

THE LONDON COUNTY COUNCIL AND LAND VALUES

RESOLUTIONS ADOPTED :

That the Council is of opinion that the present system is inequitable in its incidence, that site value is a subject peculiarly suited to local taxation by reason of its arising from community influences including local expenditure and that it is accordingly desirable that the present burden of local expenditure should be transferred either wholly or in part from rates to a rate on site values.

That H.M. Government be informed of the opinion expressed in the foregoing resolution and be urged to introduce legislation at an early date to empower local authorities to levy a rate on site values.

At its meeting on 14th July the London County Council considered and adopted the special Report of the Finance Committee making recommendation as above. Enquiry was undertaken by instruction of the Council, by resolution adopted on 16th October, 1934, which was moved by Councillor F. C. R. Douglas and seconded by Councillor C. W. Gibson. The Finance Committee was requested to consider and report (1) whether the present rating system is unfair in its incidence, and is otherwise unsatisfactory, with the result that the Council has been frequently compelled to pay for land required for public purposes a price very disproportionate to the rate contributions made in respect of such land, and (2) whether the Council should seek parliamentary powers to institute a system of rating land values.

The Report occupies 28 quarto pages. It is a public document of first-class importance which will inevitably be referred to in all future discussions of the reform of local taxation.

The Appendix gives a picture of the experience of the London County Council in its efforts to acquire land for public purposes, by presenting 157 representative cases, showing the purchase price and the rateable value at the time of purchase. Section II of the Report gives a summary of these cases from which we take the following examples.

In nine purchases of lands for parks, the total purchase price was £107,868. The same land had been assessed for rates at an annual value of £988 so that the purchase price was 109 times the rateable value.

In eight purchases of land for cottage housing estates the purchase price was £932,908. The land had previously been assessed at an annual value of £7,391 making the purchase price 126 times the rateable value.

The Appendix gives 20 cases where the land was not assessed at all—it was entered in the Rate Books as of no rateable value—yet the total purchase price was £80,135. The purchase price was therefore an infinite number of years' purchase.

The Report begins by examining the foundation and development of the English rating system which dates from the Poor Relief Act 1601, frequently referred to as the Statute of Elizabeth. There follows a description of the changes in the rating system in recent years: the exemption of certain machinery and plant from assessment, the Agricultural Rates Acts 1896 and 1923 and the "Derating" legislation of 1928-29 making agricultural land, however valuable, entirely exempt. The Committee are emphatic in their opinion that in the long run the benefit of these exemptions goes to the landowner in the shape of increased rent or higher prices for land.

After reviewing the objections to the present rating system the Report gives an informing account of the various attempts made to deal with the question of rating of land values. The subject was first considered by the London County Council in 1889, and in 1901 it

introduced in Parliament the Site Values (London) Bill. The same year, the Report of the Royal Commission on Local Taxation was published from which the Committee quotes at some length, dwelling especially on the recommendations of the separate (minority) report and the arguments there stated for urban site value rating. Following a Conference of Municipal Authorities, convened by the Glasgow Corporation in 1902, at which the London County Council was represented, a private Bill was introduced by Mr. C. P. Trevelyan. Later, in 1905, a Bill was introduced by Sir John Brunner. These Bills, although they passed Second Readings, were not proceeded with. (Conservatives were in power.) In 1906 a deputation from 118 local authorities presented a petition (to the new Liberal Government) signed by 518 local authorities, urging legislation for the separate assessment and rating of land values. That year the Government produced the Land Value Taxation (Scotland) Bill which, after Second Reading, was referred to a Select Committee. This Committee recommended that Parliament should first provide for the separate valuation of land apart from buildings and improvements and that subsequent legislation should provide for land value being the sole basis of rating. The Scottish Land Valuation Bill was passed by the House of Commons in 1907 and rejected by the House of Lords. Passed again in 1908 by the Commons it was mutilated by the Upper House and was thereupon abandoned by the Government.

Considerable extracts are given from the reports of the 1914 Departmental Committee on Local Taxation. The proposals made by the Manchester Corporation in 1921, afterwards deleted from its General Purposes Bill, are described, as well as the action taken by the Glasgow Corporation in 1926 which through the Municipal Conference it convened, invited other local authorities to join in pressing for legislation. In 1928 the London County Council considered reports of its Local Government and Finance Committees upon the Glasgow Conference and the system of rating in Sydney, N.S.W., but decided to do nothing in the matter. (The Council was then in control of the Conservative party.)

