

"OUR POLICY."

"We would simply take for the community what belongs to the community—the value that attaches to land by the growth of the community; leave sacred to the individual all that belongs to the individual."—Henry George.

WHAT IS THE LIBERAL LAND POLICY?

The land question in all its varying moods, despite the more political expectancy of the moment, continues to occupy a prominent place on the platform and in the press. The municipalities are stirring once more into healthy life on the question they did so much to promote from 1895 to 1906—the question of the rating of land values for the up-keep of local needs, and as a means of breaking through the "iron girdle of land monopoly" around their boundaries. This re-awakening on the part of the municipalities is just what we anticipated would happen once the valuation of land was begun. The question is bound to make headway, and as the days go in, to gain more and more the ear and the affections of the great body of the people. The ratepayers have come to realise and acknowledge that the value of the land, apart from the value of improvements, forms what the Lord Advocate has so well named the true standard, or measure, for the raising of our local revenues.

Feeble attempts are being made by some "reformers" in Parliamentary and in municipal circles to side-track the issue on to the lines of local income tax. Mr. Munro Ferguson, Liberal M.P. for Leith Burghs, in the debate in the House of Commons on the 23rd February, reported in our March issue, stated that:—

"We shall have to have, I think, something in the nature of a local Income Tax for local requirements. Taxes fall so unevenly on the poor man and on the thrifty, and comparatively lightly upon the great financial houses in the city, that the community should pay for services as they pay for Imperial Taxation, according to ability to pay."

This is a misleading statement. Imperial taxation is not based on any principle whatever—not even on the objectionable principle of "ability to pay." But that is another story. Such taxes have had their day. They were first popularised, we believe, by Robin Hood in a primitive attempt to help the poor by taking something from the rich. But the poor do not require the "benefits" of such predatory taxes; what they want is justice in taxation, and the tax on land values meets a long-felt want.

It is not likely that the overworked trader, or the wage-earner of the city will submit to any municipal tax on their hard-earned incomes. They have their eyes on the swollen land values of the city and they mean business, as Mr. Munro Ferguson and all who think with him will find out in due course. We have no fears on the subject. We are as sure of the local rating of land values as we are that the sun will shine in the morning. Once the valuation of the land is completed and made known, the over-rented and over-rated shopkeeper, the man in the counting house and in the workshop can be relied upon to join in a successful endeavour to persuade the local rating authorities that their safety—that their municipal lives—lie in the direction of appropriating such publicly earned values for public needs. The movement for the Taxation of Land Values grows apace and the day of deliverance of the ratepayer from the greed and the rapacity of landlordism is at hand.

In the discussion of the rural aspect of the land question the conviction is growing that the failure of the Small Holdings Act is beyond dispute. On the same day that Mr. Munro Ferguson in the House of Commons

was resuscitating the Robin Hood plan of raising local revenue, the 23rd February, the Minister of Agriculture, Earl Carrington, was entertaining the Yorkshire Union of Agricultural Clubs to a few varied reflections on the tenure of land for agricultural uses. Dwelling in his usual interesting and taking way on the ups and downs of estate management, culled mostly from his own experience as a landowner, he declared that it was absolute rubbish to be told that landlords, tenants, and small holders cannot live out of the land alone. Of course it is absolute rubbish, such a statement, just as it is absolute rubbish to suppose, even by inference, as Lord Carrington does, that the landlord, as such, is anything but an absolute parasite on, and not a partner in, production.

Whether he be owner of a town site or of agricultural estate, the landowner as such is a non-producer, and there is no place for him in the economy of nature. The owner of land gets his living, great or small, out of the rents paid by the workers, out of the produce of tenant, farmer, small holder, and labourer. These are the bees in the hive of industry; the landlords are but drones, and sooner or later, and the sooner the better, the bees will turn out the drones to work for their own living. Any section of workers would be missed were they to leave any well-ordered community in a hurry. The bakers, or those engaged in the supply of milk, or in the manufacture of gas, for example. Because, if these people were to remove their services they would be missed immediately. Not so with the landlords; they could go at any time, and nobody need know they had gone. As landlords, they render no service to their fellow-citizens, except to grant permission—at a price—to use the land. In taking their leave they could not take the land with them. The rent of land would of course remain, but this the rate collector could collect for the benefit of all the others. Verily it is absolute rubbish to suppose for a moment that this non-producing class should for ever hope to impose their unrighteous claims upon a sober, industrious, and well-meaning community.

