

WASTELAND WOES

THE Civic Trust last reported on urban dereliction in 1977. Today they alert Britain to the problem yet again with a hard hitting and well researched report: *Urban Waste Now*.*.

Stephen Joseph, the author, sets out why and how wasteland is a problem what action has taken place over the past ten years, and what should be tackled now.

There is still much to do despite some grant aid to urban development corporations, garden festivals and local activity.

All over Britain, the report says, land is going to waste, lying idle, unused and derelict.

With the help of on-the-

ground evidence from many local amenity societies and other environmental groups the report illustrates the problems of prolonged vacancy, associated with dereliction, danger and decay, a scarce resource wasted while greenfield sites are being put under pressure.

The report reveals that 62% of the surveyed sites were privately owned or small, often being held out of use in the hope of gaining planning permission.

Just how much of Britain is lying wasted can only be estimated, but powerful pressures - from housebuilders, high-tech industries and major retailers - tend to push

development towards greenfield sites rather than towards urban wasteland.

The Civic Trust calls for improved information on the nature and scale of the problem. Local planning authorities, for example, should be required to prepare and publish regular land audits of all vacant, unused and derelict land, both public and private, in their areas.

The government's register of publicly owned surplus land should drop the

minimum size criteria of 0.4 ha (1 acre) and the public's right to request that sites be included in the register, and disposed of, should be given full publicity.

A full public register of all land titles should be prepared, embracing ownership, date of purchase and price. The impressive list of suggested solutions includes tax incentives.

The Civic Trust is an independent agency promoting higher standards and management in the environment. It is to be congratulated on this excellent report.

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followed by a depression in 1992.

With the best will in the world, there is no way - under present conditions - that we can finally consign the housing problem to the dustbin of history. Ask the Japanese: their trading surplus has attracted tens of billions of dollars in extra disposable cash. Far from being a blessing - enabling hard-working, thrifty workers to acquire decent homes - the money has been a curse. It has been sumped off by the land market, so that workers are even worse off. Japan now has the highest land prices - and some of the worst housing - in the world.

In Britain, successive Labour Governments tried their best to deal with the land problem by taxing capital gains, acquiring development rights, regulating the market. The owners of land merely sat tight and awaited better political climes.

There is one solution only: a high, annual tax on the current market value of all land, irres-

pective of whether it is being used or not.

If landowners had to pay a tax on the unimproved rental value of their sites they would not leave houses standing empty for years on end while desperate parents prayed for roofs over their children's heads.

If the tax was high enough, the incentive to speculate would be diminished if not wiped out: so owners would not withhold their sites from the market even while builders struggled to make their prices match the pockets of their prospective customers.

This is the only way to destroy the monopoly power of the land market. Empirical studies, based on an examination of those cities that levy heavier taxes on site values than on the value of buildings - eight cities in Pennsylvania, most towns in Australia - confirm our predictions. Idle urban land is brought back into use. This restricts sprawl, conserves the green belts and reduces those wasteful costs of infrastructure that are

associated with leapfrogging developments.

It is too late to do anything about the current business cycle. Through its impact on the supply and price of houses, the land market has already begun to distort the labour market, force people heavily into debt and persuade Nigel Lawson, the Chancellor of the Exchequer, to raise the cost of borrowing money (which inhibits entrepreneurs from investing in new capital and creating new jobs).

Today, 70% of house builders say that the supply and price of land is the major constraint on their ability to produce new houses. The price of land is heading towards the heights that were last seen in 1972/3 and 1979, when prices peaked just before the recessions of 1974 and 1980. The government, by abolishing the residential property tax, has added to the momentum: land prices will receive an extra fillip at the turn of the decade, and place Britain on course for the Crash of '92.