

CYNICAL PANTOMIME

THE whip-in of the landed Lords to vote against amendments in the Poll Tax legislation was very revealing. The response of their lordships was undignified and the resulting vote questionable on legal grounds.

Insofar as they were landowners they were gathering specifically to vote on a matter in which they were personally interested. The new property tax legislation would relieve them of rates on their country mansions, and bring into charge workpeople who had never before been individually rated.

The benefit to each Lord of the Land on his mansion only could be counted in thousands of pounds and the ownership of his landed property elsewhere could be benefited too.

Further, the promoters of the legislation say that the object of the measure was to ensure that those who benefit from the expenditure of rating authorities should pay. Landowners receive that benefit, often in greater measure than workpeople, for, in urban areas especially, the enormous land values are the result of public expenditure and the presence and work of the people.

Landowners - as such - contribute nothing; they are only takers.

As to legality, Members of Parliament have to give particulars of their property interests. The inference is that they should not vote on matters in which they could be personally financially interested in the results of the vote.

Magistrates are careful to disqualify themselves in similar circumstances in stricter measure, including non-financial matters.

One of the richest landowning Lords is reported to receive £11,000 *an hour*. Landowners, as such, are 'unemployed': no human can make land.

The amendment upon which the vote was taken was about ability to pay. That would create difficulties because it is in

• MARGARET THATCHER'S government mustered the strength of its landowning supporters in the House of Lords to push through its Bill aimed at abolishing the residential property tax and transferring the burden onto people through the Poll Tax. EDGAR BUCK (right), a Welsh lawyer, contests the legality of their Lordships' vote.



any case not possible to get blood out of stone and there would be enormous administrative difficulties.

It was at best a palliative and becomes unimportant when there is a solution which is economically sound, entirely beneficial to all our working people and challenges longstanding social injustice.

A tax on land values - but not on buildings or other improvements - is an ideal source of public revenue. Included would be the levying of tax on unused or underdeveloped land at its true value. This would quickly bring it into use. It would, at the same time, because of competition, halt and gradually reduce the price of land and solve the housing problem.

THE LORDLY trek was reminiscent of the events leading up to Magna Carta with its committee of 25 barons together with representatives of a landowning church, who saw to it that the collection of details of landholdings for taxation purposes (The Domesday Book) was never completed.

The whole of that operation was the beginning of the transfer of the obligation for the expenses of government from land to the workpeople. Let us not deceive ourselves, the present proposals for rates does just that.

It brought back to mind, too, the background to the Parliament Act of 1911

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THEIR LORDSHIPS' NOT-SO-FUNNY TREK

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which took away the powers of the House of Lords finally to nullify legislation passed by the Commons.

The Parliament Act was necessary because the Lords had rejected a Bill which provided for a tax of 20% of any increases in value of land after 30 April 1909, to be paid when land was sold or transferred, plus a halfpenny in the £ on undeveloped land.

Despite the Parliament Act, the tax itself, as well as a more radical tax in 1931, was never implemented to any sub-

stantial extent because of the power of the landowning interests.

THE TREK was almost comical. The landed Lords in the main did not normally interest themselves in the positive business of the second chamber, but on being asked by the political party in power who looks after their interests to the detriment of those who work, made the one-off visit to vote.

The comical part is that their votes could not ultimately be effective because the law, as laid down in the Parliament Act 1911, gives the ultimate decision to the Commons.

'Too mystical' for Labour?

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Greater London Transport Committee and author of the highly successful but short-lived Fares Fare policy.

The land value rating option was at least considered. It was rejected because, in the words of Tony Page, research assistant to Dr. John Cunningham, Labour's spokesman for the environment, land value rating was "too mystical" and "difficult to understand". Obviously, Australians, New Zealanders, Danes and Pennsylvanians are gifted with a special power which enables them to penetrate this mystery, since they have managed to live with land value rating for decades.

If Labour had come out in support of land value rating, this would have resolved the problem of capturing development value, which has been a preoccupation of the Labour Party for 40 years. As it is, the way is open for Labour to devise a Mark 4 version of betterment levy, which, like its predecessors, can be guaranteed to crash-land

before it reaches the end of the runway.

HOW HAVE the two parties managed to make such a mess of their policies? Looming over any discussion of local government finance is the 1975 Layfield Report which tends to be treated as Holy Writ. Its recommendations are constantly trotted out because policies tend to be made in headquarters offices by bright young economists with first-class honours degrees who have just completed their post-graduate qualifications.

Economics, unlike, say, the physical sciences, is not usually treated as a heuristic discipline. The study of the subject depends

on a method of working which collects as many opinions on the subject as possible, and somehow splits the difference between them; it does not encourage the student to start from first principles.

Thus, in defence of Labour's proposals, Page claimed that they had the support of lots of experts - which is a useful substitute for arguing for the policies themselves. And the youthfulness of so many of the policymakers means that they lack the experience to recognise bunkum. If they had the slightest knowledge of the world where things are paid for in cash, no questions asked and no receipts given, they would give short shrift to ideas such as local income tax.

The Conservatives will have no difficulty in tearing Labour's proposals to shreds. If they find their way into Labour's next election manifesto, the suggested combination of local income tax and domestic property tax based on capital values should help to keep the party out of office for a further term.

Local Income Tax - A Better Way by Philip Truscott. Price £2.50 Published by the Association of Liberal Councillors Birchcliffe Centre, Hebden Bridge W.V. Yorks HX7 8DG.

Local Services, Local Choices, Local Taxes. Price 75p Published by the Labour Party 150 Walworth Road, London SW17 1JT.