Section IV of the Report describes the legislation adopted by the Finance (1909-10) Act, 1910 and the Finance Act, 1931, both since repealed, the former by the "Coalition" Government and the latter by the "National" Government. The resolution of protest passed by the Council against the action of the National Government is quoted, the Council regretting the repeal "in view of the fact that the valuation to be made under that Act would have formed a basis for arriving at a fair purchase price to be paid for land for public purposes, as well as being of value if and when it were decided to rate land values in order to relieve the general body of ratepayers."

After dealing in Section V with the effect of a rate on site values upon redistribution as between properties and upon incidence of rates between owner and occupier, the Report ends with "General Conclusions." We quote this final section in full.

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GENERAL CONCLUSIONS

THE PRESENT RATING SYSTEM

"It is clear that the present rating system does not provide for an equitable distribution of local expenditure according to the ability of the occupier to pay. These inequalities no doubt always existed in a greater or less degree. When the system was first instituted the local expenditure was relatively small and such inequalities as resulted from the system then may have been comparatively slight, causing practically no injustice to the individual ratepayer. With the development of local government services as a result of the imposition of new powers and duties from time to time local expenditure has increased enormously, with the result that a system which originally created practically no injustice is now found to result in injustice of a magnitude calling for revision. The burden has, in a degree, been alleviated from time to time by grants from the National Exchequer in aid of local expenditure, and reduced in relation to certain classes of property by the derating provisions of the Local Government Act, 1929, but, despite this assistance, the growth of rate-borne expenditure has continued and with it the injustice of the present out-of-date and unscientific system.

"The economic effects of the present system are prejudicial to the community generally. It discourages the improvement of land, as the burden of rates is proportional to the use made of land; the supply of houses and other buildings is diminished and consequently the rents payable for them are increased. The exemption of vacant land encourages withholding of valuable land from development until a higher price can be obtained and thus tends to raise land values generally above the normal level determined by their advantage of situation.

"In the light of these considerations, the question of an alternative means of providing for local expenditure has been constantly under consideration during the past fifty years, and various proposals have been advanced for the transfer of the burden of local expenditure either wholly or in part from the occupier of rateable hereditaments to the owner of site value.

RATING OF SITE VALUES

"In dealing with so important a subject as the rating of site values, we consider it right and proper that the Council should have before it in more or less detail a review of the enquiries which have been made in the past and the legislative action which has been taken with regard thereto, and, as will be seen, we have not refrained from setting out the arguments which have been produced in opposition to the proposal.

"In our opinion, site value is pre-eminently a subject for local taxation, as it arises from community causes. It is the measure of the commercial, social and industrial advantages attaching to a site which arise from the existence of the community and community services provided out of the public purse. It is a value which has not occasioned any cost of production to the owner, and consequently the rating of site values is, in effect, a means of securing to the public a value which it has itself created.

"Long experience has shown that with the growth and progress of society there is a tendency for site value to increase steadily, and in some cases, as previously stated, this leads to the withholding of land from development in the hope of securing a higher price. On the other hand, as the rates at present payable in

respect of any property depend upon the degree of development, they tend to retard the development of undeveloped land, and, what is even more important in such an area as London, to retard the redevelopment of land the improvements on which are worn out and out of keeping with modern requirements. The rating of land values, by transferring to site value the burden or part of the burden of local rates which now falls upon improvements, would encourage an adequate development of land and tend towards the provision of more accommodation for housing and other purposes.

"Under the present system it is possible that part of the rate burden which is levied on the rateable value of properties, which includes part at least of the annual site value, falls on the owner but there is no doubt that the major portion is borne by the occupiers and in the case of commercial and industrial premises there is an undoubted tendency to shift the burden to the consumers of the goods sold or manufactured, or of services rendered. On the other hand, as a tax on site value would cause an increase in the supply of available land, otherwise held for speculation, there would be a tendency for site value to fall. In these circumstances a site value rate could not be shifted, and would remain where it was imposed.

"If it is objected that the imposition of a rate on site value is inequitable because it would interfere with existing contracts, or that existing landowners have acquired land under the existing system and in the expectation that that system would continue, it should be stated that such an objection would strike at the fundamental right of the State to impose new taxes and to determine the class of persons by whom such new imposts should be paid.