In a lucid moment, or it may be in a moment of mental aberration, Lord Carrington gave his audience and the public an inside view of the Cabinet discussions of the land question. He said:—

"When the Budget was introduced into the Cabinet I only said one thing: I said that it was wrong—I do not say whether it is right or wrong—it is wrong as we think, to tax food, but it is equally wrong to tax the land that grows the food: therefore they said we will not put any fresh tax on the land that grows the food. I said tax the landowners in the towns if you like, but leave alone the hard-working farmers and the landowners, and we entirely abandoned a tax on the land that grows the food of the country; practically all agricultural land has no fresh taxation whatever."

It is amazing at this late hour to have Lord Carrington talk about the Cabinet discussing the taxation of land when he knows full well that what they proposed was the Taxation of Land Values. Was he not present at the luncheon given to the Prime Minister by the land reformers of the country at the Holborn Restaurant on June 24th, 1909? and did he not hear Mr. Asquith say these words:—

"What are these land taxes? Let me, in the first place, say that though by a convenient and popular use of language they are called land taxes, that is not really an accurate description. They are not taxes upon land in the sense in which, for instance, a tax upon tea or a tax upon spirits is a tax upon that commodity. These land taxes proposed by my right hon. friend are a toll levied by the community only on the added values which accrue to land or rather to the owner of land, not through his own effort, enterprise, or expenditure, but through social causes for which the community and the community alone is responsible. They are not, therefore,

taxes upon land. They are taxes upon the communal value which has been added to land by the existence and the exertions of the State."

Does Lord Carrington wish the public to understand that this clear and unmistakable language was not used at the Cabinet meetings when the famous Budget was under consideration? Lord Carrington would have us believe that he does not favour the taxation of land. But that is exactly the policy he does support, only he believes that the landlord is the person entitled to levy the tax. Agricultural land is taxed to-day; it is better known, this tax, as the "rent" levied by the landlord class, and its devastating incidence is known to every country side. According to the evidence given before Agricultural Commissions which is at the disposal of every student of the question, this tax has caused untold suffering to the men who till the soil, and turned them off the land into the slums of our great towns, or hunted them out of the country by the hundred thousand. This is the one tax on land. It is levied by the landlords, for their own behoof and it must be removed if our premier industry is ever to work its way to freedom. If the farmer and the labourer, the two active factors in the business, are ever to get a fair chance, the passive factor—the land—must be freed from the baneful clutches of the non-producer.

THE TIMES of March 27th, 1911, betters Lord Carrington's statement in the following vivid manner. It says:—

"The Cabinet were divided in opinion as to the desirability of including any land taxes in the Budget, those who opposed this course desiring to postpone a crisis for a year or two. The first compromise arrived at, it is understood, was that land taxes should be included, but that the naval programme should be strengthened. The first draft of the Budget proposed a tax of a penny in the pound on the capital value of all land—a proposal favoured by a strong section of the rank and file. This was rejected. It was found *inter alia*, that in the case of the owner of perpetual ground rents in England and of feus in Scotland it would often happen under the incidence of such a tax that the whole income would be paid as tax. As an alternative it is understood, it was then suggested that the tax should be a halfpenny in the pound on the capital value of all land, a proposition which ultimately dwindled, through various changes, to the halfpenny tax on undeveloped land embodied in the Bill. The Liberal land tax section subsequently expressed their disappointment in the House of Commons at so moderate a measure of reform. Between January 19th and April 29th, 1909, there were 23 Cabinets, and a number of Cabinet meetings, at a goodly proportion of which the framing of the historic Budget was under consideration."

