

Thus we are brought to see the wisdom and justice of the taxation and rating of land values as the provider of revenue in place of the taxation, both national and local, which to-day steals from the individual the results of his labour and enterprise rightfully belonging to him. On both ethical and economic grounds the case is unanswerable.

As for the local rating aspect which is here our immediate concern, there was the earlier Lord Strathclyde\* who, as chairman of the Select Committee on the Land Values Taxation (Scotland) Bill, 1906, put the matter in these words in his historic report to the House of Commons:

"The main principle which, in the opinion of your Committee, underlies proposals to tax Land Values, is—the setting-up of a standard of rating whereby the ratepayer's contribution to the rates is determined by the yearly value of the land, which he owns or occupies, apart from the buildings and improvements upon it, the object being to measure the ratepayers' contributions, not by the value of the improvements on the land to any extent, but solely by the yearly value of the land itself. The justification given for the adoption of the new standard is that land owes the creation and maintenance of its value to the presence, enterprise and expenditure of the surrounding community. The value of the land is not created or maintained by the expenditure or exertion of its owner—except in so far as he is a member of the community. It is well, therefore, to select a standard of rating which will not have the effect of placing a burden upon industry.

Hence the proposal to exclude from the standard the value of buildings and erections of all kinds and fixed machinery. To include these in the standards tends to discourage industry and enterprise. To exclude them has the opposite effect. If, then, the value of bare land, apart from improvements, be chosen as the measure by which to fix contributions to local expenditure, the ratepayer will, it is alleged, be merely restoring to the exchequer of the local authority part of that which he has derived from it. Of this principle, and of the reasoning on which it rests, your Committee approve."

In the debates on this Scottish Bill there was hardly a point raised that did not reveal what *ought* to be done if there was truth and trust in the statements we have quoted from the two responsible Ministers—it was to remove buildings and improvements from the valuation rolls and to levy the rates on the land value of each landholding in town and country, liability for payment resting on each party interested, whether as superior, owner, or leaseholder, in the land value and in proportion to his interest, in so far as the rent payable to or enjoyed by any is a land rent.

Much work needs doing to educate opinion to those ends, that the legislature will be persuaded to act accordingly; for to-day it is Landlord Law that is being confirmed and strengthened wherein is denied the equal rights of all to the use and benefit of Nature's storehouse and the true public revenue is surrendered to the private interest.

A. W. M.

## LAND VALUATION IN DENMARK

An important Act was passed by the Danish Parliament on June 20 providing that in future the periodic valuation of the whole country shall take place every fourth year. Previously the rule had been every fifth year, although the actual intervals, because of special circumstances arising, have not rigidly followed that rule. Thus, since 1920, the general valuations took place in 1924, 1927, 1932, 1936, 1945 and 1950. The succeeding valuation should have been made in 1955, but it was postponed till 1956 and is now being completed.

Under the new Act the next valuation will be made in 1960 and of date September 1. There are also provisions for revising valuations in any year where properties have undergone material change as by additions to or subtractions from their area, by public undertakings affecting their value (new railways, roads, street widenings, reclamations, etc.) and other special circumstances.

Under this dispensation, valuation is made of every property in Denmark ascertaining the *land value* of each separate holding of land apart from any buildings or other improvements thereon; also the *composite value* of the land together with the buildings and improvements. For example, at the latest valuation, namely that made in 1950, the aggregate of the land values over the whole country was returned at 9,268 million crowns (say £480,000,000) and the aggregate of the composite values at 29,477 million crowns (say £1,523,000,000).

The new Act makes certain changes in the general procedures for assessment, objections and appeals, which have been

guided by long experience and which will ensure even greater precision in arriving at the value attaching to land apart from improvements.

Warmly commended to all students of the subject is the paper (price 1s.) *Land Valuation and Land-Value Taxation in Denmark* by Mr. K. J. Kristensen, the Chief of the Danish Land Valuation Department, presented by him at our International Conference at St. Andrews, last year.

It will be remembered (see LAND & LIBERTY of February and of March-April) that there were introduced in Parliament last January two Bills, one a Government measure providing for amending the valuation and for tax changes increasing the "increment" tax and ultimately abolishing the State taxation levied on buildings and improvements; and the other a Bill introduced by the Justice party which included proposals for a one per cent annual tax on the capital value of personal wealth, the proceeds to be paid over to the landowners, helping them as it were to pay to the community the whole rent of land. This we dubbed an outrageous proposal and we need not here go over the ground of all the objections to it. Suffice to say that both those measures were remitted to a Committee of the House, which was unanimous in recommending that the legislation bearing on the Land Valuation should go forward, while all else should be postponed for consideration when Parliament meets again later in the year.

A. W. M.

## OLYMPIC GAMES, 1956

Our colleagues in Melbourne are hopeful that among the visitors to their city for the Olympic Games in November there may be a number of readers of LAND & LIBERTY. They are asked to advise Mr. R. J. Crowe, honorary secretary of the Henry George League, at 18 George Parade, Melbourne, as soon as possible so that arrangements may be put in hand to receive and entertain them and for a conference to discuss matters of common interest.

\* The late Mr. Alexander Ure, K.C., who, on his appointment in 1913 as Lord President of the Scottish Court of Session, assumed the title of Lord Strathclyde. From 1895 to 1913 he was Member of Parliament representing Linlithgowshire. In the Liberal Government which was returned in 1905 he held successively the offices of Solicitor-General of Scotland and Lord Advocate.