

provements and the penalizing of lazy landowners who hoard up land which they allow to run to waste while they are waiting for the plums to drop into their mouths.

To this end all derelict land, vacant buildings and undeveloped sites would have to be reassessed at their *real land* value. At present they are assessed at an exceedingly low figure; much lower than actual value of land.

Such reassessment would cause landowners to discover that it did not pay them to keep such land idle. It would be an almost irresistible inducement to such landowners, who now escape their share of taxation, to bring such land into its full use.

Together with this reassessment I would suggest that all future buildings and improvements should be disregarded when property is being assessed. In other words I would allow any man to spend his money and labor in building, or the laying out of any improvement, with full security that he would not be rated or taxed on his outlay.

Such exemption would considerably encourage people to build houses, shops, factories and to increase the productive power of the land in every way possible. They would know that such improvement of the land would cost them no more in rates and taxes than if they had left the land vacant or idle.

For reasons into which I will not enter here, but which should be obvious to all, it is easier to put the suggested reforms into operation now than it would have been before the war. These reforms, moreover, would not reduce really public revenue, seeing that the bulk of the new buildings and improvements which would be exempted from imposition would not have come into existence at all had not the exemption been granted.

As a matter of fact, public revenue (in bulk) and tax rate payers (individually) would benefit by the reforms in more than one way. Land which, unfairly, contributes a very low sum to the revenue would then have to contribute equally with well-developed land. Further, by forcing waste land to be developed, and under-developed land to be improved, many of the sad army of unemployed would be absorbed into the work of land-development—this would mean less parish relief and therefore reduction in the Poor Rate.

There is one other benefit to the general public that my reforms would assure: a check to increased rents. The new houses, I have explained, would be rate-free: only the value of the bare land would be taxed, not the land *plus* its improvements. The rate-free houses therefore could be let more cheaply. And this would have a beneficial effect on all rents, because the rents of pre-reform houses would be kept in check in order to face the competition of the cheaper rate-free houses.

The reform outlined above would ensure a continual building and rebuilding activity. Its effect upon rebuilding alone (particularly of slum areas) would be highly valuable. At present the clearance of slum property is always highly

expensive to the community, because when a local authority attempts to buy up the property for demolition it is asked an outrageously high figure as compensation.

Under this scheme the landlord would clear the slum himself, because it would pay him to do so. He would see that by razing the property to the ground, preparatory to rebuilding decent houses, he would bring his land within the exemption clause. While the slum property stood his rates would be heavy; with the demolition he would be rated on the value of the land only and not on the land-value *plus* the house property.

One of the very few places in the world where house-building has gone ahead by private enterprise since the war is New York, where a system on these lines has been adopted; and in spite of prolonged but unsuccessful litigation by its opponents with a view to declaring it unconstitutional, it has resulted in the annual output of houses being multiplied four-fold during the three years since it came into operation. Also in spite of the exemption the assessable value of New York has enormously increased during the same period.

A. S. COMYNS CARR, K.C., M.P.

In *John Bull*, London, England, April 26.

Labor to Try Henry George's Land Tax Scheme in Britain

THE Labor government may be unable at present to introduce Socialism into Great Britain, but Philip Snowden, Chancellor of the Exchequer, speaking at Slaitwaite on the evening of May 16, announced his intention of putting some form of Henry George's land taxation scheme into effect. The Chancellor of the Exchequer declared that he hoped to establish a well-equipped department for land valuation, and at the first opportunity, he said, he meant to submit financial proposals for the taxation of unearned increment on land.

Mr. Snowden's present budget provides for restoration of the land valuation department originally set up under Lloyd George's famous budget and abolished by the Conservatives last year. When the Snowden budget was read critics expressed amazement that the Labor Chancellor could reduce food taxes so heavily. Where, they asked, was the margin for the unemployment schemes, the housing projects, the education and social welfare programs Labor is bound to carry out if it remains in office? Mr. Snowden's statement makes it clear that Labor expects to make the big land owners pay for these schemes. Tremendous interest has been stirred by the possibilities Mr. Snowden's announcement suggests. Liberal support for the plan is not considered altogether unlikely.

—*N. Y. Herald*

"ONLY by unintermitted agitation can a people be kept sufficiently awake to principle not to let liberty be smothered in material prosperity."—WENDELL PHILLIPS.