This is all very enlightening, even though it comes to light late in the day. Lord Carrington's remarks, and the statement in the TIMES indicate quite plainly the pro-landlord spirit of the Government. The landlord as a landlord has got to be considered all the time, and whatever happens the tax on land values is not to apply to agricultural land. What is to apply, therefore, we presume, is the Small Holdings and Allotments Act.

We gave in our last issue quite a review of the progress of this Act from independent sources, by those friendly to the Act and who are in close touch with its workings. The statements made were not encouraging, and the word "failure" was writ large across the administration of it. During the month of March we have to notice the same cry from the almost heart-broken "back to the land" supporters of the Government. A recognised authority and a strenuous worker for long years on this plan of putting people back on the land, Mr. R. Winfrey, M.P., is by no means pleased with the results. Speaking at a meeting at Letchworth on the subject on the 15th March, he

complained that the Board of Agriculture had not yet realised its full responsibility. Only two Small Holdings Commissioners had been appointed for the whole country, while at the very least six ought to have been appointed. The County Councils who refused in a business-like way to take advantage of the Act had been too tenderly treated by the Board of Agriculture, and the land valuers had little sympathy for the movement for Small Holdings; they had much more sympathy with the landlords and large farmers, and the result was that in several cases where the schemes had gone through the small holders were paying 50 per cent. more rent than the previous tenants had paid.

In the House of Commons on the 23rd March, Mr. Morrell, M.P., called attention to the administration of the Small Holdings Act. The passing of that Act introduced a new ray of hope, he declared, in the rural districts, and men came forward with their applications at considerable risk to themselves. The demand was remarkable not only for the quantity, but for the quality of the men who came forward. In some parts of the country the Act had worked well, but in most places the results had produced disappointment, disillusionment, and dismay.

Commenting on this discussion, the DAILY NEWS of March 25th, in a leading article, sounds a doleful note in coming to the support of Mr. Morrell's view of the case, and declares that the Small Holdings Act as administered under the present Board of Agriculture is a grave disappointment. In combination with the incompetence displayed by the Board two other explanations of the "failure" are offered, namely, the indisposition of many County Councils to apply the Act in the face of the opposition of the landowners and farmers, and the indisposition of the Board to bring pressure to bear upon the County Councils. The slack or recalcitrant Councils have had little to fear from the Board. In only two cases has the Board used its power to supersede defaulting Councils and put the Act into operation of itself. The principles (*sic*) of the Liberal land policy are sound, so the DAILY NEWS assures us, and that what is at fault is the administration that must be changed.

So the discussion goes drearily on. Land monopoly has nothing to do with the withholding of land. It is the pro-landlord valuers, the two Small Holdings Commissioners, or rather the four that were not appointed, the Board of Agriculture and the County Councils that are to blame. Such is the case put forward by representative Liberals, while Sir E. Strachey (Parliamentary Secretary to the Board of Agriculture) from his place in the House of Commons replies to the effect that we are getting on fine, and that he must point out that a considerable number of applicants for Small Holdings had failed from the fact that they had not enough capital or experience, or because they had not been able to pay sufficient rent.

Verily it is a desperate looking business. The Small Holdings Act won't work. The President of the Board of Agriculture will not have the Taxation of Land Values, neither will his Parliamentary Secretary in the House of Commons. Outside the Government our well-intentioned friends who have devoted their lives to the cause of Small Holdings stand talking at large at the administrators of the Act, the County Councils and the landlords, who object to small cultivators for ever so many different reasons, chief among which, says Sir Edward Strachey, is the fact that non-successful applicants cannot pay the rent demanded.

But we do not despair. We are going to have that penny in the pound yet. The supporters of Land Values Taxation in the House of Commons are determined that this question will not rest. The Memorial to the Prime Minister urging the development of the Taxation and Rating of Land Values has now been signed by 162 Liberal and Labour Members of Parliament. This policy will be prosecuted to a successful issue.

J. P.