

ing system but without its defects. It provides an essentially local source of local revenues, and one which has the required stability. It encourages the erection of new houses and other buildings, while at the same time (as it falls on the value of land whether the land is used or not) it discourages speculation and tends to reduce land values to a more reasonable level. The *Manchester Guardian* (13th September), in a leading article reviewing this publication, says that "the rating of site values instead of buildings has a strong claim to serious reconsideration." It does, in fact, provide a logical and feasible solution of the problem of local rating as well as assisting the solution of various problems of town planning, betterment and compensation on lines which we have explained in detail on other occasions.

Following the leading article on Rating Reform in the *Manchester Guardian* of 13th September, Mr. D. J. J. Owen wrote in the same paper, 16th September: "I welcome the comprehensive survey in your leading article to-day of the various proposals for correcting the anomalies of our local taxation system, and your conclusion that in the absence of a more satisfactory plan the rating of site values instead of buildings should be given serious reconsideration. As one of those inclined, as you suggest, to be over enthusiastic for this reform, and possibly to exaggerate its results, I may say that we have an excuse in the success attending the adoption of the device in cities like Sydney, Johannesburg and Pittsburg, to name but a few. It has been suggested to me that these are modern cities free from the entail of complicated titles and interests in land, but against this there is the fact that the London County Council has investigated the merits of site-value rating and has decided that it is not only workable but essential to the solution of London's problems. The L.C.C. Bill for Land Value Rating, disposed of by Parliament without discussion on its merits, stands as a model for its detailed application, worthy of the unprejudiced examination and support of all municipal authorities and reformers."

On 26th September, Councillor Needoff carried on the discussion in a letter answering Lady (Shena) Simon's advocacy of a local income tax.

**2s. 6d. PROGRESS AND POVERTY.** An Inquiry into the Cause of Industrial Depressions and of Increase of Want with Increase of Wealth—the Remedy. By Henry George. Complete edition. Paper covers, 2s. 6d.; in special binding, 3s. 6d.

**2s. 6d. LAND AND FREEDOM.** A new, comprehensive and up-to-date treatise on Land Value Taxation. By Frederick Verinder.

**2s. 6d. LAND VALUE RATING.** Theory and Practice. A handbook for all interested in municipal finance and the rating question. By F. C. R. Douglas, M.A., L.C.C., M.P.

**3d. THE LONDON COUNTY COUNCIL AND SITE VALUE RATING.** Debates on the Bill and discussion in the Press.

## JAMAICA—Official Commission Recommends Land Value Taxation

IN OUR issue of February last we reported the evidence given by Mr. F. R. Williamson, on behalf of the People's National Party, before the Valuation Commission appointed by the Governor of Jamaica. The Commission which sat under the chairmanship of the Hon. Simon Bloomberg, Collector General, was asked to inquire into and report upon the incidence and collection of taxation upon real property. It has recommended that all existing taxes on real estate be abolished and be substituted by taxation of land values, all the revenue going to the local authorities. The report is summarised in the *Kingston Daily Gleaner* of 28th July, for copies of which we are indebted to Mr. F. R. Williamson, Mrs. D. Simmons and Dr. S. Vere Pearson.

The Commission also recommends the setting up of a permanent Central Valuation Department as distinct from the Collector General's Department, which will remain the collecting agency. The annual cost for staff, etc., is estimated at £9,582, but it is suggested that secondments and transfers from the Collector General's Department will reduce the cost. For the general revaluation, however, the Commission estimates that additional staff will be necessary for one year at a cost of £27,465, and it suggests that the services of a Valuation Commissioner, who has had experience of the practical administration and application of the unimproved value system, should be obtained.

Reasons for the recommendation that taxation be levied on the unimproved value are thus stated:—

(a) As any improvements to the property are exempt from taxation, it is an incentive to energy and initiative in development, whereas the present basis of assessment is a deterrent to building and improvements, because any additions in the way of buildings or improvements increase the taxable value of the property.

(b) It is a tax on "undeveloped" land in the sense that used and unused land of the same "unimproved" value pay the same taxation, thus inducing development for economic reasons.

(c) "Unimproved value" of land does not fluctuate to the same extent as the gross value, as it is not directly affected by the type of cultivation, the addition of buildings, and other improvements.

(d) Land taxation based on the gross value operated prior to the introduction of income tax and thus money spent on improvements to land was only taxed once, that is, when the taxable value of the land increased consequent on the improvements. Since the inception of income tax, however, money spent in improvements to land is subject to double taxation, it being taxed when it formed part of the income of the landowner, and it again being taxed when it is utilised to increase the taxable value of the land.

The evidence given before the Commission was almost unanimously in favour of the the adoption of the "unimproved value" system.

There is one recommendation to which exception must be taken, namely, that the first £10 unimproved value of all properties be exempted, provided that where a person owns more than one piece of land the exemption applies to the aggregate and not individually. This is a departure from principle, and it cannot be justified. On this proposed exemption Mr. L. C. Hill presented a minority report.

Mr. Williamson has since sent later issues of the *Gleaner* with a full text of the Commission's Report and a commendatory leading article. Fuller details will be given next month.

A Special Correspondent of the *Manchester Guardian*, 6th September, writes on War's Legacy of Economic Problems in Egypt. Clearly inflation on a huge scale has taken place, and he speaks of the steep rise in living costs. "The war bonus scale fixed by the Government," he says, "varies between 5 per cent. and 50 per cent. according to wage or salary, but since the cost of living is nearer 300 per cent. the vast majority of the population have barely a living wage even with bonus. Thus although landowners have benefited from the rise in agricultural prices, farmworkers have not shared in the prosperity." The italics are ours.

Sicilian patriots are not separatists; Sicilian landlords and a good few peasants in their pay are, because they dread the inevitable land reform which a free Italian Government will introduce when we have left the country. The poverty of the peasants who have next to no land is still astonishing. Many Sicilians are in England now as prisoners of war, and it was among them that the highest percentage of illiterates were found.—Sylvia Sprigge "In Liberated Italy," *Manchester Guardian*, 30th August.

*Information Service* is the weekly publication of the Department of Research and Education of the Federal Council of the Churches of Christ in America, 297 Fourth Avenue, New York. The issue of 25th March was given to "Incentive Taxation, a Review of Current Publications," to which the first of the contributions was made by Miss Margaret E. Bateman, director of the Henry George School of Social Science in New York. It described the movement for Land Value Taxation and its progress in a number of countries, and is based on material to appear in Miss Bateman's forthcoming book *Whose World?* published by Ideas Unlimited, 60 East 42nd Street, New York.

**6d. LAND VALUE TAXATION IN PRACTICE.** Review of what has been done in a number of countries. By A. W. Madsen, B.Sc.