the pound, because the locality is so poor it cannot meet the needs. As I say, under our national system of a national tax for education, the need of the locality will be met and the money will be found from sources such as these and the great industrial and residential centres, consequently, I say, this resolution is the fighting resolution; this is the resolution which will enable us to sweep the country on this question of the Taxation of Land Values, and I have much pleasure in seconding it.

Mr. ARNOLD LUPTON (Westminster) moved the following amendment:—

Line 1, after the word "Reform" insert "except that part which relates to a Budget Tax."

He thought the resolution went too far and would "break up the Liberal Party."

BAILIE ALSTON (Glasgow): I want to say a word in support of the resolution as it stands to-day. Our Corporation has taken some little hand in the agitation for the Taxation of Land Values, and we are not going to be satisfied with merely the Budget Taxation. We are not so anxious to have possession of that cash as we are to have possession of the idle land lying round. The break up of the monopoly value is the object at which the Corporation of Glasgow are aiming. We have 3,000 acres within the old City boundary still unbuilt upon. We have at the same time, in the Cowcaddens area of Glasgow a population, when you exclude the streets, that numbers 940 to the acre; we have an infantile death-rate in that place of 203 children per 1,000 of the children in the first year. So that you see to us, it is not a question of money, it is a question of life and death.

I was rather surprised to hear from my friend, Provost Keith of Hamilton, the low valuation of Hamilton. I thought that there was sufficient rent coming from collieries alone in that district to enable the whole taxation of Hamilton to be paid. We have, it is true, in our midst that land. We have it for feu sometimes and going back to the original owner. Just this last fortnight in the Valuation Appeal Court, of which I am a member, I noted, and the Assessor noted them for me, four cases that came before the Appeal Court for valuation. Of one of those



cases, a wealthy landowner living in the suburbs of Glasgow, owning an enormous amount of land, both in Glasgow and outside, feued a piece of land some 3,000 square yards some years ago for a sum of £1,000 per annum. The party taking that land failed in business, for some reason or other, I do not know why; you may guess; perhaps the price of the land had something to do with it; but he failed, and the land reverted into the hands of the original owner; the original owner comes forward this year and he says to us, "Now, gentlemen, I do not want you to tax that land at £1,000," and we did not propose to do it. The assessor put it in at a very mild figure indeed. But he comes forward and he asks us, now that that land is away from use in its ordinary form bearing out exactly the contention of the Lord Advocate that that land is out of use, we ask you to reduce the valuation of it to £2 per annum instead of £1,000. This is the sort of thing that we have to meet, and it is to break up this monopoly, this idle monopoly in our midst that we are so anxious.

Again we are anxious that a tax in the form here suggested should be placed, because we know perfectly well that the country districts for 100 miles round Glasgow supply Glasgow with its labour, and we know that in these districts the rates for education, the rates for poor law and so on are very high. If we take all the value of the land in Glasgow, I am perfectly sure we are going to take much more than ever Mr. Busby suggested, our annual valuation is upwards of £6,000,000 and with 47 per cent. we are going to get over £3,000,000 per annum if it is all taken, and I hope some day it will, Mr. Chairman, but meantime we are going to tax that enormous revenue that is going into private pockets for the purpose of assisting in the maintenance of the main roads, and the maintenance of the poor relief and in the maintenance of education.

These points we have fully considered; these points the Glasgow Corporation are entirely agreed upon, and I venture to say that they are going to have the support of at least 90 per cent. of the members of the council in this campaign. I have pleasure in supported the resolution.

COUNCILLOR SNELLING (Chelmsford): I am a Councillor in Chelmsford. We dare not build houses in the district, because there were no houses which people could inhabit. I want to give you another fact on top of that. The Co-operative Society of Chelmsford this year took a piece of land and built on it. They spent £1000 on building, and no sooner had they done so than their assessment is £50 a year on what previously brought in nothing at all.

On a show of hands Mr. Lupton's amendment was defeated, and the resolution carried, with one or two dissentients.

The Conference then adjourned for Lunch.

#### AFTERNOON SESSION.

The Conference resumed at 2.15 p.m., Mr. Chas. Trevelyan again presiding.

At the outset, Mr. W. R. LESTER, the Treasurer of the United Committee for the Taxation of Land Values, made an appeal on behalf of the funds of the Committee. He said:—

I listened with a great deal of interest and much sympathy to the statement of some of the gentlemen who spoke this morning. They feared that there was not sufficient land value in the country to meet the needs of the country, but all the time, I, myself, had in mind the position of the United Committee itself, and as to how we were to be put in a position to meet our very urgent needs at the present moment. I may tell you that, as a Committee, we have very great calls upon us indeed at the present time. Appeals are being made from all parts of the country, everywhere, all over Scotland, England, Wales and Ireland, to send speakers, to hold public meetings and so on, and these things as you know cannot be done without money and most unfortunately we often find that we are not in a position to meet the calls that are made upon us.

Now that is a very unfortunate position to be in. The United Committee came into existence some six years ago precisely to meet so far as it possibly could a financial difficulty. We found that a number of our small Leagues throughout the country in the poorer parts, those which were not so well supplied with funds, were unable to perform their functions. We therefore thought it well to form here in London at headquarters a central body which we call the United Committee for the Taxation of Land Values which would be in a position, or try to put itself in a position, to finance as far as possible the smaller leagues in the different parts of the country where they were not in a position to do things for themselves. A duty of that kind is a very important duty.

Another reason why the Committee came into existence was this, that we wanted to place ourselves right down here at Westminster at the doors of Parliament, so as to be in close touch with Parliament itself. We have established an office here close by, in Tothill Street, right at the doors of Parliament. It cannot be maintained for nothing; it costs a very considerable amount of money every year to maintain. And take a meeting such as this: we cannot hire this hall, we cannot carry through the arrangements which are essential for the organisation of such a meeting as this without funds.

Well, now, I therefore appeal to you, and I appeal to you very earnestly, to—as far as you possibly can—every man according to his means, provide us with some support in this work.

