

PARLIAMENTARY DEBATES

ESTATE DUTIES ON AGRICULTURAL LAND

IN THE Committee Stage of the Finance Bill, on 3rd June, Mr A. COLEGATE (The Wrekin—Conservative) moved a new clause for the abolition of estate duties on agricultural land. The CHANCELLOR OF THE EXCHEQUER, Sir Kingsley Wood, said it was one of the matters "which will have to be considered in connection with the Government's policy on agriculture," and he thought that this would be "some comfort" to Mr Colegate, whose speech would be given "the greatest consideration." If this is not encouragement to the landlord party, it comes very near to it.

Mr F. C. R. DOUGLAS (Battersea—Labour) said: There is not a single argument which can be brought forward in favour of this proposal which cannot be brought forward for reducing the Death Duties on many other kinds of property. If it is true that they injure the interests of agriculture, it is equally true that they injure the interests of other industries. The hon Member has attempted to escape from the dilemma by saying that in the case of industry ownership is very often vested in shareholders, who can sell their shares without affecting the actual control and conduct of the undertaking; but that applies in the case of agricultural estates. Every one of us knows that scores upon scores of agricultural estates have been turned by their owners into limited liability companies, to deal with this very problem. It is open to them to continue that process as far as they please. In that way the continuity of the company's ownership can be maintained, and the problem of raising the money can be dealt with by disposing of the shares, in precisely the same fashion as owners of shares in an industrial undertaking deal with the problem of paying Death Duties. In fact, there is no other object in this country which is dealt with so tenderly, so far as Death Duties are concerned, as is agricultural land, which is taxed upon a lower rate than other property, and on which the owner has an option, which is not given to any other payer of Death Duties, to pay the amount of the taxation by instalments spread over a number of years.

It is said that this taxation is a burden upon agriculture—a burden, that is, upon the industry on farming—but there is no proposal from the hon Member to exempt from the burden of Death Duties the stock-in-trade of the tenant farmer, by which he carries on the actual operation of farming. It is only a proposal for exempting the owner of land from Death Duties upon the land. Let us not forget that the land is made up of two elements. There is the land itself, and there are the buildings and the other improvements which have been made to it. If there was a proposal to distinguish between those two things in order to encourage the provision of improvements, quite a good case could be made out. The Scott Report, to which reference has been made, contains a series of proposals that there should be a fresh system of valuation which would make that distinction between the land itself and the buildings

and improvements which are placed upon it. If such a distinction were made, there would be an opportunity, not only in this case, but in other cases, to make a distinction between the actual contribution to production and the ownership of a natural resource which has not been created by anybody.

Let us assume for the sake of argument that Death Duties on agricultural land do to some extent fall upon persons who are actually conducting the business of farming. It is not a serious burden placed upon that industry. The amount in question is comparatively small. For the past 20 or 25 years the amount of Death Duties collected in respect of agricultural land has fallen to about half what it was. The amount now collected, something over £1,000,000—and I speak from memory—is only a very small part of the agricultural output of this country, which is well over £250,000,000. Therefore, this amount is of the order of much less than 1 per cent of the agricultural output of the country. It is useless to suggest that the condition of agriculture is seriously influenced by the effects of this taxation. Reference has been made to the break-up of great estates, and something may be said for that in some cases, unless we are all prepared to stand by a system in which the ownership of the land of this country is concentrated in the hands of a comparatively few individuals. I question from the very foundation the soundness of an argument of that kind unless we believe in a state of society in which there is a great gulf fixed between those who have large possessions and the mass of the people of the country.

I sympathize with those who wish to preserve many beauties which have come down to us from the past, but the dispersal of these artistic treasures is not due to the incidence of Death Duties upon agricultural land. It had started long before the Death Duties on agricultural land came into existence and before they had attained any significance whatever. The Huntington Library in California, to which the hon. Member referred, has one of the most marvellous collections of ancient documents. The Battle Abbey deeds were sold by the owner of the land more than 100 years ago, before any question of Death Duties came into consideration at all. If owners of land desire to preserve these things for the benefit not of themselves, but of the nation at large which has contributed out of the rents which it paid to the owners of agricultural land, there are means open for them to do so. They can hand over their property to the National Trust in order that it shall be preserved for the benefit of every one of us. There is no reason why those who feel patriotic in this matter should allow artistic treasures of that kind to be dispersed. I hope that the proposal which has been made will be looked at from all its aspects—from its economic aspect and from the other aspects which have been mentioned—and in the light of the fact that every proposal of this kind means that more taxation has to be placed upon somebody else in order to improve the conditions of those whom it is hoped to benefit.