"The imposition of new taxes is of frequent occurrence, and the remission of taxation where it is considered to be inequitable has been made from time to time, e.g., inhabited house duty, rating of agricultural land, machinery and industrial and freight transport hereditaments. The object of the rating of site value is not so much the imposition of a new rate to provide additional revenue but rather a means of transferring a rate or part of a rate on the occupiers of rateable hereditaments, which is inequitable in its incidence, to a rate on the owner of site value which is not only equitable in its incidence, but at the same time secures to the community a part of the benefit conferred by the community.

"The separate rating of site value will also afford a basis for determining the value of land to be acquired by local authorities, or of compensation payable under town-planning schemes, and incidentally as the yield of the site value rate would be increased in proportion to the increased site value of the properties benefited, it would, to some extent constitute a set-off against the cost of compensations and improvements.

"Reference has been made in section III of this report to the system as applied in Sydney, New South Wales. The system, varying in details, has also been introduced and applied with success in various parts of the world to land in both urban and rural areas, e.g., Denmark, New Zealand, Queensland and South Africa. In Denmark all local authorities have been required since 1926 to raise a substantial part of their revenues by land-value rating. Optional powers were first given in New Zealand in 1896 and at the present time some 86 authorities, including the capital city, Wellington, raise the whole, and 66 the major part, of their revenue in this way. The system was applied in Queensland to rural districts in 1887 and to urban districts in 1890,

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and every local authority throughout the State levies the whole of its rates on land values. It would appear from such experience that the system is not only practicable but has worked smoothly.

"The determination of site value does not appear to have involved any great difficulty, and in this connection it should be stated that in New York City, although site value is not rated, a valuation of site value is made every year as it has been found by experience that, under a system of rating on capital values, ease and accuracy are obtained by valuing the land separately from improvements.

"The site value rate might be imposed either on capital value or annual value. In order not to create too much disturbance in the initial stages it is desirable that the new system should be applied gradually, and spread over a period of years in order to ease the burden, as is being done in the case of the redistribution nationally of Exchequer Grants provided for by the Local Government Act, 1929, and the adjustment, under section 100 of the Act, of local increases and decreases in rates arising generally from the operation of the Act.

"As regards the question of collection, the site value rate might be collected in the first instance from the ratepayer, who, if he should be the occupier, should have power to recover from his immediate lessor by deduction from his next payment of rent, as in the case of income tax under schedule A. Similarly, where there is a string of lessees, deduction should be made by each lessee in proportion to the rent paid by him. In cases, however, where the rate-paying occupier only holds a short tenancy, it might be considered unreasonable to require him to advance the site value rate out of his own pocket, in which case the rate might be made payable in the first instance by his immediate lessor.

"We recommend—

(a) That the Council is of opinion that the present rating system is inequitable in its incidence that site value is a subject peculiarly suited to local taxation by reason of its arising from community influences including local expenditure, and that it is accordingly desirable that the present burden of local expenditure should be transferred either wholly or in part from rates to a rate on site value.

(b) That H.M. Government be informed of the opinion expressed in the foregoing resolution (a) and be urged to introduce legislation at an early date to empower local authorities to levy a rate on site value."

CHARLES LATHAM, *Chairman*.

Mr W. R. Lester sails for Russia on 8th August and returns at the end of the month. Seeing and studying Soviet enterprise on the spot, and undoubtedly from the Henry George view-point; he will be able to take part instructively in the discussion on M. Daudé Bancel's paper at the International Conference. Communications addressed to Mr Lester during his absence will have the attention of the office.

The Case for Capitalism. By L. Stratford Houghton. ("This book," the publishers say, "might as appropriately be called 'the case against capitalism' under the existing faulty basic conditions, because it goes right to the root of the matter and shows that only when based on natural justice can capitalism and competition be right and healthy.") The C. W. Daniel Co. Price 1s.

THE DEBATE IN COUNCIL

The Finance Committee's Report was on the Agenda for the meeting of the Council on 7th July but the Opposition desiring more time to study it, discussion was adjourned to the meeting on the 14th. The result of the study was a remarkable demonstration by the Opposition in a string of speeches prolonging the debate as if an attempt were being made to achieve a "talk out" and no vote at all.

Mr CHARLES LATHAM, the Chairman of the Finance Committee, moving adoption of the Report and its recommendations said: The continuous development of local government functions entailing increasing rate-borne expenditure makes increasingly urgent the consideration of the present rating system, to find whether it can properly provide adequate funds for the discharge of local government obligations and whether it was fair and equitable in its incidence.

