

LABOUR PARTY OBJECTIONS TO SCOTTISH PLANNING BILL

Town and Country Planning (Scotland) Bill Second Reading, May 12

MR. DOUGLAS JOHNSTON (Labour, Paisley): What creates the value of land is a community coming upon the land and building roads, providing drains and so on. The result of this Bill will be that the additional value of the land which has accrued because of the work of the community will have to be paid for by the community. The person who gets off scot-free is the landowner, and not only does he get off scot-free, but he is able to obtain an increased price for his land. I suggest that that is totally wrong and unjust.

MR. E. G. WILLIS (Labour, Edinburgh East): One thing about the 1947 Act was that it tried to collect for the community the betterment values arising out of the efforts of the community. But in this Measure the Government are deliberately throwing this overboard, and putting the clock back because they are giving a better guarantee to the landowner. The landowner is now to be compensated for losing the development value. I say that that is quite wrong.

Why should we show this tenderness to the landowner? Surely if the community creates a value the community should get that value, not the landowner. That is what is wrong with this Bill. The 1947 Act tried to set out to accomplish that. It endeavoured to recover for the community those values which the efforts of the community created. But the Government do not consider that to be necessary any more than they consider it necessary to protect the community, but only to protect a section of the community.

MRS. JEAN MANN (Labour, Coatbridge and Airdrie): May I remind hon. Gentlemen opposite that when we were trying to acquire that dreadful, sore spot in the centre of Glasgow from Frederick Street to High Street, which included Rotten Row, Dean Street and Balmano Brae, we remitted it to the arbiter. After waiting for months we were told by the arbiter that the area would cost us £14,000 an acre. Have we not reached a stage when these huge, fantastic sums for compensation should make us seek a better solution?

We have before us in this Bill what we have had in other Bills, the Treasury taking over liability. It will protect the landowner from having to pay betterment fees, just as in the Rent Bill the local authorities have to take over the slums after the landlords, the owners of the slums, have lifted rent from them for perhaps 100 years. In the Bill, instead of our collecting betterment from those whose land is improving, the Treasury is to take over liability for compensation. Who is the Treasury? It is all of us. The electors, the ratepayers, will have to finance it, and he whose land increases in value will get away with the spoil.

MR. A. WOODBURN (Labour, Clackmannan and East Stirling-shire): This Bill is associated with the destruction of a reform, which in various forms, has been introduced time and time again, to try to secure for the public something belonging to the public. On every occasion when some machinery has been devised to do that and a Tory Government have come back, they have automatically revoked and destroyed it.

I was interested to look back to the 1909 Budget in which Mr. Lloyd George tried to introduce this. There are people here who can remember the campaign that ran through the country when, by an increment tax, he tried to secure for the community some of this betterment value. He quoted the parish of Plumstead. In 1845 250 acres costing £750 had a capital value of £15,000. When Woolwich Arsenal came into being, 5,000 houses had to be built and the income from the land was £14,250—almost 100 per cent of the capital value. It had then already earned £1 million in ground rent. After 20 years the land and houses reverted to the landowner—land worth £15,000 at the beginning was worth £2 million.

We have no desire to deprive a man of the fruits of his own efforts, but he should not be able to appropriate the value accruing from the labours of the community. It has been assumed that all the value accrues from the community; the value may accrue from private enterprise but has nothing to do with the landowner at all. The building of a factory may increase the value

of ground adjoining. We are talking from the general principle that a person shall not reap where he has not sown.

Our complaint refers not to the Bill's sins of commission but to those of omission. In other words, it is the landlord's charter. It enables him to win both ways. If his land is bought compulsorily, he is paid by the community compensation in the form of development value to the standard laid down in the 1947 Act. If the land is not acquired compulsorily, and he goes into the free market, he sells at full value and pockets 100 per cent of the increment. In other words, where there is paying to be done, it is the community that pays; where there is reaping, it is the landlord who reaps.

If the development charge was wrong, it could have been put right, but just to surrender the whole of the development value to the landlord without any check whatsoever seems to us preposterous and another gift to a section of the people who back the party opposite. To set land free to be sold to speculators and bidders is an entire surrender of their duty to look after the public interest.

We feel strongly that the Government have made no attempt to tackle this problem. They have certainly said to their friends the landlords, "Here, boys, take it. We are back again. Lloyd George has been thrown over. Everybody who has tried to deal with this problem has been thrown over." We have led the armies up the hill. When the Tories came in they led the armies down again. The landlords are back where they were before 1909.

£15 million Gift for Scottish Landowners

CONSERVATIVES DISTRIBUTE LABOUR'S LARGESSE

23,676 claims have been established amounting to £15,362,000 for loss of development value in respect of land and buildings in Scotland under Part V of the Town and Country Planning (Scotland) Act, 1947.

Up to April 30 the amount of development charge paid, or assessed, in respect of properties in Scotland under Part IV of the Act were:—

Paid in cash—£803,000 in 8,600 cases.

Set off against claims—£163,000 in 593 cases.

170 cases were still undetermined.

—MR. J. STUART, Secretary of State for Scotland, in written replies to parliamentary questions tabled by MR. THORNTON-KEMSLEY, June 2.

At a Labour Party Meeting

Acknowledging receipt of "most instructive" land values literature, and making his first subscription to *LAND & LIBERTY*, Mr. R. J. Gray in a recent letter made report on a meeting at Southall held to discuss the new Housing Repairs and Rents Act. Organized by the Labour Party, of which Mr. Gray is a member, the meeting was addressed by Mr. George Pargiter, M.P.

During the discussion, Mr. Gray asserted that the cause of the problem before the meeting was to be found in the private appropriation of the rent of land apart from buildings and improvements, and that the solution lay in the taxation of land values. The Labour Party must accept a large measure of responsibility for the present situation, having failed to solve effectually the problem of land tenure.

How ironical it was that after winning two world wars during which men and wealth had been conscripted, wage earners' pay packets were dipped into by P.A.Y.E. and other demoralizing forms of taxation while the very foundation of life and freedom was held freehold by a privileged minority. Mr. Gray suggested that the Labour Party should agitate for "freehold pay packets." Concluding, he referred to land values in the vicinity of the meeting: two acres near London Airport had been sold recently for £90,000 while a site in South Street measuring 7/12 acre had recently been valued by the County Valuer at £18,000.