

**LAND POLICY
AND UNEMPLOYMENT**
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(Continued from September LAND & LIBERTY)

II.

We know the value at any given time of every particle of land in this country. We know the amount at any given time of the rates and taxes required for local and national purposes, that is communal obligations. Suppose it was agreed to impose these rates and taxes, not as at present upon the value of the products created by men's labour, but upon the value of land which is the product of communal growth and enterprise, certain far-reaching tendencies would be set in operation.

(1). The relief of improvements from rates would encourage improvements. (2) Either the landowner will still hold his land and pay the rates upon it, thereby relieving other used land of a portion of its burden; or the landowner will release his land, thereby breaking the monopoly and increasing the supply and so reducing the price of land to potential users of it.

We may safely assume that neither of the events will occur entirely, but that some land will be held up and pay rates, and that some land will be released.

I say this because to some landowners the social and sporting interest in land is unaffected by financial consideration. "Up goes a guinea, bang goes twopence and down comes half-a-crown," is the form of enjoyment that cannot be measured in money. If, however, it becomes "up goes two guineas, bang goes twopence, down comes two shillings," there is at least a tendency to stop it.

On the other hand land withheld from agriculture or held as agricultural land and withheld from urban uses would be released.

How would these two tendencies affect the availability of land, the essential of production, and so the opportunities for creative and remunerative work?

1. The availability of land would at once be increased
(a) by more land being put into the market,
(b) by a consequent reduction in the letting value of land already in the market.

(c) by a direct consequence, more persons would be employed on the land or in industry directly associated with land.

2. The cost of production of goods would be diminished

- (a) by reduction in charges for raw material.
(b) by reduction in charges for rent.
(c) by reduction in charges for rates.

Let us take an example.

In Great Western Road, Glasgow, there are two plots, one on each side of the road, each of $7\frac{1}{2}$ acres. One is developed by the erection of villas, the other is undeveloped. The rental entered in the valuation Roll for the two plots is:—

	£	s.	d.
Developed plot	3,320	0	0
Undeveloped plot	7	1	5

The total sum paid in local rates is

	£	s.	d.
Developed plot	2,054	16	1
Undeveloped plot	1	12	8

The value of the undeveloped plot is £1,600 an acre, i.e., £11,200. The annual value in feu duty is £560,

that is the same as the developed plot without the villas.

If £2,056 is required from these two plots each year, our system makes the wealth creator pay £2,054 16s. 1d. of it and land-withholder, £1 12s. 8d.

But the owner of the undeveloped plot has not created one penny of the value of his plot. The city has created the value of them both.

If they were rated on their land value apart from improvements, each plot would pay £1,028 a year. The result:—

The owners of the villas would have £1,027 less to pay in rates and therefore £1,027 a year for other purposes.

The owner of the undeveloped plot would pay £1,028 a year instead of £1 12s. 8d. He could not then afford to keep the land out of use. It would enter the market. Meanwhile other plots would be similarly dealt with. A man owns a plot near my house. He pays 1s. 6d. a year in rates. He was asked to feu the land for a tennis court. He demands £250 a year. He would have to pay £125 a year in rates to keep it idle. He could not do it.

But the same process would be operating elsewhere and owners of land instead of being the object of supplication by potential users would themselves become suppliants. Thus would be achieved the object of our inquiry—increased availability of land, and a consequent reduction in the charge for its use.

I have taken the example of urban land, but the same process would operate in agriculture. Agricultural land would be taxed on its market value, as land apart from improvements. This itself is a variable quantity on account of natural causes, fertility, location, etc.

Agricultural land, now held from use, would be brought into use. Land formerly used for agriculture or capable of being so used, but now reserved for sport would be opened up for agriculture. Farm steadings and improvements, now taxed, would be free and therefore increased.

The country districts would retain those of their people now driven into towns by land hunger. Production of foodstuffs would be increased by the added areas and additional yield that flows when men cultivate for themselves. Villages and townships would develop and consume the product, giving in return merchandize and personal services.

Transport would develop and the heavy industries would require to provide and maintain the rails, trains, bridges, motor lorries, etc. A portion of the £300 millions now spent by Great Britain for foreign foodstuffs would be spent here, thereby increasing the demand for goods and so for the services of those who make goods.

Concurrently with increased demand for goods from the country districts there would be in the towns a gradual reduction of charges in rent and rates and a diminishing cost of raw material. This increased demand and reduced cost would create a further demand for goods, and so a further demand for labour.

But the effect is not confined to the home market. Where neutral markets are won by the question of price, the aggregation of all these small tendencies would increase the relative competitive power of our own manufactures and thereby increase the volume of labour required. Whether, therefore, we are to remain an industrial nation or to return to agriculture, or increase in both, we should, as wise men, see that our laws provide opportunity to use the primary and essential element in both spheres; that they do not permit the land upon which all depend for life and industry to be retained unused by an individual or group of individuals; that the product of man's

industry should not be taken from him as a penalty for his skill and industry; that the product of communal growth and development should not be taken from the community and given to an individual or group of individuals as a premium upon their idleness or avarice.