Mr. E. G. HEMMERDE, K.C., M.P., then moved the following and third Resolution:—

(3) That this Conference urges the Government to hasten the completion of the valuation of the land, and to make it public, so that at the earliest possible moment provision may be made for the abolition of rates upon buildings and all improvements, and the adoption of the value of land as the sole standard of local rating.

He said:—

I desire in moving this third Resolution to try, in the short space for which I will detain you, to clear up one or two points. But let me first of all take the first point of the Resolution, "That this Conference urges the Government to hasten the completion of the valuation of the land and to make it public." I cannot imagine that up to that point we shall have any difference of opinion.

I have been spending the last month on investigations concerned with the land so far as I can, and we find ourselves every moment up against the difficulty of figures and until we have got the valuation completed, we really do not know where we are. Only this morning a point was raised by a delegate from an Agricultural Constituency as to whether, if we make Land Values the basis of rating, agriculture will gain. It is only when we know exactly what the valuation is that we shall know exactly how far our proposals can go. I do not propose to labour that point, because I do not expect any serious opposition upon that question.

I do not think the Government are under any pledges whatever to keep the valuation secret, and, if they are, the sooner they take the House of Commons into their confidence, the better it would be, because obviously the House of Commons ought to take this matter up and insist on having the valuation made public. Our object is to get the valuation made public and complete it at the very earliest possible moment. We are already taking about four or five years for the valuation; we do not expect it to be ready till the end of 1914 or the beginning of 1915, and I think we might impress upon the Government the fact that elsewhere similar valuations have been conducted with far greater despatch. I do not think we need emphasise that fact, because practically everyone who is interested in these rating questions is agreed that the sooner we get the valuation the better. Our object in hastening the valuation and making it public is that at

the earliest possible moment provision may be made for the abolition of rates upon buildings and all improvements and the adoption of the value of land as the sole standard of local rating.

Now, let me first of all anticipate an objection that may be made. Someone may say, only this morning the Lord Advocate and others said, that in rating railways you must make an exception; you do not in that case treat your land values as the sole basis; and someone else, also a friendly critic, said, in dealing with the question of tramways, you have to consider the agitation in London for the rating of motor buses. Well, I do not think, as a matter of fact, that you can say that those two cases would be an exception to the adoption of the value of land as the sole standard of local rating, because in the case of the railways, you are, after all, making people pay the value of a licence to use land, and in the case of the motor buses, you are simply making things which some people consider articles of use and others would condemn as instruments of torture, pay a Licence Duty for the use of the road which they very largely destroy. I do not think one need worry if one passes this Resolution that one would exclude smaller branches of the subject such as those.

What I want to make perfectly clear, in moving this Resolution, is this, that in asking that it should be made the sole standard of local rating, we rule out absolutely any attempt to subsidise the rates at the expense of the ordinary taxpayer. The landlord bases his present rent on the assumption that the present rates exist. It you diminish the present rates, that enables the landlord to raise his present rent, and unless you get back what you enable him to raise in rent by a Land Values Tax, the whole result of your agitation will be a permanent endowment of landlordism, and against that I most definitely and firmly protest.

And I ask you not to be too careful about the exact wording of the Resolution, whether "sole" is a little too wide when your Resolution is going forth as your Resolution to the Government that you want land value made the sole basis of rating in the sense you want it to be made the exclusive basis and the exemptions that you would allow practically in harmony with your principle. But if you once allow them to suppose that you are to permit in any degree the rating of improvements or the subsidisation of the rates by the general taxpayer, then I say that you are going to do the greatest possible harm to the cause that we all have at heart.

I want to clear that point in the first place. And another point I want to clear is this. One or two speeches were made this morning that might have almost led us to believe that this Conference was to urge upon the Government the immediate transfer of the rates from those who have undertaken to pay them on to the shoulders of some who have not undertaken to pay them. I do not stand here as an advocate of the immediate transfer of all rates now paid by the occupier on to the owner. The occupier has made his contract and, within limits, certainly I should be in favour of that contract being supported.

I just want to point out to you the length to which I think this Resolution leads us. My own view of this matter is that the Land Tax in relief of rates should be paid by the owner. In that way we get in men like the Noble Duke who was mentioned this morning and a great many other people who were mentioned as the landlords of Liverpool and other great towns, and I can think of a notorious case that recently came before the public at Huddersfield. If you get your Land Values Rate universal, without any exceptions all over the country let us say of one penny, you could pay the whole of these burdensome rates that now fall upon the occupier. That would be the sole relief that you need necessarily give to the occupier.

Well then, as regards the rest of the rates, you propose that they should be raised upon a Land Values basis.

That does not imply that you think that someone else should pay them. I would put the rest of the rates on the man who has now contracted to pay them. You would have the same ratepayers, but a different basis of rate-paying and the result of that would be, if our Australian and New Zealand experiments are to be any guide, and if our own calculations over certain distances are to be any guide, that if you made the present occupiers pay a Land Values Rate, rather than an Improvement Rate, the very large number of the ratepayers of this country would find a very sensible alleviation of their burdens.

Those who would pay more would be the people who were in possession of undeveloped sites or under-developed sites. So far as those people were not in a position owing to their contract with their landlord to develop these sites, you might make exemptions in your Statute or you might put certain penalties in that case upon the man who was preventing the proper use of that site.

But what I want to make clear is that this Resolution does not in any way commit this audience here to approval of what is generally known as the Single Tax. When the Prime Minister said on Saturday that he was not in favour of the Single Tax, he said what the Lord Advocate had said a short time ago; he said what many of us have said. We may all be in favour of the Single Tax as the basis of taxation in a new country, but yet realise that to impose the Single Tax upon an old country, full of vested interests and difficulties as this country is, would be perfectly impossible.

I personally believe in the theory of the Single Tax, but I do not press my belief in that theory to such an extent that I would impose it to-day or to-morrow or many years hence upon a country like this. I see abundant reasons, if you had a new country, for putting all your taxes upon land and letting the community be practically the only landlord, but, as a practical man, I do not want to frighten people who do not agree with my theories by applications of them that I do not in any way intend, and so I want to urge upon you the necessity of bearing in mind, not only the basis upon which we propose they should pay, but also the people who should pay, and the people who would pay would not, under that Resolution, be any different to the people who pay now.

