

opposite, such as the hon. Member for Newcastle-under-Lyme (Mr. Wedgwood) and the hundred vice-presidents of the Land Nationalisation League. Take a case which recently happened near London, where the construction of a golf course at Coombe Hill by a few private individuals has enhanced the building value of all the land adjacent. What is the position? Under this Bill it would be possible for the London County Council to embark on a large land speculation and to buy for purposes of possible future profit building sites all round Coombe Hill. [An Hon. Member: "Not while you are on the county council."] The hon. Member is certainly correct. I should use what little influence I have with any municipality to prevent their embarking on a large speculation of that sort, and to concentrate their attention on the statutory public health functions for which they primarily exist.

If the House looks at the question from the point of view recommended by the hon. Member for the Blackfriars Division, I do not believe that it will for one moment dream of making the municipal authorities of this country speculators in land on a large scale. On the other hand, I feel that if the hon. Member opposite had made out a case and had shown that it would enable local authorities to acquire land on better terms for the great public services for which they exist, the House would look with a more kindly eye upon the Bill. I should be the very last Member in this House to deny that local authorities have in the past and are still being confronted with very real difficulties in acquiring land for public purposes. In all those instances which were cited by the Seconder of this Bill of acquiring sites for the building of schools, for fire brigade stations, for street improvement, and for carrying out the functions of the authorities under the Housing Act, we are confronted with very great difficulties indeed.

In the first place, I would remind the House that, as has already been suggested, there are times when the municipalities are called upon to pay something more than the market rate. It is only natural when there are only one or two sites suitable for a given purpose, such as the building of a fire brigade station or a school, that those sites acquire a monopoly value. We have so far as London is concerned done a great deal to circumvent that. I think if we take our purchases, whether for sites for fire brigade stations or schools, for street improvements or for the carrying out of our duties under the working of the Housing of the Working Classes Acts, we may congratulate ourselves that since 1888 we have not paid an excessive price for any land which we have purchased, and that we have got fair value for our money.

I suggest to the House that this Bill will do nothing for facilitating the operations of public authority either in the matter of housing or in any other of those important spheres of activity which they are appointed to discharge; that this Bill is not honestly intended to achieve any such purpose at all; that it is put forward, with the idea at the back of it by the members of the Land Nationalisation Society, in order to make the municipal authorities of this country the largest landowners within their area. I do not think it is necessary for me to say anything about the inadvisability of doing that. This is part and parcel of the scheme of land nationalisation. That may or may not be a sound policy, but I object to this Bill upon far narrower grounds, namely, that if you pass it you are going to shake to its foundations the whole basis upon which our municipal credit at the present moment exists without increasing the efficiency of the municipal bodies to discharge the functions they were originally appointed to discharge.

**Mr. Wedgwood:** This Bill, introduced as it is by the Land Nationalisation Society, does bring forward a great matter of principle far wider than all the details that have been commented on by hon. Gentlemen on the other side of the House, and it is at the present time very important the House should look at it from every point of view. The Chancellor of the Exchequer, speaking on April 2nd of this year, in making his financial statement, said:—

"We shall have in this country a great survey of the land which will be available for the purpose of the re-adjustment of local taxation, and which I have no doubt will be available for equally important public purposes of another character."

When he made that statement, I immediately had this Tax and Buy Bill, as it used to be called, in my mind's

eye. I know he was throwing out a feeler to see whether this Tax and Buy Bill would not be a possible opening for Liberal legislation in years to come. The people I represent in this House more particularly are the single taxers of the country. They are an energetic body of people, although their numbers may not be very great. They have been the life blood of Liberalism, and they invariably put their principles before party politics. These people made the success of the great election fight of 1909-10. They threw their whole soul into the fight for the Budget, and they secured a victory for the Liberal Party. But these people were not satisfied with the Budget, and the Chancellor of the Exchequer knows perfectly well they did not approve of the Increment Duty and they did not approve of the Reversion Duty. They fought for the Budget in order to get the valuation. I do not think, if the Chancellor of the Exchequer brings forward one of these Land Nationalisation Bills and hopes to secure the support of the whole body of the land movement in some future election fight, he can expect to get the support of those single taxers throughout the length and breadth of the country. The land taxers are not the same as the land reformers. They have no sympathy with them, and they view reform on these lines as tinkering measures, having no bearing whatever on the vast poverty problem facing the people of this country at the present day. It seems to us that in this matter of the land question, we have offered to us by the Government one thing after another as sops to keep us quiet and to prevent us getting to real business. We have had the Small Holdings Act; we have had the Town Planning Act; we have had the Increment Value Duty, and now we are to have this opportunity for local authorities to purchase land and to go into the speculative land business.