We cannot go on indefinitely feeding on scraps and titbits. We can go on indefinitely and practically without limit to our prosperity if the land that nature

gave to us is available for our use and the value of it created by the people is restored to the people for their enjoyment and development. There is no need for men to stand idle in the market-place because no man hath hired them. Open up to their labour the land which is the source of wealth and they will employ themselves or be sought after by those who would hire them.

LANDLORD TRIBUTE

Kent Coal Mines and Mineral Rights

(From Chap. XV. of Mr. Frank Geary's LAND TENURE AND UNEMPLOYMENT)

Interesting examples of how land monopoly stands in the way of development, and makes huge sums out of the efforts of the community to find minerals, are provided by the examination of Mr. John Dewrance, chairman of certain pioneer companies who prospected for coal in Kent, by Mr. Smillie, and also the examination of Mr. H. F. Plumpton, landlord of 1,002 acres in the Kent Coal Concessions area by the same gentleman.

Examining Mr. Dewrance (Coal Industry Commission, 1919) Mr. Smillie said:—

17283.—Supposing you bored in Kent and you found the coal all right, but you could not raise money to sink pits for the coal, would you still be required to go on paying a dead rent?—Yes.

17284.—For what period?—Some of them have periods at which you can discontinue, but not all of them.

17288.—I am putting it to you that it might not have taken place, and you pay for the lease, and the pioneer boring company would have to pay £2 an acre for 60,000 acres?—Ultimately.

(The dead rent for Kent Concessions was £400 the first and second years, £700 the third year, and thereafter a yearly rent of £3,000 for 2,323 acres. Royalties were from £35 to £95 per acre according to thickness of seam, and 6d. per ton for ironstone.)

17319 (Chairman).—The fourth year—that is 1911—you had to pay £3000 a year for this, and getting no coal?—Yes.

17326 (Chairman).—Mr. Smillie's point is, are you paying to these landlords this sum of £3,000, although as a matter of fact you have not got to the coal?—We were, up to the outbreak of war.

17327 (Mr. Smillie).—Are you paying a dead rent for that 400 acres that is reserved, that you can never touch?—Yes.

(This was under the owner's private park.)

17328.—In the lease you have, you can never take out the coal from under that 400 acres, but you are paying a dead rent for that coal that you can never take out?—Yes.

Mr. Plumpton, the landowner, was then examined by Mr. Smillie.

17423.—There was no boring done on your estate until this lease?—No.

17424.—It is quite possible there may not have been any coal on your estate at all?—No, there may not have been.

17425.—And you did not take the trouble yourself to prove it?—I got them to give me the agreement to prove the coal before the lease was granted. There was an agreement that they should bore for coal, and prove it to my satisfaction and theirs before I granted the lease.

17428.—Did you yourself expend any money, or promise to expend any money on the boring operations?—No.

17429.—We may take it that you allowed other people to spend their money to prove whether you were the possessor of coal in that land?—Yes. They rather came asking me to do it.

17431.—You allowed them to spend their money in proving that your estate was more valuable than you had any previous idea of?—Yes.

17432.—From the time boring started, were you charging a dead rent to these people whom you allowed to spend their money in trying to prove your property was valuable?—Yes, when the lease was signed they paid dead rent.

17433.—Not only were other people spending their money to prove your property was more valuable than you thought, but you charged them for spending their money?—Yes.

17434.—Is that just and equitable?—Well, I believe it is a matter of business, and was the best way of inducing them to work the coal.

17437.—But they ran the risk of losing the money they were paying to you in order to prove your property was more valuable?—Yes, but it was their choice and not mine.

G. C.

THE STOCKPORT BY-ELECTION

A correspondent writes: None of the three candidates at Stockport had anything to say on the taxation of land values in their election addresses, and only cursory references to the land problem were made by any of them. But the subject was given special prominence in the Labour campaign by local Single Taxers, notably by Messrs. Noble and Owen, who were called upon frequently to take the chair or speak at meetings. In the columns of the two local Labour papers, the *OBSERVER* and the *NORTHERN VOICE*, they also had excellent opportunities for putting the Land Values policy from a Labour point of view. The result was seen when Colonel Josiah Wedgwood (along with several other ex-ministers) visited the constituency. His out-and-out Land Values speech was well received by large audiences and his points responded to with ready delight. Among the main issues of the election, on which Mr. A. E. Townend was returned with a majority of 2,300, were the increasing unemployment and the defects of the new contributory pensions scheme. On both these points the Stockport Single Taxers were able to show the relation of Mr. Snowden's pledge to levy a tax on the value of land in his next Budget, when the chance came. Altogether, the work being done for the cause in Stockport is rapidly making this two-member constituency a "safe seat" for a Land Values candidate. It is to be hoped that the opportunity and the man may soon appear.

Another correspondent: Above everything else the election was fought on the economic issue, and Lloyd George's land policy, with its generous proposals of *everlasting non-contributory pensions for landlords*, decided many a waverer how to vote, especially as Labour speaker after speaker pointed out at indoor and outdoor meetings that had the Labour Party not been turned out we should by now have had another Snowden budget and, of course, the Taxation of Land Values.