I am perfectly confident that if you were to make the present occupiers pay the whole of the rates, without the Land Values Tax relief upon a Land Values basis, I am sure that even so the bulk of the occupiers would get a very sensible relief. I would give them more relief than that, though many of them had made their bargain and based their rent upon the fact that they will pay rates, I should say the landlord was in a position to extract rather higher terms. Therefore, I think you should have a sensible relief from the rates you have undertaken to pay, but we cannot go so far as to throw the whole of those rates you have undertaken to pay upon the man who fixed your rent on the assumption that you would pay them.

On the schemes I am proposing now, the Noble Duke would pay the Land Values tax, and when leases fell in it is quite obvious that, in a case like that, the Noble Duke and other landlords like him would pay the Land Values Tax in relief of the present rates.

A question is asked whether this Resolution deals with the question of taxation. Well, it is perfectly obvious one cannot consider the question as to making land values the sole basis of rating unless you consider at the same time any proposals that have been made for reducing the rates because we want to make perfectly clear that the land values will be sufficient to pay for the rates on the new basis. And the summary of it is this, that people who have been escaping from paying would pay to a very large extent the Land Values Tax. The present occupiers would be relieved by the transference of certain burdens to the shoulders of those who have not been contributing. I cannot imagine that, with the large reduction of the rates by that Land

Values Tax any occupiers of anything like well-developed land would find their burdens increased. That being the case, I cannot myself see any objection to making the land values basis the sole basis of rating with just the verbal exceptions that I alluded to just now. You might, in a sense, have your railways rated upon land value, but it would be a somewhat different basis from the one that we propose in other cases. Those are the points I particularly want to make clear; the fact that although we change the basis of rating, we do not necessarily—that is a matter for subsequent discussion—change the ratepayer. I know there are one or two people under the impression this morning that we propose to suddenly put the whole burden of the rates upon the landowner. Quite apart from its justice or injustice, I am personally of opinion that neither this Government nor any Government that succeeds it will ever do that, therefore I do not propose to deal with it.

I think it is a practical reform to pass a Resolution that we want it made the sole basis, bearing in mind the fact that that does not in any way commit us upon the question of existing contracts and that it is absolutely miles away from the point at issue for us to determine whether we are or not in favour of any principle known as the Single Tax.

These are the only views I have to put before you. I urge on the Conference the necessity of carrying these Resolutions as far as possible with unanimity. We do not want to break up fair discussion by attempts to secure unanimity, but as far as possible we want to carry these Resolutions with unanimity, so that, when we have left this Conference, we shall feel that we have sent something definite; we have sent some message to the Government in definite terms. If you make this a standard of local rating you have really done nothing after all these years of work on the question. Let us commit ourselves to it being the sole basis. Others may want to whittle that down, but let it go forth that we commit ourselves to it being made the sole basis. We are strengthened in that by the fact that our Colonies have already adopted that system and that it has been a brilliant success.

**COUNCILLOR CHARLES H. SMITHSON (Halifax),** in seconding the Resolution, said:—As a business man from Yorkshire, I am very glad of the opportunity of seconding this Resolution because I am convinced from my experience in going about the industrial centres of the West Riding, that there is a very strong body of public opinion in favour of the Resolution which we are now discussing. The business community of this country has waited patiently for many, many years for this reform, and I believe that our patience is well-nigh exhausted. But fortunately the signs of the times point to the fact that we shall not have very long to wait now before we get legislation which will relieve improvements from the burden of local rates. The great valuation now proceeding under the Finance Act of 1909 will, when it is completed, with certain modifications, open the door wide for a new system of rating, which shall exclude a man's own improvements from the burden of rates.

The distinctive feature of that valuation is that it differentiates for the first time clearly between the value which is directly traceable to the public expenditure of money and the presence of activities of the community on the one hand, and the value which is directly traceable to individual effort on the other. When this distinction penetrates into the public mind, when we can show from figures in separate columns of the assessment, these two values side by side, I venture to say that public opinion will very rapidly discover that the sensible plan is to concentrate the local rate upon that value which is created by the community, before it touches one which is traceable to individual effort. It is not because the value attaching to land is unearned by the individual who handles it, but because it is earned by the community that we wish to make it the subject of taxation, and I believe it was this

consideration which convinced the Select Committee which dealt with the Scottish Bill to bring in their report in favour of making land value as distinct from improvement value, the sole basis of our local rating system. There was something said this morning about the question as to whether, having eliminated the value of all improvements from the assessment roll, what would be left would be a taxation to meet the local requirements, but I would like to suggest to this Conference that it is not capital value of land—the selling price of land alone that should be made the basis of assessment. To my mind what is required is that we should discover the full, true, economic value of the land, which is the amount which a user would be willing to pay in rent and rates together for the exclusive use of a particular piece of land. We had a case given from Liverpool this morning. We were told that the assessable value of Liverpool was £4,000,000, and that the site value was about three-quarters of a million. I venture to say that if the assessable value is £4,000,000, the site value, if other parts of the world are any guide, will be considerably more than three-quarters of a million pounds. But apart from that, what I wish to point out to Mr. Muspratt is that though three-quarters of a million—taking his own figures—is what the people of Liverpool are prepared to pay the owners of Liverpool for the use of the land, after they have paid the £2,000,000 to the local authorities for the privilege of the services. That is to say that the real economic value of Liverpool, assuming that Mr. Muspratt's figures are correct, is £2,750,000, and not three-quarters of a million.

Our present rating system is a grotesque absurdity. Let us just take one or two examples. I know many enterprising firms in Yorkshire whose business is expanding, who have been hampered for years by the fact that their business premises have been hemmed in on all sides by vacant land, which they could not obtain except at a ransom price, having been in the hands of one man who could exert a power which prevented any extension of that business. But under the gentle stimulus of an annual payment on that vacant land I think such an owner would be much more amenable to reason, and that such firms would be able to extend their business with advantage to themselves and advantage to the community under the new system of taxation.