HOUSING IN SCOTLAND

IN Committee on Supply, House of Commons, 8th June, the Civil Estimates for Scottish Housing and Health were considered. The SECRETARY OF STATE FOR SCOTLAND, Mr T. Johnston, made his statement. Following is an extract from the ensuing debate.

Mr W. LEONARD (Glasgow, St. Rollox—Labour): There can be no denial that over-crowding is one of the paramount problems, and the councillors of the City of Glasgow cannot satisfy the mass of appeals which are made to them. There is in Glasgow a type of house which I call the uninhabitable, or at any rate the house that should not be habitable. It exists there in larger numbers than in most other towns in Scotland or in England. There are certain condemned areas in the city which call for immediate attention. There is the pre-requisite of land. I should like to be assured that action has been taken to safeguard local authorities against land speculation. Something should be done to see that land speculation does not in the slightest degree hinder the activities of local authorities.

Commander T. D. GALBRAITH (Glasgow, Pollok—Conservative): In Glasgow to-day there are 281,000 houses, of which 35,000 are single apartments and 110,000 of the room and kitchen type. Practically none of those houses have baths or sanitary accommodation except what is common to the inhabitants of four or more houses. If we are to remedy that state of affairs and bring our housing up to the standard laid down in the Act of 1935, we shall require at least 100,000 houses. When a survey was made in 1935, the Corporation estimated that they would require 65,000 houses. The estimate is now 100,000, an increase of 35,000 houses, perhaps due to dilapidation in the period of seven years. If dilapidation continues at that rate, at the end of 32 years we shall be far worse off, because we shall require an additional 160,000 houses to bring matters up to the standard laid down in 1935.

Mr G. BUCHANAN (Glasgow, Gorbals—Labour): The local authorities are already staggered by the figures which are revealed, and some are positively alarmed at the thought of what the new method will disclose about T.B. The Secretary of State can say what he likes, but it is not complimentary to our City or to Scotland that to-day doctors cannot get places for T.B. patients in our hospitals. The need for providing T.B. treatment is great, but one of the greatest needs is a period of convalescence afterwards. To-day, these people, after being treated for T.B., are merely flung back into the shocking dwellings from which they emerged.

Mr CAMPBELL STEPHEN (Glasgow, Camlachie—Labour): People are being conscripted; they are being taken into the Services and into workshops, yet the Government are making no real attempt to deal with the interests connected with land and property in order to see that our people get the housing accommodation.

Lt.-Col. Sir T. MOORE (Ayr Burghs—Conservative): You cannot expect people

to put their might, their soul and their body into producing the weapons which are to bring us victory when they have not reasonable conditions of life around them. In the last few years we have erected scores of airfields and thousands of huts to accommodate millions of Americans, but when it comes to providing decent and reasonable accommodation for the workers who make all these things possible, we are contented to let them live and die in squalor. What are these soldiers who are fighting to-day coming back to? They are not fighting for a slum. Surely they are not coming back to Britain to find a slum as their reward. We all know that T.B. is increasing. How could it be otherwise when, despite all efforts to keep them healthy and rosy cheeked and well, they have to live in waterlogged rooms, perhaps sharing a lavatory with 20 others in the same block? Those are the things that exist.

Mr A. MCKINLAY (Dumbartonshire—Labour): There is no use drawing up plans. Most local authorities could stock the Department of Health with plans next week if they were wanted. The Department of Health itself could flood local authorities with plans. It is not plans we want. The first essential for the building of houses is the land upon which to put them.

Mr D. KIRKWOOD (Dumbarton Burghs—Labour): Think of Scotland, as we know it. If any stranger came in here to-day he would have heard every speech condemning Scottish housing conditions or calling for the present state of affairs to be remedied. Every speech has drawn attention to the danger that, unless that state of affairs is remedied immediately, the health of the people of Scotland is bound to deteriorate to a greater extent than it has done up to date. In my own constituency, where conditions are beyond belief, men working in Clydebank have threatened to stop work in a token strike, in order to draw attention to the awful conditions with which they are faced.

Mr J. H. MCKIE (Galloway—Conservative): Members in all parts of the Committee have rightly shown that they are aware that the housing conditions in Scotland as a whole are lamentable and deplorable, and we all desire to know, without putting undue stress on the Scottish Office, what their intentions are in the future.

