

The £160,000,000 of local rates will have to be borne by someone. Instead of it being borne by the monopolists, who have held this country by the neck for centuries, reaping the profits of every public improvement, the Chancellor of the Exchequer is prepared to leave the monopolists still entrenched. He has not the courage to go back to those old ideas and principles which he so eloquently advocated in the days when he wanted a seat in Scotland.

THE FINANCIAL JUGGLER

Mr Winston Churchill is reported to us on 25th April as having made a great performance. In the train townwards I heard the discussion of the knowing ones. Such praise as one heard was in general terms. No one seemed to have had time to master the details.

Meantime he is a long way off from his Edinburgh speech of 17th July, 1909. "In this country we have long enjoyed the blessings of Free Trade and untaxed bread and meat, but against these inestimable benefits we have the evils of an unreformed and vicious land system. . . . We are met in an hour of tremendous opportunity. 'You who shall liberate the land,' said Mr Cobden, 'will do more for your country than we have done in the liberation of its commerce.'"

In pretending to liberate "production," whatever he may mean by that, the Chancellor is going to transfer the burden of rates not to the monopolist but to the consumer. The man who sleeps in a house instead of at his work is to have his rates increased so that the factory may escape. If he goes home in a bus, he is to pay a bit towards the subvention of rates in his bus-fare. The railways are to pass their burdens on to the passengers but not on to the freights. Competition is to be equalized as between motor-buses and railway trains. Meantime the landowners whose sites are abutting on the railroads and the main roads are to pay nothing from the enhanced value created by transport and the users of transport. Oh no: they can now expect a higher land value. The factory owner, in so far as he is not a distributor, is to be freed from rates and will be given the opportunity to pay increased prices for his land. Those who do not own the land will not be able to lower the cost of production as what they gain on the swings will be lost on the hobby-horses. Sites for houses will tend to become dearer, as the owner is now given the option to sell or let for a factory freed from rates as well as for a house burdened by them. Surely the Chancellor knows that any tax relief on buildings, if unaccompanied by a tax on land values, is only altering the method of burdening industry. If he does not know that, he formerly spoke as if he did. In any case one hopes that he will be reminded or informed, as the necessities of the case may determine.

One thing he has admitted and persuaded his Government to admit, *i.e.*, that taxation is a burden on industry and prevents the revival of trade. A wiser Chancellor will not shift it about. He will lift it off industry and place it on Land Values. W. R.

They could hardly do better than take as one of their mottoes the words they found on the notepaper of the League for the Taxation of Land Values, "Free land, free trade, free men." Let them aim at these three things. If they had free land and free trade—and they had neither at present—they would get free men. If they achieved these three things they would receive and would be entitled to receive the respect and gratitude of every one throughout the country, irrespective of parties or creeds.—Mr R. Lorimer, Liberal Candidate for Ayr Burghs, at a meeting in Prestwich, 2nd April. —*Ayrshire Post* report.

LANDLORDS AND RATE RELIEF

By Dr J. Dundas White, Ex-M.P.

In a letter to the *Times*, 26th April, Dr J. Dundas White wrote: "Mr Churchill's plan of completely relieving farm lands and buildings from all rates will mean that when present tenancies come to an end—and most agricultural tenancies are for short terms—landlords will be able to raise rents correspondingly, and their position will be further strengthened by holding the land rate-free. The more we unrate improvements, whether agricultural or otherwise, the better. But at the same time we should recognize our common right to the land which Nature has provided, and shape our system accordingly.

"A former Chancellor of the Exchequer, Mr Goschen, described rates on landed properties as 'a kind of rent-charge upon those lands for the benefit of the public.' His successor should readjust this public rent-charge equitably, by basing in each case on the market value of the land apart from improvements, and relieving improvements from rating. This policy would hold the balance true between public and private interests, by securing to the people what is rightly theirs and to the improver what is rightly his. In practice, also, it would have a double advantage, because the obligation to pay for the land, whether it is being used or not, would soon make unused and under-used land available for use on fair terms, while the unrating of improvements would lead to more improvements being made."

The View of Sir Edgar Harper, F.S.I.

Speaking on 25th April in the Chartered Accountants Hall, Manchester, at a meeting called by the Land Values League (*Manchester Guardian* report) Sir Edgar Harper said that one of the outstanding criticisms of the Chancellor of the Exchequer's proposals to reduce rates by 75 per cent in the case of the producer was that they all knew from experience of the Agricultural Rates Act that the relief would inure ultimately to the owner of the property and not to the producer at all.

The owner, as soon as occasion arose for reviewing the rent, would say: "You have now had 75 per cent taken off your rates so you can afford to pay me a good deal more rent." That was where the relief was going.

Sir Edgar's whole argument was, of course, that the best way of reducing the burden of rates on industry is to transfer the rate to land values. He suggested a tentative beginning with a rate of 1d. in the pound on the selling value of land, whether vacant or not. He thought it was essential to go slow in the beginning, but Sir Edgar could not quite conceal his conviction that the method would more than justify itself.

The speaker's criticisms of the present rating system were directed to showing up its well-known anomalies, and started from the assumption that it is more important to levy rates equitably than to reduce them in amount.

The failure to rate unoccupied land or property, the special burden which rates impose on the house, amounting almost to a tax on shelter, the injustice of rating machinery and improvements, all these absurdities of the present system were touched upon.

Twelve hundred and thirty-one ratepayers were summoned to appear at Grimsby County Policy Court to-day for rates due to the Cleethorpes Urban District Council. The bench gave all the defendants a month in which to pay; adjourning the cases.—*Grimsby Telegraph*, 13th March.