Again, let me give you one other illustration from Yorkshire—take the Leeds Forge Company, a large engineering works near Leeds. They have had their assessment raised on their own improvements since 1905 by no less a sum than £6,458, on their own improvements, which on the basis of 9s. in the £ means an extra annual payment by them of £2,900 to the local authority, for having enlarged their own business. That sum is equivalent to 2 per cent. upon their ordinary capital, and putting it another way, it represents a burden on the concern which would not be greater if they had engaged £58,000 more capital at 5 per cent. in the development of their business. Well, gentlemen, these are anomalies which illustrate the grotesque absurdity of our present system, and I think there is a very general consensus of opinion that some change is needed.

The new system that we are proposing is not intended to raise any additional revenue, but is rather intended to distribute the existing burden more equitably. It will bring under assessment land which has hitherto escaped, and thereby reduce the burden on the present ratepayers. It will make the withholding of land unprofitable, and therefore cause land to come into the market, and be available for building, and by relieving the builder of a 40 per cent. duty on his product, it will enable him to give us houses much cheaper than he can at the present time.

I venture to say that if we were to try and devise a system, design a system of rating which would create housing problems and overcrowding, we could not get a

better system for that purpose than the present one, but if we have a system which will, at the same time make land more easily available and also relieve the builder of this heavy duty which is now placed upon his product, we shall by that means, I believe, not only be raising the money upon a more equitable basis, but we shall be solving social problems in our day.

Mr. ARNOLD LUPTON (Westminster) moved the following resolution:—

After the word "land," on line 2, omit all to the end of the Resolution.

He said:—

The only question is whether everything else shall be exempted from rates and only land rated. Well, I think the figures that Mr. Keith from Hamilton gave this morning and that Mr. Muspratt from Liverpool gave this morning show that that is totally impracticable, and the fact that it is so is admitted, because Mr. Wedgwood in his speech this morning said that they had to give way upon the question of docks and railways and other things. Well, docks, railways and other things include most things, so that it is perfectly absurd to say, and Mr. Hemmerde in his eloquent speech said he was not going to carry this theory out in too dogmatic a fashion. Then what on earth is the use of passing a resolution which will create a great deal of fear in the minds of owners of landed property, and which is not going to be carried out? It is merely going to produce difficulties for us, and Heaven knows we have difficulties enough to carry this through without making difficulties unnecessarily. The only thing in which I differ is that nothing else shall be rated. I have built hundreds of houses, and I know something of the cost of land and the cost of house-building, and I know that the cost of land for a workman's house varies from about 3 per cent. of the total cost in some places to about 30 per cent. of the total cost in other places. Nowadays, if you are going to produce out of that 3 per cent. or that 30 per cent. the total amount of the present rates, you are going to entirely destroy all the saleable value of land, and when you talk about the Duke of Westminster having £25,000,000 worth of land, that is what he has got to-day, but as soon as ever these resolutions are passed that market value will have ceased to exist. (Laughter.) As soon as ever this law was passed I should say that market value will have ceased to exist. Therefore you are pursuing an *ignis fatuus* in trying to think you can get everything out of a very little; you are just going into a fog and the result will be a victory for Tariff Reform—taxes on bread and taxes on milk.

Mr. HENRY S. KEITH (Hamilton Town Council), in seconding the amendment, said that he did so simply because he agreed with him that the value of land was practically impossible as the sole value of rating without doing gross injury to the working industrial classes. He did not accept Mr. Lupton's arguments.

After several delegates had spoken from the body of the hall, Mr. HEMMERDE said: I only wanted to clear up one point that was made by Mr. Keith; I think we ought to clear it up. He made some remark on existing contracts and said I had said I supported the entire respecting of existing contracts, and he assumed from that that I would respect existing contracts in putting on a land tax. Of course in all cases of taxation contracts to pay rates are clearly not respected. A tax goes over and above all such contracts and Mr. Keith himself has admitted that in his proposition for a local income tax. He would bring in a local income tax which would over-ride the contracts of the people to pay rates. Therefore the point I wished to make, only Mr. Keith seemed to think I had not made, was so far as the land values tax was concerned it would go right above existing contracts and would therefore relieve existing ratepayers. So far as the other tax of the rates were concerned there would be no objection to an entire respecting of existing contracts.

That would be of great benefit to the ratepayers. A local income tax would be itself a breach of existing contracts if the land tax was.

On a show of hands Mr. Lupton's amendment was lost by a very large majority.

Mr. R. McConnell on behalf of Mr. MAX MUSPRATT (Liverpool), unavoidably absent, moved to omit line 4 of the Resolution—"and the adoption of the value of land as the sole standard of local rating."

Mr. MUSGRAVE EDWARDS (London) seconded this amendment, and Mr. A. W. METCALFE (Belfast) spoke in favour of the Resolution as it stood.

On a show of hands Mr. Muspratt's amendment was defeated and the Resolution carried by a large majority.

Mr. JOSEPH FELLS then moved the fourth and last Resolution on the agenda in the following terms:—

(4) That this Conference affirms its deep conviction that the existing deplorable condition of the people in regard to bad housing, low wages, and unemployment in town and country, is directly traceable to the withholding of land from its best economic use, and is further aggravated by the existing system of taxation and rating, which penalises industry and hampers development; emphatically declares its opinion that the just and expedient method of solving social problems is by the exemption of all improvements and of the food of the people from the burden of rates and taxes, and the substitution of rating and taxation on the value of land, a value which is entirely due to the presence, growth, and industry of the people.

In the course of his remarks he said:—

I am in favour of the Taxation of Land Values and the untaxing of everything else. I am in favour of removing all taxation from labour, every kind of industry, all kinds of business and buildings. I am not even in favour of taxing the income of Sir William H. Lever. Now that you will understand is magnanimous because we both make a peculiar and entirely efficient saponaceous compound; and we are supposed to be the most bitter enemies that ever happened along the high road. (Laughter.) I do not make any exception. (Renewed laughter.) I am in touch with some sixteen countries, and when I have been charged with spending £30,000 or £40,000 in Great Britain to help along the land taxation, let me say I am spending two and a half times that much in my own country, so you see I am entirely cosmopolitan.

I do not deny that I am a Single Tax man. I am a Single Tax man, and I believe from the bottom of my heart in the theory and economic philosophy taught by that great man Henry George as announced in that bible of the world: PROGRESS AND POVERTY.