This matter has been under the consideration of the Council many times, as early as 1889, nearly 50 years ago. The Council in 1898 approved in principle the rating of site values, and in 1901 promoted a Bill for that purpose. That Bill, however, failed to secure a second reading. I think all of us concerned at the present time, whether directly or indirectly, in the municipal administration of London, cannot but regret that at that time when the problems were so much less complex than they are to-day, Parliament did not give this Council the power to rate site values. One can but contemplate how differently London would have been planned and how differently the services this Council and other bodies are asked to provide would have been provided, and how different would have been the burden on the present and the future of the expenditure of the past.

Nationally the question of the taxation or rating of site values has been under consideration on many occasions. It was embodied as a statutory part of the Finance Act of 1910, and after a lapse of over 20 years was once again embodied in the Finance Act of 1931. It cannot be urged that the repeal of both these Acts, so far as the taxation of land values is concerned, constitutes any case in opposition to the proposals to rate site values. If one were asked shortly to summarize the reasons which led to the repeal of the provisions of the 1910 Act and of the 1931 Act it would not be uncharitable or ungenerous if one said that it was largely due to political cowardice.

Members will be aware that agricultural land and building land are exempt from all rate contribution. Industrial and freight transport undertakings are under the de-rating proposals exempt from three-quarters of their proper contribution. The result of de-rating and of the other exemptions is that an increasingly unfair proportion of the burden of providing for rate-borne expenditure is being thrown upon the residential occupier, the small trader, the small business and the small commercial man.

Site values are peculiarly suited for rating. Site value is a thing which is created by the community; it arises from the needs of the community; it is enhanced by every pound of communal expenditure. And it would be difficult to discover, on grounds of reason and justice alike, any subject more fitted to bear a proper contribution towards local government expenditure. The enjoyment of site value by the individual requires no qualifications, no exercise of business acumen, no

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special activity on the part of its owner. The one thing needed is inertia and a capacity to wait and see, and having waited and seen, to receive an enhanced communal value to which he had not contributed. Not a road is projected, not a "tube" contemplated, not a housing estate planned or a factory built, or indeed an open space provided but that it results in most cases in conferring an entirely gratuitous benefit upon the owner of site values. And where the owner sells a portion of the land, not only is he able, as is clearly indicated in the Report on the Paper, to exact onerous terms from those desiring the land, but the mere acquisition of the land for communal purposes results in increase in the value of that portion of the land he retains. Thus the owner of site value is able to pocket at the expense of the community a value which the community itself has created without having made as a ratepayer any fair contribution towards the rate expenditure.

One thing clearly emerges from the Appendix to the Report and the information which it contains. It is that in general, this Council, as has also been the case with other local authorities, has been held up in many cases to ransom because it needed land and property in order to provide the services the community required. Either the Council paid extortionate prices in many cases, or the owners were grossly under-assessed, and were making a grossly inequitable contribution to rate expenditure.

In other countries it has been found that the rating of site values is both efficient and practicable. It has provided the expected contribution, and there is no reason to believe that in this country we could not incorporate into our rating system proposals for the rating of site value, and operate them with efficiency and success. I, therefore, invite the Council to declare this afternoon, as it declared nearly 50 years ago, that it approves, as a measure of social justice, proposals to bring into contribution the site value which arises from and depends upon the community needs, and community expenditure; and pass the recommendations appearing upon the paper urging the Government to take early steps to amend the rating system of this country, in order that the element of site value shall be brought within it and make its fair contribution to local government expenditure.

Sir SAMUEL GLUCKSTEIN (Conservative): With all its faults, and it had faults, the existing system of rating was on the whole fair. It was said by Mr Latham that no reasonable and proper contribution was made by the owners of site values, but it was fairly common knowledge that in arriving at the value of a property for rating purposes site value was a material factor. The annual value of the land and the annual value of the buildings upon it were calculated, and in the result gross and rateable value arrived at. Mr Latham had been careful to ask for a reasonable and proper contribution, but the recommendation showed that the Council was being invited to express the opinion that it was desirable that the present burden of local expenditure should be transferred either wholly or in part from rates to a rate on site value. So it was not necessarily a reasonable and proper contribution which was being sought.

