

RAILWAYS, ROADS AND LAND VALUES

At the annual general meeting of the National Union of Railway Workers, held at Carlisle last month, a resolution was unanimously carried directing attention to "The unfair handicap placed upon the railway service by the incidence of rating under which railroads are compelled to make huge annual contributions out of railway earnings towards the cost of the roads for the use of their competitors, etc."

Mr H. Edwards, J.P. (Wrexham), moving the resolution, said: Taking the five years ending 1925 the railway companies had contributed £42,299,874 to the rates. There were hundreds of parishes where the railway company, though only owning 1 per cent of the ground, had to pay 50 per cent of the rates.

Mr J. H. Thomas, M.P. (Parliamentary General Secretary), congratulating the Conference on submitting such a resolution in a public session, declared that, roughly speaking, £1,200,000,000 was invested in the railways of the country and that out of that sum £900,000,000 was expended on buying the land and laying out the permanent way. The railway companies, he continued, contributed 50 per cent of the total rates

paid in 400 parishes. The speeches in support of the resolution made two things clear: (1) an unexpected homeward-bound recognition of the identity of interest between capital and labour; and (2) the idea that relief of rate burdens for the companies was to be found in compelling the competing road transport services to pay more than what Mr Thomas facetiously termed their "ordinary contribution."

The Chancellor of the Exchequer was but yesterday fiercely attacked by the motor fraternity for raiding their road fund, and now the N.U.R. are bent on sending the rate collector to their doors for an extra donation; not a word about the "social values" attaching to land which the Labour Party is firmly pledged to levy upon for the common good.

Taxation on industry has a connection with employment and wages but not through the amount of revenue raised, only the way in which it is raised. If high taxation on the railway companies means lower wages to the workers on the line then it must follow that increased taxation on the road transport services will correspondingly lower the wages of the workers there employed. The resolution is a typical example of the kind of treatment industry must suffer under the political struggle to keep society on its feet, and how the workers, often against their better judgment, are made to believe, and by their elected persons, that their interests are, in the long run, to be found in separate compartments.

In a suitable amendment to another resolution the need for the land value policy was tersely stated by a branch of the Union, but it was not permitted to pass from the agenda to the conference room, the annual call for the nationalization of railways being substituted.

It is common knowledge that both rail and road expansion has in recent years fabulously enhanced the market value of the land. Yet when this "deep deep gold mine from which to pay the rates and taxes" is brought before the railway workers' annual parliament the question is denied a hearing. There is a screw loose in the machinery, at some point, and it is for those members of the Union who believe in the reform to see to this repair. The question can be raised again next year, and meanwhile there is ample time for an effective distribution of informing literature on the taxation of land values.

High priced land for extensions and burdensome rates on improvements drive the railway management to every possible saving. The wages bill comes under constant inspection and the workers are impelled to prepare for the worst. Who is there to deny that a change for the better would take place if the pressure of unemployment were removed? This view of the matter has its place in every labour conference, but why is land monopoly, the root cause of the trouble, so lightly taken?

Higher taxation of one industry to relieve another of the burden does not speak for co-operation and goodwill. It will not open a single opportunity to work and wages. The taxation of industry is in itself the "unfair handicap," and any adjustment of it as between railways and other transport is like stitching new cloth into an old garment! Taxation on industry is passed on to the consumer in higher prices—in reduced purchasing power and a lower wage level all round. This is the vicious circle and until it is broken through all else is so much patching and mending of a system that stands in need of more drastic amendment. The taxation and rating of land values will finance the community with its own earnings, remove the handicap of monopoly-priced land and put industry on the high road to prosperity.

J. P.

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