I have within the last three weeks or a fortnight got a letter from a gentleman who is the Premier of Saskatchewan. Saskatchewan is one of the great Provinces in North-Western Canada. Saskatchewan is beginning to take all her taxation from land values and none of her taxation from other things, and I wrote to Mr. Walter Scott, the present Premier of Saskatchewan. I have had the pleasure once of meeting Mr. Walter Scott—oddly enough he is not a Duke yet—(laughter)—and Mr. Walter Scott writes to me that:—

A very few years ago I was opposed to the Single Tax; my people have made me in favour of the Single Tax and nothing that I have heard since it has been put in operation or since it began its operation in this country has changed me or my people's view.

But I will tell you what effect it has had on the United States. 141,000 American farmers, people who pay allegiance to the Stars and Stripes, have gravitated into Saskatchewan, British Columbia and Alberta in the last year. And why did they go? Some of them went to get cheap land but nine-tenths of them went to get the right kind of taxation, and they are getting it. If the taxation of land values and untaxing of anything else, which is the

Single Tax, is good enough for Alberta, British Columbia and Saskatchewan, it is good enough for England.

I will say you have no right to have the enormous emigration from this country that you have got. You have no right to allow half of your people to live in poverty. 600,000 people to-day in London do not know where they are to get the next three meals. When you say there are plenty of houses in London unless I agree, but when there are 150,000 or 200,000, perhaps 300,000, people living four in a room, what is the good of talking to me about empty houses? In addition to all this there are 14,000 acres of unused land within the Metropolis of London. No less an authority than the London County Council has said this, that in these various Boroughs of London you have a total of 14,000 acres of unused land. I happen to be on a little land cultivation society in London, and if you would get me that 14,000 acres and let me have the use of it I will supply eight times 14,000, over 100,000 families with all the green vegetables, all the food of that kind, they require during the whole of the growing season in London alone.—(A Voice: Does that include parks and open spaces?)—No, no parks, no school gardens, no open spaces, nothing but vacant plots, which are now the homes of dead cats. (Laughter.)

This question is coming to the front not only in Great Britain but in Denmark, and in Sweden, and in Norway, and in Spain, and in all the other Spanish-speaking countries of the world; in the Argentine, in Uruguay and Paraguay, even in my own country, because I am going to sail from this side next Saturday and ten days later I will be on the stump, as we call it in America, in the State of Missouri, and God willing on the 5th November the common people of the State of Missouri will say we propose to untax our labour and to tax our land, so far have we got even in America. In the State of Oregon on the same day the same thing is going to happen I hope.

MR. P. WILSON RAFFAN, M.P., in seconding the Resolution, said:—

I am glad that this memorable Conference is concluding with this wholehearted Resolution, because I believe if victory is to come upon the land question it will come by emphasising not the merely political side of the movement, not the merely economic side of the movement, but by emphasising the humanitarian side of the movement which is dealt with in this Resolution. After all the people of this country would care very little about the relative merits of different forms of rating and taxation if it were not that they believe that by the Taxation of Land Values you have a method which will deal with the deplorable housing conditions which exist alike in town and country, that you have a method which will deal with unemployment, a method which will deal with low wages and which will secure better conditions for the people in this land.

Last week I was down in the West of England, down in Devonshire in a little agricultural village there, and I found that there in that beautiful country, with hundreds of acres of practically unused land all round the village, the men were herded together as closely as they are in any slum in London; not a single garden attached to a single house in that village, crowded together in the rows, crowded together in the houses, two and three and four families living in a single house, and the landlord monopolist holding up the land outside the village and refusing to let it go for housing purposes. Then, not only had you to deal with the land monopolist but you had to deal with this problem of rating. A little cottage stood just on the outskirts of that village occupying one-sixtieth part of an acre of land. The poor man who occupied it was in receipt of a wage of 12s. a week, upon which he had to bring up his wife and family. He had to pay on that cottage £2 a year in rates. It does not seem much. On the adjoining acre of land held out of use, so badly needed for the erection of

cottages, not only was there not a rate of £2 a year to be paid on one-sixtieth part of an acre of land but the rate is £1 an acre for the whole acre, and that is the whole that the landlord monopolist has to pay. I think in view of facts of that kind one is entitled to say that in the country districts there is really no housing question, there is only a land question and a rating question. When you have solved the land question and the rating question you have solved the housing question. So, too, it is in the towns. Why are men crowded into these terrible slums? Why have you alike in Glasgow and London and Liverpool so many thousands of families living each in a one-roomed house? Because here, too, the monopolist is withholding the land from use. The whole burden of rates is falling upon the men who erect houses for the purpose of housing men.

When you come to the question of why there is unemployment, that, too, I think is obvious. Employment in every trade depends upon there being plentiful employment in the unskilled trades at the bottom. When there is plenty of employment there the man who has superior skill will always be able to reap the reward of his superior skill, but if down at the bottom you have this great scramble, two men fighting for one job, or even if you will only 1,100 men fighting for 1,000 jobs, so long as that is so no wage-earner can be sure that he will reap the reward to which he is entitled. Why have we this glut in the unskilled labour market? Why have you this crowd outside the dock gates at London and Liverpool and Glasgow? Why, because there exist all over England villages like the Devonshire village I know; because there a man has to live on 10s. or 12s. a week if he can get employment at all, and he has to beg his brother of the soil to give him employment even at that paltry wage, because when he gets employment he cannot get a house and he cannot get a bit of land, and so your census returns tell you that half-a-million, 500,000 men have been driven off the soil of England in 30 years. That is why you have the glut at the dock gates. Immediately you turn off that reservoir and open up natural opportunities in town and country by a fair system of land values and rating and taxation you have solved the problem of unemployment, and when you have solved the problem of unemployment the problem of low wages will solve itself.

