

## PRESERVING THE COUNTRYSIDE

By C. V. Brayne, C.M.G.

*A meeting in Bookham, Surrey, recently addressed by Mr F. C. R. Douglas, L.C.C., explaining the Rating of Land Values, has led to correspondence in the local newspapers. In reply to Mr F. B. Bengier, one of the critics, Councillor C. V. Brayne, C.M.G., of Leatherhead (retired Land Commissioner of Ceylon) wrote as follows :—*

MR BENGIER and I have the same aim, the preservation of the amenities of our countryside. We differ about methods. I somehow do not think Mr Bengier would have written his first paragraph if he had studied Henry George's *Progress and Poverty*, but I may be wrong. Those who cannot answer the arguments for taxation of land values are apt to confuse the issue by throwing doubt on the *bona fides* of those who advance them. They insinuate that the rating of land values is put forward for the purpose of diverting public attention from reckless expenditure and providing fresh resources for exploitation. The proposal, they say, comes from the left, is in fact socialistic, and, therefore, must be bad. It is a case of give a dog a bad name and hang him.

To answer these insinuations. Taxation and rating of land values is not necessarily a left or Socialist proposal. It is entirely consistent with the maintenance of private enterprise and in fact gives fairer scope for such enterprise than our present system. It has no connection with any movement the aim of which is to make the Government the sole financier, employer, and distributor of wealth. It is a reform in the incidence of rating and taxation demanded by common justice as well as by economic expediency and it might equally well be put through by any one of the three political parties.

What Mr Bengier and I equally desire is that certain beautiful pieces of country should be kept as agricultural land. At present they are such and have never been used for any other purpose. For this use they have a certain value, let us say £40 an acre. Yet if the Local Authority wishes to secure that these places shall not be "developed," that is from the point of view of their rural amenities spoilt, our present system puts it into the power of the owner to demand compensation up to eight or ten times the value of the land to him for agriculture. As long as this position continues the Town Planning Act, as far as preserving rural amenities is concerned, is a dead letter. There is no need to quote instances. Anybody who has given any attention to the subject knows that this is so. We are thus entirely in the hands of private owners and without their consent there can be no protection of the countryside except at ruinous expense.

Now I maintain that this position is all wrong. It is anomalous and illogical. It constitutes an injustice to the majority of the people who value rural amenities and have no power to protect them. Why should the owner of land which has always been used for agriculture be compensated to this enormous extent if it is in the interests of the community that his land should continue to be used as it has always been used? If it is argued that the market value of the land is £400 an acre and not £40, the owner has not done a hand's turn to create the additional £360 an acre. The added value, as far as it really exists, has been produced by the community, that is by the growth of population and consequent demand for dwelling houses and by the provision of amenities by the Local Authorities. Even for these amenities the owner of agricultural land has contributed little or nothing.

But the added value above the basic value of the land for agriculture is an artificial and fictitious value. It has been produced by the artificial limiting of the supply as compared with the demand. Take the Bookhams,

there is much more undeveloped land than will be required for development in the next twenty or thirty years and in normal circumstance one might reasonably expect to be able to purchase land for development at a price a little above its basic value for agriculture. It is our faulty system which has produced the present position. If land values were rated and taxed it would not be economic to hold land out of the best use that could be made of it. The result would be that where under a demand for building valuations rose above the basic agricultural value there would quickly be sellers and it would be possible to buy land at slightly above its agricultural value. In other words, the artificial limiting of supply would cease. When this stage had been reached the Town Planning Act would become workable and Local Authorities would be able to preserve beauty spots without adding shillings to the rates. I never suggested that the Local Authorities should buy the land. God forbid that they should step into the shoes of the landlord. They could zone such lands as should be so preserved as agricultural and the compensation they would have to pay would not be a tithe of what is demanded in present conditions.

But to return to the main question. Surely it is more just to tax and rate land values created entirely by the community and the growth of which have entailed no effort on the part of the landowner than to rate and tax improvements made entirely by the toil and outlay of their owner. It is certainly more expedient from the economic point of view. Rating and taxing of land values discourages the holding of land out of use or its insufficient use. Taxed land makes cheap land for those who need to use it. Industry and enterprise will be further encouraged as the burden of rates and taxes is gradually removed from it on to land values.

Mr Bengier asks: "How can you equitably tax a forest at £15 an acre when you tax an adjoining housing estate at £600?" You cannot. If the two pieces of land were similar they would be taxed the same. But, as we have already pointed out, once the new system came in the value of the housing estate would quickly shrink. £600 is probably a highly artificial value produced by the artificial restriction of supply we have already noted. If the basic value of agricultural land in the neighbourhood were £40 an acre the value of the housing estate under new conditions would be nearer £60 than £600.

But even so, the forest might be rated and taxed at a level which rendered it uneconomic to maintain it as a forest. I take it Mr Bengier is thinking of a forest which is a rural amenity and which it is desirable in the interests of the public to maintain. Well, this is exactly a case in which town planning should come in. The Local Authority can zone the area as a forest and its value will then be exactly the value of a forest and no more, and it will be rated and taxed accordingly.

- 
- LAND AND FREEDOM. A new, comprehensive and up-to-date work on Land-Value Taxation. By FREDK. VERINDER. Cloth, 2s. 6d.
- LAND-VALUE RATING. Theory and Practice. By F. C. R. Douglas. Cloth, 2s. 6d.
- THE TRUE NATIONAL DIVIDEND. Pros and Cons of Social Credit. By W. R. Lester, M.A. 3d.
- UNEMPLOYMENT AND THE LAND. By W. R. Lester, M.A. Sixth Edition, 1d.