We want a plain, simple proposition for destroying the power of land monopoly. All these other proposals are mere dodges and sops to evade the issue and to show the Government is dealing with the land question when, as we know, they are not dealing with it in the right way. This Bill, of course, is the Land Nationalisation Society's Bill, and I would like to congratulate Mr. Hyder on having got it debated in this House. There is no single taxer who does not hate this Bill and hate the idea of land nationalisation as being nothing more nor less than a landlord's dodge for getting compensation. Let me indicate to the House what this Bill actually does. The Bill is divided into two parts. I have not much comment to make on the second part which provides possibly better machinery for enabling the local authorities to purchase land required for school sites, fire stations, or something of that sort. It does not, however, improve the existing machinery in the only way Liberalism ought to improve it. It is merely a simplification in the rules of arbitration. You are not taking, when you require land for schools, the Budget of 1909, or any subsequent valuation as the basis of the purchase price. You are going back again, as every scheme for land purchase has gone back for sixty years, to the Land Clauses Consolidation Act of 1845. Part II, merely repeats, perhaps with some slight modification, the principle that in buying land you are buying something for which special compensation is required, and these enormously high prices have always been extracted from either local authorities or railway companies. The second part of the Bill, although not going as far as I should like, is unobjectionable, and has a great deal to recommend it, and, if it were passed into law, I think it would be to the advantage of the whole community.

It is the first part to which my objection is principally taken. The first part of the Bill involves the purchase by local authorities generally of what is called undeveloped land. Nobody has yet touched on the question what undeveloped land is, and if you look back to the Finance Act of 1909-10 you will find it is a rather peculiar feature of that Act, as anyone who has had much acquaintance with operations under it will know, that it is possible for the owner of building land round a town to drive a coach and four through the Act in every direction. He has only to spend a certain sum on putting down roadways, and then it ceases to be undeveloped and no longer liable to taxation. In the same way any land which can be by some fiction let with a cottage a mile or two away is also not undeveloped land, and I have no doubt that the hon. and gallant Gentleman opposite (Mr. Pretyman) knows many

other ways in which it is possible to get round this question and to see that land is not classed under the Budget of 1909-10 as undeveloped land. There is really only a small amount of land which is technically undeveloped, and it is possible to reduce that quantity very considerably within the four corners of the Finance Act. In so far as a local authority can purchase undeveloped land it may do so under this Bill. But it does not do anything whatever towards destroying the power of landlordism in the country; it merely sets up a new landlord in place of the old landlord.

It is the land speculation itself that we object to, and whether the process of ripening is carried out by the local authority or by a private landlord, it is equally bad in either case, and it is no satisfaction to us to know that the power of speculation is put into the hands of corporate bodies in addition to being in the hands of private landlords. That is our case against this Bill.

What is the local authority to do with undeveloped land when it has purchased it? There are three things it can do with it. It can let it lie idle, it can let it ripen, as they are doing in Germany, and hold it year by year until it will fetch such a price as will satisfy the consciences of those responsible for dealing with it. In that case there is every year a dead loss on the money borrowed. I agree with the Noble Lord opposite that a dead loss of that sort is going to be very bad for the financial credit of the local authority. The second alternative is that it can build upon the land. It can put model houses upon it. That is a practical proposition to put before the local authorities. They may buy the land and immediately set to work to employ clerks of works and builders to put up houses, but the first result, if that is done, is that local enterprise in the building line ceases entirely. You cannot get local enterprise to compete with a county council which is going in for the building business on a large scale. I demur entirely to the idea that the people of this country want to have houses built for them by the State: that they want, from infancy to the grave, to be looked after by brass button brigades. I have had some experience on a council which owns a good deal of land. We let it to tenants, and we make the unfortunate tenant, before he can have a small holding, sign an annual agreement. He has to promise not to let off the land for beasts to graze upon, not to put any nails into the buildings, not to put up advertisements. I only wonder we do not require him and his wife to go to bed at nine o'clock and to attend church on Sundays. The fact is the tenant probably finds he has exchanged one old woman for a committee of old women. That is the result of State ownership of land. If the local authority takes the second alternative and employs people to put up houses on the land, it will mean the destruction of private enterprise in building, because it cannot hope to compete with a local authority. In the second place, you will have constant interference with the freedom of the individual who inhabits your model dwelling; and, thirdly, you will have pressure brought upon the local authorities to let these model dwellings at charity rents, or uneconomic rents, and thereby assist the employer to get cheaper labour and to pay lower wages than he does at present. The second alternative is, to my mind, worse than the first. I would sooner that they acted like private landowners, and held land up and let it ripen until it reached a decent figure, than that they should go into business as builders and owners of model property and slum property. There is another alternative, which they have accepted in Germany, and which might be accepted here—that is to lease the land to private builders, and let them build just as they would if they were leasing land from the ordinary landlord.