An amendment by Mr. ARNOLD LUPTON very much weakening the Resolution, and another by Mr. Hugo Kilner on behalf of Mr. KEITH, amounting to a direct negative, were moved. Discussion took place on these during which

Mr. W. R. LESTER said:—

Mr. Lupton declared earlier in the morning in the course of the Conference that we were not to succeed unless we had the landed classes and the monied men on our side. Well, I believe that we are going to have the working classes in this country upon our side. And as far as the landlords and the monied men are concerned they will not be on our side because the only place they have desired to be in is on our backs. When this question is raised, as I believe it is going to be raised by Mr. Lloyd George during the forthcoming autumn, there will be such a rally to the ranks of the Liberal Party for which our friend seems to have some concern that we shall be able to turn and say to the Liberal Party, "Throw some of your money bags over the side and let us go forward on the lines with the working classes at our backs." I am not afraid that if we put matters right with the poor who are living in Westminster under the deplorable conditions which Mr. Lupton seems to overlook we shall need to go to dinner with the Duke of Westminster at £1000 a cover as the mover of this amendment seems to think. I believe the time is coming when we want all the steam behind the Land Reform Movement. We do not want any more brakes; we want all the

enthusiasm, all the earnestness and all the inspiration which the bad conditions of our country demand from us, and I think it would be an unfortunate thing if we cannot unanimously at the close of this great interesting Conference pass a Resolution which really, as Mr. Raffan has said, deals with the humanitarian aspect of the question and not merely with the fiscal and the economic aspect. We want to have the backing of the working classes on our side and then we can snap our fingers at the money bags of the Liberal Party.

On a show of hands both amendments were defeated and the Resolution carried by a large majority.

A delegate then moved a vote of thanks to the Chairman, coupling with it the motion that the Resolutions passed by the Conference be forwarded to the Prime Minister and Mr. Lloyd George.

This was carried by acclamation.

MR. TREVELYAN, in his reply to the vote of thanks, said:—

Ladies and gentlemen, I accept your thanks; I am very glad to have been here to-day.

I want to read out a telegram which was received during the Conference.

Annual Conference, German land reformers Posen send greetings to Annual Conference Land Values, London, feeling one at heart with English friends and co-workers, admiring their energy, and wishing success and victory, besides kindest regards to our highly respected correspondent member, Mr. Fels, regretting his, and Mrs. Fels' absence.

DAMASCHKE.

I should suggest that this Conference should send back to Mr. Damaschke and the Germans:—

That this Conference receives with pleasure the greetings of German Land Reform Conference now in session at Posen, and wishes those assembled God-speed in their effort to tax land values and untax improvements.

This was agreed to, and the Conference then terminated.

#### A REPLY TO EX-PROVOST KEITH OF HAMILTON.

On the 10th of October the following letter, written by Mr. Alfred G. Miller, appeared in the GLASGOW HERALD, provides a complete answer to Mr. Keith's facts and figures presented by him in the attempt to belittle proposals for the Rating and Taxation of Land Values. We are only sorry Mr. Miller was not at the Conference himself to give delegates the advantage of his acquaintance with local conditions and controvert Mr. Keith on the spot:—

It is very interesting to follow ex-Provost Keith in his incursions into the land question. We remember with gratitude the position he took up when he gave evidence before the Land Commission some years ago in support of the principle of the Taxation of Land Values. We believe he still adheres to the principle, but in these latter days he travels in company so different from that of the modern land reformer that his views are to a great extent coloured by his present associations.

Mr. Keith in his remarks at the London Conference, made reference to the Burgh of Hamilton, and seeks to show that if the land value there were taken as the basis of rating it would be both impracticable and unjust. To raise the sum of £40,000 required for local purposes it would be necessary, he points out, to levy a rate of £32 per acre, but of the 1,200 acres within the burgh he excludes the 500 acres let for agricultural purposes at £2 per acre, and argues that, if the urban land alone be taken, the rate would require to be £60 per acre, whereas the highest rate of land value within the burgh is, he asserts, only £40 per acre.

I do not intend to follow Mr. Keith into the merits of his argument, but I desire to draw attention to one or two very patent errors into which he has been led in course of his statement.

In the first place, is he justified in dismissing the 500 acres of agricultural land within the burgh as having only a value of £2 per acre? Let him test the matter in a practical way by asking any of the owners of such land within the burgh for an acre at that rate, and he will soon discover that that value is only nominal. If suitable land could be acquired at that price the most difficult part of the housing problem would be solved. The truth is that no land can be got within the burgh for less than £36 to £40 per acre, and even then on very onerous conditions. It is one of the grievances pointed out by those who seek to alter the basis of taxation that land can only be got for useful purposes at a rate 20 times its face value. Which of the two sums is to be taken as the true value—the £2 for which it is let or the £40 which is demanded when it is asked to be acquired?

Such land is seldom sold outright; it suits the owners better to feu it; but it is sometimes acquired for public purposes, and Mr. Keith knows only too well what price has to be paid for the land in such cases. When the Hamilton Corporation required 3,128 acres for their sewage purification works, on the banks of the Wellshaw Burn, the price was £225 per acre. If £2 were its true annual value, the price should have been not more than £50. When the Parish Council acquired 9½ acres at Wellhall, on the outskirts of the town, for the purpose of forming their new cemetery, the price paid was £250 per acre. For the filters at Blackbog in connection with the new water scheme the Corporation had to pay £280 per acre. And Mr. Keith knows that when the piece of ground at the rear of the Old Cross was required for making the new street that bears his name the price was £1,175 per acre.

With examples such as these, how can he maintain that £2 per annum is the value of agricultural land in the burgh of Hamilton?

The contrast between the value of land as entered on the Valuation Roll and its true value when it comes to be sold is shown in the price paid for the 9½ acres of the public park facing Bothwell Road, as compared with the value of similar ground immediately beyond the park boundary. When the park was gifted to the town these acres next the public road were reserved for feuing, but by the generous act of the late Dr. Dixon the feuing right was acquired at the price of £275 per acre, on the express condition that the ground was to be used only as part of the public park. This represents an annual value of £11 per acre. The other ground, alike in all respects, is on the Valuation Roll at 14s. an acre. Which of the two values is to be taken as the standard?