The report also contained a calculation of the annual site value of the land of London at the present day, and the figure given was £27,340,000. But the existing rateable value of London was £65,000,000. If rates were calculated on the average of 10s. in the £ on that

£65,000,000 they obtained £32,000,000 as the rate, which was substantially more than the entire annual value of the land of London as set out on the Paper. So the Council was being asked by the recommendation to endorse a policy of confiscating the whole of the land value of London.

He did not accept the dictum that land derived its value from the work of the community. Rates were in part payable in respect of personal services. The owner of a vacant field, for instance, was quite oblivious to the need of a fire brigade. It was a service to buildings, and there were many similar services. Rates were not properly a charge against the land at all. There was no reason why a landowner should pay for dust removal or for the cost of education. We were nearer the election and it was going to be a very convenient cry to say to the ratepayers of London: "If you send us back to power we will move heaven and earth to relieve you of all your rates and make the landlord pay for them!"

Mr F. C. R. DOUGLAS: No reply has been made to the very serious and weighty criticism in the report of our unjust rating system. Sir Samuel Gluckstein has been pointing out that the present rating system is based upon the principle of ability to pay. Is that true? The fact is that the rating system is based upon the amount of rent which people pay and that is of no criterion of ability. On the contrary it is a well-known fact that the poorer a family is, the larger is the proportion of its income it has to pay in rates, and therefore the larger in proportion is the contribution. And the present system of taxation instead of being based upon ability to pay is a regressive system which imposed the heaviest burden upon those who are least able to pay. There is no reply to that.

It is pointed out in the Report that the present system of local taxation is a burden and a handicap upon industry, and is a penalty upon every building and improvement that is erected; that it adds to the cost of building; and that it makes the supply of houses and other accommodation shorter and dearer than otherwise it would be. There has been no attempt to reply to that.

The present rating system exempts vacant land from all contribution to rates; it partially exempts land which is under-used and badly used. It therefore helps to create an artificial scarcity of land and to encourage the owners of land to hold it out of use. There is no reply to that criticism either.

Sir Samuel has said that the present system of rating does to some extent bring the value of land into contribution; that is true only to a partial and inadequate extent. It brings it into contribution, but only if it is developed, and the less it is developed the less the contribution which is required from the site value, and if it is undeveloped no contribution is required at all.

It is asked why the owner of a vacant site should contribute to the expenses of, say, the fire brigade. How much could the owner sell it for if there were no fire brigade? The very existence of public education makes that vacant site more valuable and enables the owner to obtain a high price for it. The price of the site is no doubt entirely due to communal advantages of every kind, to the aggregation of population and to public services which are rendered at the expense of the ratepayers; and that expenditure day after day is adding to the value of land in London.

Only a few weeks ago on the other side of the river

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the site of the Westminster Hospital was sold for £350,000. One hundred and five years previously it had been bought by the governors of Westminster Hospital for £6,000—an increase in that period of nearly 60 fold in value. That is not an exceptional case. The value of every plot of land in Westminster has increased in a similar proportion during the same period, and so has the value of land all over London, and that is entirely due to community influences and to public expenditure. We say that the time has arrived when the value of land should make a contribution directly and expressly towards expenditure, in order that some return may be made to the ratepayers from the values which they have created.

Sir Samuel Gluckstein said that the land value is not sufficient to pay the rates. That is a matter which remains to be seen. All that is before us to-day is an estimate based on an estimate made 40 years ago. But that point is of minor importance. A proportion of the rates can be lifted from the improvements and imposed on sites; I am not concerned as to what the figure may be so long as really tangible relief can be given to persons everywhere. When a valuation is made it will be time to consider whether the whole or a proportion should be transferred from the present basis to site value. But it is a very curious thing that in not a single one of the many cities of the world where this experiment has been tried (and it has been in New Zealand since 1896, in Queensland for nearly 50 years, in New South Wales for 30 years, in Western Canada for various periods, in Denmark more recently), in every case where a separate valuation of site value has been made, it has been found that the value was not only amply sufficient to pay for the whole local expenditure, but there are innumerable towns at this moment all over the world that are now deriving the whole of their expenditure from that source with a very large margin left over to the owners of land. Therefore I cannot doubt as to what the results of the valuation will be if London is valued. On the contrary, anyone who understands the economics of the question must realize that in this the greatest city in the world, where site values are higher than anywhere else, it stands to reason that the site value will be sufficient to meet the expenditure. However, that is not an immediate question, because first we have to get the valuation. After that the Council, when it has the power it desires, will decide by what steps and with what rapidity the transition will be made from one system to the other.

