

ASHLEY MITCHELL'S CANDIDATURE AT KEIGHLEY

For the sixth time in more than thirty years, Ashley Mitchell has unsuccessfully assayed to enter Parliament as an uncompromising champion of the taxation of land values and free trade. Contesting Keighley, Yorkshire, as a Liberal, in the recent General Election, he secured 6,310 votes. This was a remarkable personal achievement in a constituency not contested by a Liberal at the 1951 General Election, and in view of the present low tide in the Liberal Party's fortunes. The Labour poll fell by 4,329 and the Conservative vote by 5,284. Mr. Mitchell's opponents were C. R. Hobson, the re-elected Labour Member (19,414), and Marcus Worsley, Conservative (16,011).

POINTS FROM HIS ELECTION ADDRESS

Taxation. What a sorry farce is all the noise about whether the Budget is fair. We are one of the most heavily taxed countries in the world. Excessive and burdensome taxation is all round robbery. When any small reduction is made, the cry goes up, "You ought to go on robbing him and let me off." Sweeping reductions of taxes are needed. Small businesses are being driven by taxation into absorption by large companies, so increasing monopoly and reducing individual enterprise that has made this country. Governments should have to beg Parliament for revenue. They should be denied any excess; they are certain to waste it . . . The Chancellor has budgeted for a surplus and you are told that if taxes were reduced it would cause inflation . . .

The battle between the Tories and Socialists is much of a sham fight, except for the Socialists' mania for nationalisation. They both believe in controls. The Exchange Control is the citadel of the planners. Neither of them will let the pound find its own level in a free exchange market, so they stand in dread of a balance of payments crisis entirely due to maintaining the pound at an arbitrary figure. Free convertibility at a fixed exchange would make trouble certain.

The Socialists in five years of office failed to make the economy secure. They piled on the taxes that cause inflation. Their only real achievement was the extension of the social services, supported by all parties. The results of nationalisation have made them dubious of more. They bungled the Land question, proposing to give the landowners £300 millions to satisfy the urge for State control. They did nothing to relieve the burden of local rates. Their Valuation Act broke down in failure. The Tory Act is little better, as many people will discover when they see their new assessments.

Tax and Rate Land Values. The value of the bare land is made by the whole community and should be taken as the natural revenue. Then we could see real reductions in present taxation, starting first with all the nasty, wrongful taxes—Petrol Tax, Entertainment Duty, Purchase Tax. The huge site values of the great cities, where land is worth millions of pounds per acre, would provide the revenue.

Rates. Rates should be taken off buildings of all kinds and levied instead on the land value, as is done so successfully in other countries. We are fifty years behind the times. The De-Rating Act was an injustice and should be replaced by this real reform . . .

Free Trade. Sweep the tariffs away and return to Free Trade. A country that has open ports has a competitive advantage over tariff countries that increase all their costs by tariffs. Under Free Trade the cost of living is reduced: wages, salaries, pensions, all go further . . .

When we had Free Trade, we had free enterprise only for some. Yet even limited free enterprise brought great benefits. If Land were made easy of access for all, as it could be by the Rating and Taxation of Land Values, then we could

How the Taxation and Rating of Land Values would benefit the Householder

1. RATING

AS THINGS ARE:

Rates are levied on the Assessment of the House and the Land on which it is situated, *i.e.*, the value of the whole property.

AS THEY SHOULD BE:

Assess only the value of the land.

IN PRACTICE: WE ARE 50 YEARS LATE.

Alderman J. R. FIRTH, Ex-Mayor of Strathfield, N.S.W., in an address given in London, 12th May, 1925 (*Land & Liberty Report, June, 1925*), "Under the old system a man who paid £12 in rates on house and land, on the assessment of the land only pays £3 6s. 8d. in rates,"—the balance of revenue coming from valuable land previously exempt from rates.

That is how it works where it is in operation. It is used similarly in Brisbane, Wellington, Johannesburg, etc.

Alderman FIRTH also stated, "The Councils were given the option to levy rates upon land value only, or on the value of land plus improvements (buildings). The voting was confined to owners of land; tenants were not allowed to vote. It was on the vote of the property owners themselves that the land value system was adopted. And now no member of any local council would dare to suggest that we revert to rates on improvements."

2. TAXATION

To levy a national tax also on the value of the land only. It is proposed to collect £100,000,000 by a tax of 2s. in the £ on the annual value.

A householder owning a £1,500 house on a £100 site would pay 10s. land value tax. With the £100,000,000 yield of revenue from the tax an equivalent amount of taxes on goods could be remitted. That would mean a saving of £10 per household in indirect taxes. Or £10 less 10s. land value tax equals a saving of £9 10s. per annum.

Land Values belong to the community, they are created by the community. It is a safe estimate that the annual land value of Great Britain is £1,000,000,000. That is where both Local and National Authorities should derive their revenue.

see such an extension of opportunity that would raise standards for all.

A notable incident in the campaign was the receipt by Ashley Mitchell of the following letter from Mrs. Barbara Matthews, Information Officer, on behalf of the Conservative candidate:—

Dear Mr. Mitchell, In view of the many questions which we have had on the subject of land valuation, we should appreciate very much having fuller information on the subject than is given in either the Liberal Party Manifesto or your Election Address. Your pamphlet, "How the Taxation and Rating of Land Values would benefit the Householder," gives actual figures showing the difference in rates as applied to a householder and also says that it has been used in Australia and Africa. We should be glad if you would kindly let us know the basis on which these rates have been calculated and any further information that you can send on how this system actually works in practice.

Suitably responding, Mr. Mitchell sent a copy of the "Simes Committee" Report, drawing attention to the factual information contained in the Appendix. He also quoted Lord Halifax, Conservative, who had said of the rating of land values: "I would have supposed that the principle so laid down had, on the whole, established its victory in the political field irrespective of Party."—*House of Lords, November, 1949.*