There is another point on which I would like to call in question Mr. Keith's use of figures relating to land values within the Burgh of Hamilton. He says that the highest rate at which the land is feued in the burgh of Hamilton is £40 per annum per acre. This may be quite true as regards the feuing of the open ground on the outskirts of the town. The burgh itself owns 135 acres in the west of the town, the most of which is now feued. At the close of the eighteenth century, when the feuing of these lands commenced, the feuing rate was only from £10 to £12 per acre; the rate for the remaining portion is now from £36 to £40. But surely Mr. Keith does not maintain that that represents the present land value in the heart of the town. To illustrate the land values there, in the year 1785, when part of the ground at the Old Cross, known as Soger Acre, originally feued at 6s. Scots, was sub-feued, the rate was £48 10s. per annum per acre. When Cadzow Street, the modern business thoroughfare of the town, was made in 1837, under the powers of an Act of Parliament, part of the ground there was feued at the rate of £130 per annum per acre. In 1886-90, when the ground acquired by the Corporation for the improvement in Quarry Street, was sold by public auction the rate obtained was £735 per acre. Recently, when the ground acquired by the Corporation for the

improvement at Keith Street was sold by public auction 162 square yards realised £22 10s. per annum, equivalent to a rate of £600 per annum per acre; 94½ square yards was sold for £20 per annum, equivalent to a rate of £1,000 per annum per acre; and 316 square yards was sold for £120 per annum, equivalent to a rate of £1,846 per annum per acre.

Facts such as these must surely greatly modify the basis on which Mr. Keith's argument was formed. There is a great deal still to be learned evidently regarding our land question.

## PRESS COMMENTS ON THE CONFERENCE.

### "Victims of a Mistaken Principle."

The conference on the Taxation of Land Values held in London on Monday was not exclusively composed of those who regard the late Henry George as the first and last authority on the economics of rent and taxation. But the numerical strength of the gathering was certainly with the land taxers of various types, and probably with the "whole hoggers" like Mr. Outhwaite and Mr. Hemmerde. They are out to capture the land of the country with a definite object and should not be afraid to make a frank disclosure of their intentions. . . . The truth is that the Single Taxers are the victims of a mistaken principle and a silly phrase. The phrase is that all taxes are immoral which are not directed to the end of destroying the land monopoly. It is believed that taxation which in any way interferes with the expansion of industry is contrary to the "laws of nature," but that, on the other hand, a land tax is dictated by nature itself, which made the land as much the heritage of the people as the air they breathe. The mistake is in conceiving land values as if they must always expand with the growth of the community. If there are conditions under which a Single Tax could suffice for national needs they are certainly not found in this country at this day.—GLASGOW WEEKLY HERALD (Tory), October 12th.

### "Tinted with the Iridescence of Vagueness."

Mr. Asquith's protest that no one is entitled to announce a land policy for the Government does not seem to have repressed his colleagues. Two of them were engaged yesterday upon a conference which, avoiding the Single Tax by name, declared for the levying of all rates on land values and the transference of a huge body of Imperial taxation to the same basis. . . . Where everything is so carefully tinted with the iridescence of vagueness, it is impossible to find any basis for serious discussion. Practically everyone could agree that the rating system needs reform, that the lowness of wages is an evil, and that the provision of houses is a clamant necessity. The only explicit character about this and all the utterances of its kind is the determination to penalise a form of property which Radicals associate with their political opponents. As public expenditure increases, it would suit the Radical plutocracy only too well to have the burden of it diverted from their own shoulders. Land is a far less remunerative investment than cocoa or chemicals, and much less of a monopoly. But those prosperous industries are to be relieved from all contribution to local expenditure. There is no suggestion that their magnates shall bear a double income tax or a levy upon the capital of their fortunes. They are to be left to enjoy all the advantages of that cheap labour which has always been the controlling motive of Free Trade, and there is to be no suspension of the ordinary working of economics in order to limit the amount of their revenues.—PALL MALL GAZETTE (Tory), October 8th.

### The Revolt of the Ratepayer.

The conference on the rating of land values held at the Caxton Hall yesterday showed how widespread is the demand for a reform which is essential in the interests of local government. . . . The demand for a change in our rating system does not come from theorists, but from public bodies directly faced with the tasks of local government. Year by year they find the burden of the rates increasing. Since 1880 the rates per head of the population have risen by 75 per cent., and everything points to the continuance of the upward movement. In some degree this heavy burden has been lightened by grants from the national exchequer, but it is more than suspected that these grants often serve as a relief, not of the ratepayer but of the landlord. The conviction that has taken root in the mind of those who have to face the burden of the rates is that the allocation of that burden is wrong. At present it falls wholly on industry. A tradesman or manufacturer is penalised according to the energy he puts into the development of his business. Meanwhile, the ground landlord, whose land owes its value entirely to the activities of the community, escapes the net of the rate collector altogether. . . . We are glad that the conference yesterday made a strong appeal for the early completion of the land valuation now in progress. Until that great work is complete and its results are before us it is impossible to approach the task of reform with adequate knowledge. No one doubts any longer—if, indeed, with the experience of America and the Australian States before them anyone ever did really doubt—that it is quite easy to separate the site from its improvements for the purposes of rating. With the valuation accomplished we shall at last have the true basis for rating clearly established, and it will no longer be possible for the landowner to leave the whole cost of local government as a charge upon industry. Nor will it any longer be possible to withhold land from public use, or, in releasing it, to extract grotesque prices for it from the public funds. The valuation will be the basis alike of rating and of purchase. It will be the charter of the ratepayer.—DAILY NEWS (Liberal), October 8th.

### The Wolf in Sheepskins.

The spectacle of the wolf trying to disguise himself in sheepskins was not half so funny as the spectacle of three or four hundred single taxers trying to disguise themselves as inoffensive advocates of the "taxation of land values."

They made the attempt yesterday at a conference at Caxton Hall, and bungled it from start to finish. The chair was taken by Mr. C. P. Trevelyan, a member of the Government.

Seeing that the talk of the single tax has alarmed the country, and that Mr. Asquith has consequently declared against it, the single taxers met with the general understanding: "We are single taxers, it is true; but for goodness' sake don't go about saying so, or we shan't have a dog's chance at the next general election. Don't tell the country you really want the single tax."

But there were one or two uncompromising single taxers in the room who, it was feared, could not be suppressed, and so an appeal had to be made to them "not to frighten the country" by talking of the single tax.