Sir Samuel said there is no proposal in this Report to compensate the owners of land. Has there ever been any proposal made to compensate people for taxation? How can you compensate people you are going to tax? Income-tax payers or payers of the tea-tax—there is no compensation for them. There is no compensation for taxation because taxation is just an obligation imposed upon the citizens for the provision of public services. The answer to that, as the Report points out, is that we are now dealing with a value which is due to no individual effort. It is no penalty upon the earnings of labour, upon industry or the industrialist to impose taxation on the value of sites that comes without effort, that comes by reason of the expenditures of the community.

There never has been any Report more carefully prepared than this one, nor one in which more pains were taken to set out with thoroughness and fairness the arguments for and against the proposition, and we trust that on the merits of the case it will be judged.

Mr R. C. D. JENKINS (Conservative), in a happy style of speech, brought forward the familiar objections of opponents. Yet he paid tribute, as did subsequent speakers, to Mr Douglas's new book *Land-Value Rating* giving it excellent advertisement by recommending it to every member of the Council. Playfully, he said, it had not convinced him, and if Mr Douglas would but read it himself once more, he might come over to the opposition side.

Mr C. W. GIBSON supported the adoption of the Report in an informing speech in which he quoted numerous striking examples of land monopoly in operation.

There followed a long succession of speeches from the "Municipal Reform" (Conservative) benches—F. W. Dean, J. Mark Elliot, Sir Robert Tasker, the Countess of Limerick, Sir F. H. Bowater, Major Coumbe, H. R. Selley, E. M. Dence, W. C. Northcott, Basil Marsden-Smedley, Capt. Pierrepoint, and others. In the course of the debate, one of these speakers displayed Mr Verinder's pamphlet *The Crying Injustice of our Rating System* as indicating the kind of arguments they were invited to consider. The pamphlet had been circulated to all members of the Council by the English League, which had also sent to Labour members the United Committee's *Notes for Speakers*.

Mr CHARLES LATHAM concluded the debate saying that in view of the sustained irrelevancy of the demonstration by the opponents, really no reply was necessary.

The Opposition divided the Council three times, the voting being as follows:

- That the Report be received—For, 70; against, 46.
- That Recommendation (a) be approved—For, 67; against, 42.
- That Recommendation (b) be approved—For, 66; against, 44.

The debate lasted from 2.30 till 7 o'clock.

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To the listener in the gallery, "sustained irrelevancy" was an apt description of the speeches made in opposition. It was amusing to notice the contradictions—how this was a confiscatory proposition and landowners would be ruined; how the land value rate would be passed on and be a new and savage burden upon the tenant. The "compound interest" argument was too tempting for several of the speakers who said there was no point in challenging the landowners' right to pocket land value that had increased from £6,000 to £350,000 in 100 years, seeing that if any one invested £6,000 100 years ago at compound interest the investment would now be worth £400,000. Again, if rates were levied only on the owners of land value, they alone could have control of local government and all existing ratepayers would have to be disfranchised—an astute way of shelving the question that land values are rightly public property. With no thought as to what it costs now to make existing assessments (or of the 30 to 40 millions or more now going yearly in subsidies to the landed interests), more than one speaker trotted out the repeatedly disproved and irrelevant figures in regard to the 1909-10 land valuation. "It had cost £5,000,000 and the land value duties had produced only £1,300,000." The fact is that the alleged £5,000,000 expenditure covered the work of the valuation department over a series of years on many other things besides making the valuation for the purposes of the 1909-10 Act. The valuation itself had

cost a little over £2,000,000, representing 3s. 9d. per hereditament and would have been less if land alone had been valued and not buildings and improvements as well. The "land value duties," so called, of the 1909 Budget, conflicted with the principle of land value taxation. They were petty and selective taxes depending on accident and circumstance, and the revenue they happened to yield has nothing to do with the case. The true comparison, if there has to be one, is the cost of valuation compared with the total land value that will thus be revealed, which on a capital basis, and for the whole of Great Britain is certainly not less than £10,000,000,000. What matters is the estimate any one may make of the revenue that could be obtained, with other taxes abolished, from this fund of land value which no one can deny belongs wholly and exclusively to the community.

A. W. M.