Mr W. M. WATSON (Dunfermline—Labour): I have to confess that the situation is becoming so desperate in Scotland that I would be prepared to accept almost anything, so long as it was a shelter. Our people are becoming over-crowded and disease is developing as the result overcrowding, and conditions are so uncomfortable that I would welcome any sort of expedient that the Scottish Office might be prepared to bring forward to give us relief from our present housing situation. In Cowdenbeath the housing situation has been desperate for years. Half the population are now living in overcrowded conditions. There are many houses which are really not fit for human habitation but which are being occupied and must be occupied, because the people have nowhere else to go. In Dunfermline

there are hundreds of people who have been waiting for years for houses. In the meantime all the available accommodation is packed.

Lt.-Col. C. N. THORNTON-KEMSLEY (Aberdeen and Kincardine, Western—Conservative): The need for us to build, and to build quickly, after the war, a great many houses is so great that it requires us to adopt bold and, by pre-war standards, revolutionary methods if the demand is to be met.

Mr A. SLOAN (Ayrshire, South—Labour): I have heard statements during the Debate that Scottish children are better fed and better clothed to-day than ever they were. If that is so, it is a tremendous indictment on what they had to suffer in the past, because I can find no evidence that the children of Scotland are well-fed to-day. We are a nation of some 5,000,000 people. There is plenty of room in Scotland for us. There is no need to build skyscrapers and to huddle all the people in the City of Glasgow. There is no reason why our population should not be dispersed. There is no reason why Scotland should not be a happy and healthy country. It is not a nice thing to have to say about one's own country, but when we talk about our mountains, lochs, straths and glens, it is merely a façade for its misery, poverty and disease. What about the land? That was the bugbear with us for years. Are we to have to begin all over again the old game of applying for compulsory orders before we can get on to the land to build houses? It is both expensive and a delaying action of the most deplorable kind.

Mr H. MCNEIL (Greenock—Labour): I will not attempt to compete with the picture put before us by the Members for Dumbarton Burghs (Mr. Kirkwood), Gorbals (Mr Buchanan) and Dumbartonshire (Mr McKinlay). I would only add that in my division there is the same acute problem.

Mrs A. HARDIE (Glasgow, Springburn—Labour): We all get shoals of letters, and when we go into the constituencies we get people clamouring to us as to whether we cannot get them houses.

Mr MALCOLM MACMILLAN (Western Isles—Labour): This is purely a poverty question. You cannot separate housing and health; they are one and the same, and part of the general problem of the poorer classes of this community.

Mr W. GALLACHER (Fife, West—Communist): As soon as you mention land hon. Members on the other side say, "I am finished." As soon as you mention anything that will solve the problem, it is an interference with the Conservative party outlook and is therefore going to introduce politics. Let anyone suggest to me any concessions needed to put up houses and I will make concessions; will the Tories on the other side say the same? "No," they say, "No interference with private property."

Mr A. MACLAREN (Burslem—Independent): We recognized in Scotland a long time ago that the three causes of bad housing were self-evident. The first point was that monopoly and speculation in land make an extension of building

impossible. The second was that a rating system that might have been devised in an asylum makes housing an impossibility. Everybody who builds a house is rated in proportion to the rental value of it. The third point was the low wages, owing to the competition of the unemployed men to get the jobs of those in employment. We had these three causes running together—land monopoly and speculation; a rating system penalising improvement, and at the same time by not levying rates on the value of land withholding the land from development; and a low wages system, all conspiring to make an economic house an impossibility. I would ask those who are really serious about this problem to go back and find out what was being done on this matter in the past, when men did not come to the House and ask for a subsidy but said that the only way to solve the housing problem was to dissolve the rating system. Here we are faced with a fact that was self-evident long ago.

THE WEST INDIES

Introducing a debate in the House of Commons in Committee on Supply on 8th April, Mr P. W. DONNER, M.P. for Basingstoke (Conservative), said they were dealing with Dependencies where the over-population was simply appalling, where the conditions of life in some places are disgraceful. Among remedies he offered were "cautious and far-sighted planning of Imperial preference, industry to be freed from rates and taxes for a period of say five years (which is 'de-rating' without providing an alternative source of revenue other than indirect taxation and would only result in higher land prices), subsidies to ensure low freights, loans to industry at a low rate or none, subsidized shipping between the West Indies and the United Kingdom, and the intelligent use of tariffs to diversify and develop industry"—in other words the old and thoroughly condemned mercantilist, colonial and protectionist policies of spoils at the expense of the general community both in the colonies and at home.