It was Mr. E. G. Hemmerde, K.C., M.P., who undertook to dress the single tax wolf up as a fleecy "taxation of land values" lamb. In doing so, he gave away the whole game of pretence by proclaiming himself a wolf—or a single taxer. . . . Mr. Fels swept the audience along on the wave of his own enthusiasm, and there was a burst of joy when, with a smile of the sweetest benevolence, he exclaimed:—

"If a man doesn't put his land to the best use, he must be choked until he let's go."

The single taxers cheered and laughed, and Mr. Fels looked happy.

Last night the "land taxers" threw off the day's disguise, and met together for a "Henry George commemoration dinner," with Mr. Outwaite as chief guest.—DAILY EXPRESS (Tory), October 8th.

#### Conference "does not err on the side of Modesty."

The conference to promote the Taxation and Rating of Land Values, which met on Monday under the chairmanship of Mr. Charles Trevelyan, passed some rather drastic resolutions.

The conference, however, does not content itself with the assertion that the burden of taxation should be placed upon land. It contemplates, in addition, Budget taxes on all land values, and suggests that the proceeds of these taxes should be applied, first, to the cost of education, main roads, police and poor relief, and secondly, in substitution for the existing food taxes. The conference evidently has an exalted conception of the revenue to be derived from a taxation of land values.

Seriously we trust that the land-taxers will not by extravagance prejudice the Government's proposals before they are given to the public. Mr. Asquith has declared emphatically against the Single Tax. But the proposals of the conference can only be justified on Single Tax principles. Changes so sweeping could only be made possible by a fiscal revolution which would go near to annihilating all incomes derived from the value of land as land.

Now we may agree that if we had a perfectly clean slate, if we were constructing the social scheme anew, with no existing interests to consider, we should not countenance any arrangement which would allow the control of land or the ownership of the wealth which accrues from the enhancement of land values through the growth of population, to fall into private hands. We go a step further. We agree that the process which has allowed this accumulation of power and property must be checked and reversed.

The real value of the land as between a willing seller and purchaser should be the basis of taxation instead of the actual rental. The reason for this, again, is that land differs from other kinds of property in that it is held largely for social, political, or other non-economic reasons. It is not, therefore, always put to its best use, and it is the interest of society that it should be put to its best use. It is probable that this mode of assessment would do much towards easing the pressure on house accommodation in towns and in rendering land available for small holdings in rural districts. These are great reforms which need no extravagant estimate of possible revenue to recommend them, and can be carried through without exciting a grounded sense of injustice in large classes of property-owners. Resisted by the landed interest they will doubtless be. But if in detail the reforms are conceived in moderation, then owners will not be able to enlist the plain man's sense of injustice on their side.—MANCHESTER GUARDIAN (Liberal), October 8th.

#### No one contends that Land Value is not a fair basis.

Among the many representative men present were a considerable sprinkling of Tories, but no one was prepared to contend that land value was not a fair basis of rating. On the other hand, it became evident, as the discussion proceeded, that the Single Tax had very few advocates in the conference. Stated in general terms, the proposition before the Conference was that the value of the land, as distinguished from the value of buildings and improvements should be adopted as the measure by which to fix contributions to the rates. An attempt to confuse the issue by introducing the question of a local income tax was brushed

aside, and the real discussion was between those who thought land should be the sole basis of rating and those who urged that the buildings and improvements should not be excluded. In the end the conference declared by an overwhelming majority in favour of the principle that land alone should be the basis of rating.—LONDON CORRESPONDENT, LIVERPOOL DAILY POST (Liberal), October 8th.

#### "The Single Tax Man's Way of Promoting Prosperity."

At the Conference yesterday, over which Mr. C. P. Trevelyan, Parliamentary Secretary to the Board of Education, presided, the whole of the resolutions contemplated the adoption of what is known as the Single Tax—though limiting this to certain purposes. Mr. Trevelyan talked largely, but, as we have shown again and again, quite inaccurately, about the community having "stored and actually created" wealth which the community ought to possess. He wanted rates to be put on the selling value of the land, and apparently to be taken off all buildings; he may or may not have seen the actual proof, in certain specified cases, that this process would actually mean the taking in the form of rates more than the whole annual value of the land. Where the community is to get this extra rate from, after the whole value of the land has been taken, Mr. Trevelyan probably has not considered. He poured out all the fallacies that the Single Tax people are so fond of repeating, and urged, in effect, that if a man owns land, and somebody else thinks he can use it to better purpose, the owner ought to be forced to sell—and the way to force him, apparently, is to rate and tax him upon the value of the land to such degree that he cannot possibly afford to continue its owner. This is the Single Tax man's way of promoting prosperity.—YORKSHIRE POST (Tory), October 8th.

#### "A Comedy Nicely Prepared."

The Caxton Hall meeting of the Land Taxers was a comedy nicely prepared for public performances. The chief actors played their parts with restraint as the "Parliamentary Group," for, we are told, there are no Single Taxers now—not even the ineffable Mr. Ure, who, two years ago, at Gladstone Park, said that they were keen that the valuation of land should be made for a greater purpose still, "in order that they might in time remove all rating and all taxation from the value of buildings and improvements—the work of men's hands—and place the whole of it upon the basis of the value of the land." What public attention was not directed to was the banquet held the same evening "in honour of the life and works of Henry George," when the "Parliamentary Group" became the "United Committee for the Taxation of Land Values."—OUTLOOK (Tory), 12th October.

#### "Went Blindly on with their Programme."

Those of the land taxers assembled in conference in London, yesterday, who look to the Single Tax as the country's final hope of salvation must have been somewhat distressed when they read the strong declarations of the Premier and the Chancellor of the Exchequer against their creed. If they also read carefully the strong, temperate letter from Lord Sheffield, a Liberal Peer, on land taxation in general they would feel still more chastened in spirit. But this new section of the Liberal party went blindly on with their programme of resolutions and even resisted the words of warning coming from within their own ranks. It is possible they may gain adherents from those who believe the party is in need of a new battle-cry, and if their numbers increase materially they may become a very sharp thorn in the side of a Prime Minister, who has already got a very difficult team to drive.—MANCHESTER EVENING CHRONICLE (Tory), October 8th.