

## "YOUR PREMISES IN DANGER"

By Andrew MacLaren, M.P.

Under the above arresting title the *National Newsagent* of 23rd September contained the report of an interview with Mr Andrew MacLaren on the Landlord and Tenant Bill which comes before the House of Commons next month for Report and Third Reading. The interview was supported in the following issue of the *Newsagent* by a special article from Mr MacLaren's vigorous pen putting forward suggestions for a constructive policy on local rating in relation to land-ownership. We regret we can only find space for a few extracts from these two racy and informing contributions to the debate:—

"I supported the Bill," went on Mr MacLaren, "in the House of Commons because I felt that even if it was only a small Measure, it was a great historic event, because for the first time it was empowering the tenant to have some redress against the landlord appropriating his buildings and general equipment at the end of the lease.

"This is a most important point for tenants to consider. The very nature of the leasehold system, with its covenants and restrictions, tends to check the creation of improvements by the tenant and to a very large degree compel tenants to use antiquated improvements which do not take out of the site which he is using the full possibilities for business. Therefore, it becomes clear that the checking influence which is always in the mind of the tenant whose lease is coming to an end, warps initiative and enterprise.

"In the House of Commons on the Second Reading and in Committee I have insisted that it was incumbent on the promoters of this Bill clearly to define what they meant by goodwill. Until there has been some clear definition given as to what is meant by goodwill, all considerations of compensation under this heading are bound to be complicated, if not indeed illusive.

"What every tenant wants is Security of Tenure and the right to the full enjoyment of the fruits of his own industry. How to obtain this security and safeguard the results of industry would necessitate a Bill which will bear no relationship to the one now under review in Parliament. A drastic change must be made in our land laws—at the same time an entire reform in our present rating system.

"If the average tenant were asked what it is he most desires in running his business, he would readily reply that he wants as little interference from State officialism as possible, and the greatest amount of security in his tenure. This desirable state of affairs will not be accomplished by the Bill now passing through Parliament. The Bill is accepting the old relationship of landowner and tenant and, though attempting to mitigate some of the hardships involved by the old law, it accomplishes nothing to give the tenant security of his tenancy, and the full enjoyment of the results which accrue to his labour and organization.

"All the evils of landlordism will remain inherent in the leasehold system after the passing of the present Act of Parliament, and the most that may be said for the Bill is that by a costly and complicated system the tenants are obliged to resort to tribunals and courts of law to secure that which, at the very outset, is theirs by right.

"The average shopkeeper and business man knows from his daily experience how local rates can be gradually rising. He knows also that under our present system of rating he is subject to an increase of rates when he

remodels or enlarges his premises. In a word, the business man knows that our present system of rating is a direct hindrance to development and rebuilding. The shopkeeper in these circumstances is at a greater disadvantage than the manufacturer who happens to be a member of a combine or trust. These combinations, by fixing prices, tend to merge local and national taxation into the prices of the commodities they produce, whereas shopkeepers subject to sudden and fluctuating competition cannot fix prices, and therefore are unable to merge their local rates and taxes into their prices, and they must labour with a greater intensity in their business to keep up with this increasing impost of rates.

### A WORD TO BUSINESS MEN

"There is a school—whose views I heartily support—who have for years been maintaining that instead of rating and taxing men according to the use they make of a piece of land, the rates should be imposed upon the value of the site so used according to the market value which that site might be worth in the open market between a willing buyer and a willing seller, and, let it be noted, that the rates so imposed would not be levied upon the value of the shop premises or general improvements, but would be imposed upon the unimproved value of the site.

"To-day, it is the opposite of this. Keep an old dilapidated shop, do not improve the premises, and the rates due to the corporation will be low. Be enterprising, take out the old shop front, enlarge your premises, put in the latest improvements, and down will come the assessor and say that under the present law of rating he must ask questions as to how much would these premises let for from year to year under present conditions; and you, the tenant, having greatly improved these premises, would therefore agree that the rents you would hope to secure would be increased by the amount of the improvements you had effected. Therefore the basis of your new rate has been increased, and unlike the unenterprising tenant with the old premises, you are subject to an increased annual rate for having been an enterprising and industrious shopkeeper. Outside of Bedlam it would be difficult to devise a better scheme for hindering progress and business than the present law now in force called the law of rating. The economical results of the present law are to be seen by all those who care to use their eyes. A piece of land vacant, nothing on it—the assessor says, 'What will this let for from year to year in its present condition?' Little or nothing. Very well, then, no rates!

"It should be the duty of all business men to move resolutions and foment agitation within their Trade Associations, their Chambers of Commerce and through their local Councils—calling upon Parliament to give Local Authorities powers as here advocated—power to appropriate for the community those values in land which the community created, and the right to claim exemption from local rates and taxation, now heavily imposed upon business premises and the general improvements. Parliament will not move until public opinion outside compels it to move."

The *South Wales Daily News*, 6th September, reports the opening of a new coal pit in the Swansea Valley calculated "to raise 1,000 tons a day of anthracite coal." The royalties paid on anthracite are higher than on ordinary coal. Taking the tribute at 1s. per ton it figures out at £50 a day. Truly, very great benefit from the coal industry comes to those who, as the new supplies are revealed, "are permitted to say, This is mine."