Mr B. RILEY (Dewsbury) said: "Where I think the policy as foreshadowed in the (Stockdale) Report falls short is in its failure to lay the proper emphasis upon a radical alteration in the West Indian islands with regard to the relationship of the people in the West Indies to the land out of which they have to get their living. The admitted line of development as has been insisted upon by every authority who has examined the position in the West Indies, is to lift the standards of agriculture and of peasant cultivation, raising increased food supplies and thus providing employment for the masses of the population. There will have to be in the West Indian islands a drastic redistribution of land ownership and a better use of the land. I was informed the other day, in answer to a Question, that in Jamaica 12,000 labourers were on relief work, although there is an enormous amount of land which, if they were given the opportunity of utilizing it, would enable them to live within their own territories without having to seek a living abroad. In Jamaica there are about 2,500,000 or 2,750,000 acres of land. Of a population of about 1,200,000, 800 people in Jamaica own and control more

than half the land. There are 153 people who own, on the average, over 3,000 acres. On the other hand, 80,000 peasants have less than one quarter of an acre each on which they make their livings."

Mr EDMUND HARVEY (Combined English Universities): "When the great Act of Emancipation was passed, to which the Colonial Secretary last month made allusion, some £20,000,000 was paid to the slave owners in compensation for the loss of their property, but no payment was made to the slaves. Nothing was done for the ex-slaves, who were left dependent for a living upon the good will of their former owners. A great number of the reformers who pressed for the emancipation were bitterly disappointed with the Act because it compensated the slave owners but did nothing for the slaves, and because it enacted a period of seven years' apprenticeship, which was virtually a prolongation for that period of slavery. The economic position of the ex-slaves was never put right. The result is that in our West Indian Colonies the vast mass of the population is landless. In the particular case of St. Kitts, where the whole of the labouring population is without any kind of landed property. There is a very limited number of land owners, and the labourers have their holdings at the good will of the owners of the big estates and are entirely dependent upon them for their work and their right to have their homes."

Mr DAVID ADAMS (Consett): "The question of land tenure is one of fundamental importance, to which the Stockdale Report certainly does not give the weight that should attach to it. There is no question of any further serious redistribution of land to be made available to the majority of the people in order to grow a substantial part of their foodstuffs. Otherwise, as at present, after a period of three or four months when the work on the plantations practically comes to an end there will be a restoration and continuance of the poverty that prevails."

In July 1938 we quoted from the 1897 Royal Commission which observed that: "The settlement of the labourers on the land has not as a rule been viewed with favour in the past by persons interested in the sugar estates. What suited them best was a large supply of labourers entirely dependent upon being able to find work on estates and consequently subject to their control and willing to work for low rates of wages."

The Sugar Commission, after quoting this observation of their predecessors thirty-three years previously say: "It is manifest that where the economy of a community depends practically entirely, as that of Barbadoes, St Kitts and Antigua still does, upon a single industry carried on by the employment of wage labourers on estates, the public policy of the class most influential in guiding the government must almost inevitably incline to this economic view. If they encouraged action which, in their belief, must tend to diminish their labour supply they would be cutting away the branch upon which they sit." The facts could hardly be more brutally presented.

LAND PRICES SOARING

THE *Daily Express*, 17th May, observes that "agricultural land values rise rapidly as the demand by big moneyed people for first-class farms outstrips the supply. More and more business men, chairmen and directors of city companies, are seeking to invest in farm land and consider any price worth paying in return for the security and the soundness of the investment."

Evidence of the keen demand is plain at every auction. Recently the Bucks Agricultural Committee offered a 225-acre holding it had cultivated as a war-time measure. Bidding started at £5,000 and rose quickly to £10,500 when the farm was sold. In Worcestershire an average of £169 per acre was given for 36½ acres at Lineholt; in Devonshire where a few years ago farming was regarded as cheap, holdings of about 120 acres are worth between £7,000 and £8,000.

The *Glasgow Herald* has reported that the 102-acre farm of Craigash, near Milngavie, in Stirlingshire, was offered for sale at the upset price of £5,000. The sale attracted a large company, the bidding was brisk and the farm fetched £10,600.

