

instance, cost 300 times its annual value, and in Glasgow 250 times.

"Whenever public authorities are concerned, they have to pay a scandalous and ludicrous price which is almost robbery. At Roehampton, again, 126 times the annual rateable value has been paid.

"The best cure is not nationalization, but taxing the site values, and there is no reason why they should not contribute to the rates.

"Had site values been taxed to their value, land would have come into the market years ago at such a price as to have enabled plenty of houses to be built.

"The time is not only ripe, it is over-ripe, for the nation to say that where land is acquired for public purposes it shall be got at public prices as declared in the public records. The best way to achieve this is to tax and rate the land at its proper value."

At the annual meeting of the Yorkshire Liberal Federation, held in Huddersfield on 22nd June, Sir Donald Maclean said there was one remedy which he believed would be productive of a large amount of good, and that was the Taxation of Land Values. It was quite simple. It added no new tax, and to the extent that it brought more taxation from one source it lessened the need for taxation from every other source. Site value meant the value of a situation which was created by the community around it, and of that value the community should have its fair share. That could be accomplished by a perfectly natural process of equitable taxation which would bring the unoccupied land into the market, and thereby reduce the cost of the land. An all-round reduction of the cost of housing was bound to result.

Sir John Simon and the "Liberal Crusade"

Referring to the Taxation of Land Values in his speech at the annual meeting of the Yorkshire Liberal Federation, Sir John Simon, M.P., said Liberals were determined to pursue a crusade, which was the only great crusade that the Liberal Party had ever undertaken that it had not carried to a successful issue. In 1920 the last Government not only repealed the tax, but returned to people who had contributed to the public Exchequer the very large sums they had paid in under the tax. The Government left the valuation untouched, but on 19th June a Conservative majority in the House of Commons abolished the valuation and destroyed the last remnant of the effort made to get this information. He did not believe that the people of our small island would accept this deliberate denial and obstruction of the right to get a proper contribution from those who received unearned wealth from the increment of the land.

[Mr. Fred Skirrow, who heard the speech, writes us that he questioned Sir John Simon after the meeting whether he was really out for the taxing and rating of land values, or merely taxing and rating unearned increment. Sir John Simon said, "I mean the taxing and rating of site value," to which Mr. Skirrow replied that it was not wise to use the term "unearned increment" as it meant taxing only the increase in value, which was a totally different thing from Taxation of Land Values. Sir John Simon said he was glad his attention had been called to the matter.]

Last month we cited the speeches of Mr. Asquith (at Bournemouth), Sir John Simon (at Buxton), and Mr. W. M. R. Pringle (at East Ham), urging the case for taxing land values. These and later declarations now quoted show the bearing of the policy upon the housing question and are to be contrasted with the recommendations recently made by the Liberal Housing Committee which we had to criticize in May LAND & LIBERTY. The latter group of Liberals stood for State subsidies, municipal building at charity rents and land purchase, and made a vague reference to "such amendment of the rating laws as is necessary to

ensure the fair incidence of local taxation." Whatever that amendment was, it came last in the proposals and to all intents and purposes was put in a shame corner. The onlooker, with Mr. Asquith's latest pronouncements, emphasizing the Taxation of Land Values as the real remedy for house-shortage, may well ask who was responsible for giving publicity to the ideas of Housing Committee and so franking them as "Liberal policy"? Cannot these gentlemen see how tantalizing it is to seek guidance from politicians of a party that is evidently at loggerheads? The Liberal Housing Committee side-tracked the Taxation of Land Values or was supremely indifferent to its importance. Since then, leading Liberal speakers have been all out for the reform on the public platform.

TAXATION OF LAND VALUES HAS NOT YET BEEN TRIED IN THIS COUNTRY

The successful attack on the Land Valuation in the House of Commons on 19th June has been hailed by the opponents of the Taxation of Land Values, who once again have tried to make capital with their contention that the 1909 Budget introduced Land Value Taxation and events proved the policy to be unworkable. This attempt to confuse the public mind by associating our policy with the "land value" duties that the 1909 Budget imposed has been repeatedly encountered and proved unworthy of those who make it.

It is perfectly true that the "land values" duties were unworkable; the advocates of Land Value Taxation always said they were unsound, ill-conceived, and mischievous, and they opposed them from the first. The repeal of these duties in 1920 was heartily welcomed.

Under the Taxation of Land Values, a national tax and local rates would be levied on the true market value, not of some land, but of all land, and on the value of land apart from improvements. The national tax and the local rates on land value would be levied annually, whether the land was used or not, whether it was rising or falling in value, and whether it was owned by "big men" or "little men"; buildings and other improvements would be tax-free and rate-free.

The 1909 Budget "land value" duties were an attempt to tax an occasional increment in land value when the owner died, or sold or leased his property; to tax some land arbitrarily defined as undeveloped, although in the nature of the case it is impossible to define undeveloped land; and to tax the value of a reversion at the end of a building lease. The duties were charged on a very small fraction of land value and on very small classes of land, and were whittled away by abatements and exemptions. They carried with them no reduction of taxation on improvements, gave no relief of income tax or of inhabited house duty or of local rates on buildings and enterprise. They were anything but the Taxation of Land Values.

The outstanding feature of the 1909 Budget was that it aimed to provide a complete valuation of land apart from improvements. It was hoped that the valuation would in good time become the basis for a universal tax on land values and for the local rating of land values in lieu of taxes and rates on trade industry and improvements; and that the "land value" duties would be abandoned. For the sake of that valuation and its great promise, and despite the mischievous character of the "land value" duties, the advocates of the Taxation of Land Values did what they could to secure the passage of the 1909 Budget. Unfortunately, for extraneous reasons and owing to the war intervening, the valuation was not completed. The opponents of the real reform saw that by destroying the "land value" duties the valuation would go by default. That is what has happened. It is a gross misrepresentation, therefore, to suggest that there was ever any introduction of Land Value Taxation in this country or that that policy has been tried and found wanting.

A. W. M.