Immediately you introduce the question of the State or municipalities leasing land to private persons you are back again in landlordism, just where you were when you started. What sort of lease are you going to give the man who leases the land? If you give him a seven, fourteen, or twenty-one years' lease he will have no incentive to put it to the best possible use, or to put up decent houses, because he knows that at the end of the lease the land will revert to the local authority. If you give him a thirty-three years' lease he will not do it; if you give him a ninety-nine years' lease he may. If you give him a ninety years' lease, are you not re-establishing the landlord problem just when you are trying to escape from it? I speak on this subject about the country on about four days a week. At the

end of one's meetings it is the commonest occurrence for someone to get up at the back of the audience—some well-intentioned person, like the hon. Member for Halifax (Mr. J. Parker) or the hon. Member for the Blackfriars Division of Glasgow (Mr. Barnes), who have backed this Bill—and say, "We agree with you, but why not nationalise the land?" I have to say that while the Conservative party are against nationalisation and the taxation of land values, and it is only the taxation of land values that is really opposed by the Whigs of the Liberal Party, therefore it is the taxation of land values that is the thing for the working classes. The real point one always makes in reply is to say "Nationalise the land! But what are you going to do with it when you have nationalised it? Are you going to let it out again, or are you not?"

I had the honour to be a member of a Committee which considered the land question in Nigeria. We found that the whole of the land there had been declared public property by Sir Percy Girouard. Therefore, we began with a clean slate and nationalised land. Immediately we were faced with the problem of what we were going to do with the land, what sort of security we were going to give to the people who wanted to use the land, and what incentive to put it to the best possible use. Some said give a ninety-nine years' lease; others said give, as in East Africa, a thirty-six years' lease, while others said give a seven, fourteen, or twenty-one years' lease. All sorts of suggestions were made as to what should be done with the land. Finally, we decided to give the people a seven years' lease, with a promise of renewal at a rent based on the unimproved value of the land they occupied, and to give them a renewal at a rent which took no account of the capital they had employed in improving the property, building upon it, draining or manuring. That is a system spoken of by Mr. Morel, on his return from the Congo, as a model system for the British Crown Colonies in Africa.

My objection to this measure is centred on two points. In the first place, it is a measure of land reform which does nothing whatever to cheapen land or to make it easier for those who want to use land to get it. In the second place, it is a measure of land reform, which, unlike our reform, does nothing whatever to stop the exploitation of labour or the growth of poverty in this country. It does nothing whatever to make it easier for a man who wants to get land to use it, who is at present compelled to work for wages for a master, to get that which he wants, but merely transfers the ownership of land from a private landlord, often good, but sometimes bad, to a public authority, and I do not believe it is possible, human nature being what it is, or that the public authority will be able to give that man any fairer or better treatment than he gets from a private landlord. I hope, therefore, that the House will not accept the Bill as any sort of measure of genuine land reform. It is a makeshift, a piece of tinkering with the existing system, with which we will have nothing to do. It will do no good in the long run. It will make it easier for some local authority to acquire a school site and so reduce the charge upon the rates, but it has nothing to do with the destruction of poverty, and will not put an end to the exploitation of the working classes.

**Mr. Pretyman:** Anybody, municipal or otherwise, is entitled to buy land at its present value, and I, for one, say that if a municipal authority desires to acquire land for public purpose it should have the land at a fair value and should not have to pay additional problematical value because the land might at some future time obtain a higher value than it has to-day. But when land has really an actual prospective value that value ought to be paid—that is, the real market value. The Bill is clearly designed to enable local authorities to purchase land at a price which may be considerably below its actual value at the time.

I am not at all sure that this Bill is in order, because this valuation does not yet exist, and, as far as I can understand, it is impossible, in view of recent decisions in the Courts, to carry it out. It was only yesterday that the highest Court of Justice in Scotland decided that the whole of the minus valuations under this Act are virtually absurd, or, at any rate, illegal. The valuation stands condemned, not only as regards those minus valuations, but as regards the whole basis of valuation, because that is on a regular ascending and descending scale, and once you destroy the bottom section of that scale you have got to invent a new scale, if you are to cover all the land of the