

Colonel Stevens, it holds that the problem of finding the most economic site is equally difficult for both private industry and civil servant. The *M.G.* speaks of a pre-war inquiry of the Board of Trade which decided that it was a smaller risk for the country to let the industrialist make his own choice. On the other hand if the industrialist makes a mistake and a factory has to be closed, what of all the public transport and amenities which have had to be created at the public expense? And what of all the people who moved there and made homes? These are considerations to be taken into account.

The *Manchester Guardian* reports two cases (not mentioned by Colonel Stevens) of pre-war "steering." One the famous case where Mr. Ramsay MacDonald and later Mr. Stanley Baldwin used their influence to persuade Richard Thomas and Co., Ltd., the great steel firm, to erect their huge new steelworks and rolling mills in the distressed area of Ebbw Vale, rather than on the company's orefield in Lincolnshire. The Ebbw Vale site was probably not much less economic at the time and the plant was a complete success. But now that extensions are desirable the narrow funnel of the valley is a handicap. That "influence" was, however, used by Cabinet Ministers in a simple effort to do something for the worst spot of unemployment. Other instances are of one industrialist who was sternly cross-examined on his plan to go to Trafford Park and who got his licence at last. Other firms which had asked that they might extend their works have been refused on the ground that they were not in one of the areas which the Government specially wished to help.

### Other Interferences

There is yet another aspect of this problem. If Colonel Stevens does not wish industry and its factories to be fettered by Government dictation, can it be said that industry is free under the existing conditions? Can the industrialist go where he would wish to-day? He can do so with the consent of the owners of the site he has in view, and on their terms. This is as much a "fetter" as any kind of Government interference. Colonel Stevens gives a list of the factors which determine the economic value of a site. There are no less than 30 items, beginning with "Population to be served if Home Trade is of interest," and including Item 23 "Price of land," and 24 "Local Rates," also "Can the Freehold be acquired?"

Of all these factors the cost of land and taxation are the most vital. And these items depend on the population factor, as the pamphlet shows when it refers to London and Manchester. Here in these centres is where the value of land

is highest, and where land is most desirable for all kinds of enterprises. If the value attaching to land were taken to meet the expenses of government, the cost of land to industry would represent its true economic value without any inflated value due to speculation in land. And, at the same time taxation upon the processes of industry and its factories could be reduced and ultimately transferred in full to land values. Our present land system is a monopoly which fetters industry in every way. Manchester people know how Trafford Park, from being in living memory a residential private park, has been sold and re-sold to speculators, and is now one of the most condensed industrial centres in the

## • SMALL HOLDINGS STILL WANTED

ON NOVEMBER 17 the *Manchester Guardian* reported the meeting of the Cheshire County Council, at which a resolution was moved that the Agricultural Committee should take all necessary steps to acquire land to meet the demand for small holdings. There was said to be a considerable unsatisfied demand in the county; the applicants numbered 200 requiring an acreage of 9,000. The reply was given that the Council already owned between 11,000 and 12,000 acres, but the present time, with the high prices for land, was not the right time to buy. The motion was referred to the Smallholdings Committee.

Here is the high price of land keeping it out of cultivation. The Council's requirements themselves help to send up the prices and rents of land, and the process is encouraged by the fact that whilst the land is not producing anything it is not liable to taxation on its value. If the process were reversed, and this Cheshire land made subject to a tax on its value, the County Council would soon see prices coming down, and be able to satisfy the potential small holders, whose numbers are likely to increase when demobilisation begins.

Despite Small Holdings Acts the number of small holdings fell from 333,630 in 1875 to 274,796 in 1920. In June, 1920, it was reported that 33,717 ex-service men and 11,871 civilians had made application for 803,509 acres; and that since December 18, 1918, only 6,761 of these had been provided with holdings aggregating 99,682 acres. Year after year there was the same story of unsatisfied land-hunger. In 1924 the report was of 10,441 approved applicants not yet provided, and the area involved was 159,273 acres. In addition 8,818 applicants for 139,820 acres were waiting interview. Thus there were at least 299,093 acres that might be used at that time, and at least 19,359 families that

country. Its desirability for business purposes is chiefly due to the creation of the Manchester Ship Canal, and the nearness of the great Lancashire and Yorkshire populations. These facts and Colonel Stevens' pamphlet are excellent illustrations of the law of economic rent, the law that for a given application of labour and capital there will be varying results according to the advantages or disadvantages of the site. When this law is understood and acted on, industry—that is those engaged in industry—employer and employed, will shake off their fetters and be able to exercise their own choice of how and where they shall apply their energy and skill and brains.

D.J.J.O.

might have been making a good living. The total of small holdings had fallen from 274,796 in 1920 to 270,588 in 1923, and Allotments also had decreased by 10 per cent. in three years. The cost of land for small holdings from 1918 to 1924 had been £9,635,076 for 216,873 acres, or 18,608 holdings. This was about £44 per acre, and about £517 per holding. Reports in *Land & Liberty* for those years gave details for several counties all telling the same tale of great public effort to meet pressing need, frustrated by exorbitant costs of land.

In 1929 there were 16,000 small holdings set up under the Act of 1919, at an average cost of £953 each, and there were 9,327 applicants still unprovided for. No wonder, at such a price! Passing on to 1937 there were 400 fewer applicants in that year than in the previous year, the number applying being 7,391 for 145,000 acres. Of these 1,174 were approved and settled on land, but another 1,528 who were approved were still waiting at the end of the year. Of the remainder, 392 were rejected as unsuitable, 957 withdrew, and 3,340 were standing over awaiting interview.

That same year, 1937, allotments decreased to 589,015, compared with 605,026 in 1936, covering 59,087 acres, and with a total of 1,330,000 allotments in 1920.

If Cheshire is any indication there will be a revival of demand for land for both allotments and small holdings after the war, and a wise agricultural policy would encourage this demand and stimulate the county councils to meet the need. But this cannot be done under present conditions of exempting unused land from rates and taxes on its value. The small holding problem will be as pressing as the housing problem, and the same medicine will cure the same complaint, which in both cases is the dearness of land and its difficulty of acquisition.

D.J.J.O.