More examples of the high prices of house property are reported in the *Scotsman* of 29th April and 6th May, the prices often exceeding "the wildest dreams of the sellers" when the "upset price" is compared with that actually obtained. The following are some Edinburgh instances:

A bungalow at 17 Frogston Road West, assessed rent £54, feu duty £8 3s. 2d., upset price £1,700, sold for £2,320. Equal to more than 50 years' purchase of the rental less feu duty.

A first-floor flat at 52 Arden Street, assessed rent £40, feu duty £4 2s., upset price £950, sold for £1,110. Equal to 31 years' purchase.

A semi-detached villa at 23 Ravelston Dykes, assessed rent £57, feu duty £6 10s., upset price £1,650, sold for £1,830. Equal to 36 years' purchase.

A ground-floor flat at 3 Campbell Avenue, assessed rent £50, feu duty £4 10s. 9d., upset price £1,450, sold for £1,730. Equal to 37 years' purchase.

A first-floor flat at 5 Learmouth Terrace, assessed rent £60, feu duty £7 4s., upset price £1,850, sold for £1,960. Equal to 39 years' purchase.

The *Scotsman* of 24th June reports the sale of the bungalow at 29 Cumlodden Avenue, Ravelston Dykes; assessed rent £60, feu duty £8, upset price £2,500, sold for £2,720. Equal to 52 years' purchase.

Only a few years ago, we are informed, dwellings like that at Campbell Avenue were to be bought for £900 to £1,000. Not only is the scarcity of housing responsible for the rising prices, but "money is seeking security in fixed property."

"Our country for sale" is a thought prompted by a glance at the advertisements in *The Times* from day to day of the estates that are in the market, many of them comprising farms and holdings, and the homes of ordinary mortals. Thus, in Scotland in Ross-shire the estate of Rosehaugh is offered, 8,000 acres including 41 farms, many feus and site rents and valuable salmon fishing; 50,000 acres of "glorious scenery" in Inverness-shire, an

"agricultural investment and sportsman's paradise," with numerous well-equipped tenanted farms and crofts, and properties and feus in two delightful villages; 2,600 acres in Argyllshire with three farms, several houses and cottages "together with valuable sporting over the whole estate and several miles of fishing" in river and loch, and a private pier and anchorage rights; in the county of Angus two estates, one of 823 and the other of 600 acres. And, taken together, in four issues of *The Times* between 13th and 25th May, the sales of eight estates in the counties of Cardigan, Huntingdon, Lincoln, Stafford, Surrey, Sussex, Worcester and York would cause no less than 7,475 acres to pass from one private hand to another.

THE TRANSVAAL

OUR COLLEAGUE Mr Mather Smith strikes an encouraging note in his report on activities in the Transvaal:

"*The Free People*, our campaign organ, started publication in both official languages (English and Afrikaans) in July, 1937. For the first three years it was published monthly at 1d., but since the war started, owing to paper shortage and to the fact that many of our subscribers had joined the Army, we have had to turn it into a quarterly and raised the price to 3d. We now have subscribers in all parts of the Union and the paper is distributed, free of cost, by us to the Camps in the Union and up North; we have also subscribers in England, the United States, Argentine Republic, the Gold Coast, Canada, Barbadoes, Australia, New Zealand and Rhodesia, and, before the war, in Holland, the Argentine Republic, Roumania and Denmark, in which country the teachings of Henry George, and their application, had gone further than anywhere else on earth. Articles and extracts from articles from *The Free People* have been reproduced in papers in England, the U.S.A., Canada, Australia and New Zealand. That the teachings of Henry George, as they might best be applied in South Africa, are spreading throughout the country, may be seen in the many letters on the land question which now appear in many of the English and Afrikaans papers published in the Union. Information Officers in the Army, having seen copies of our paper, have invited Mr F. A. W. Lucas to address meetings at various camps within reach of Johannesburg, and he has now spoken at twelve in the Transvaal. He also addressed meetings of soldiers at five camps in the O.F.S. Most of these meetings were well attended and led to interesting discussions. Subscribers are increasing steadily in number, but, as most of the issue in Afrikaans and a considerable part of the English edition are given away free, mostly to the Army, the paper would not pay its way were it not for the public-spirited generosity of the growing number who give more, several a lot more, than the bare subscription. Most of our subscribers in the Army are officers and non-commissioned officers. It is, however, the rank and file who will suffer most from the bad economic conditions which, unless they are averted in the way we, and we only, show how they may be averted, will follow this war as they followed all other wars. Unless these men and women arouse them-