

"LIBERALISM MEANS TAXES ON LAND VALUES"

By J. W. Graham Peace

It may at first sight surprise some members of the Liberal Party to read that "Liberalism means Taxes on Land Values," but the statement is made on the authority of the LIBERAL MONTHLY, an illustrated and very interesting publication issued by the Liberal Publication Department for the purpose of being localised in the constituencies.

In the current issue we are told that:—

Liberals are taking up Land Reform, not at the bidding of an insistent section of the community for the particular benefit of any section, but as a matter vital to the welfare of the whole community, vital to the interests of the towns as well as of the villages, vital to the artisans and shopkeepers just as much as to the agricultural labourers and others more directly in contact with the soil. . . . The first step is to loosen the grip of the land monopolist, to make land more easily accessible to those who can make and will put it to the best productive service. (February, 1914, page 6.)

Looking back over the file we find the first reference to the Taxation of Land Values in May, 1907, page 57, where it is stated that:—

In the towns the most important step in regard to the housing question is the Taxation of Land Values.

In June of the same year we read on page 71:—

THE UNEMPLOYED.

Ask your friends which of the following statements they deny:—

1. There is a large amount of land which might be built upon (or otherwise turned to good account), but for which a price of more than £250 an acre (or an equivalent ground rent) has been or would be refused.
2. Such land either escapes taxation altogether or is charged at reduced rates on an assessment far below its true value.
3. A reduction in the price of such land would (especially when there are builders out of work) cause an increase in building, &c.; the greater the reduction, the greater the increase.
4. Landowners, by holding out for rents or prices which cannot be paid, are preventing the employment of workmen, the better housing of the people, and the expansion of all kinds of industry.
5. The Taxation of Land Values would cause land to be offered for use at lower prices.

TAX LAND VALUES.

OVERCROWDING.

1. There are not enough houses, nor good enough houses, nor cheap enough houses, to enable the people of this country to live in health and decency.
2. Under the present system of rating, for every brick that is laid, and for every improvement that is made, the rate-collector increases his demand. The tax on house-building is in some ways as bad as a tax on bread.
3. The Taxation of Land Values would enable us to reduce, and eventually to abolish, the tax on buildings, and thus remove one of the causes which make houses dear and bad.

SUPPORT THE LIBERAL PARTY AND THE TAXATION OF LAND VALUES.

It is no half measure that is here proposed; the total abolition of the tax on buildings is the object for which support is officially asked for the Liberal Party.

Coming to October, 1907, we find the following on page 111:—

On July 10th the House of Commons read the Scottish Land Values Bill by 294 to 76; on August 26th the House of Lords refused to read it a second time by 118 to

31. This Bill would have made possible the Taxation of Land Values, a principle approved of even by the last Tory House of Commons. . . . This destruction of the Land Values Bill is one of the most disastrous blows the cause of reform has encountered during the many buffetings it has received at the hands of their noble lordships since the Parliamentary revolution of January, 1906. Rural depopulation, overcrowding in great towns, lack of employment, physical deterioration, and a score of other social and economic troubles have their evil roots deeply struck in our land system.

And on page 119, in the same issue:—

This Bill (Scottish Land Values) was to provide for the separate valuation of land values—the first step towards their taxation.

Nothing more is said upon the subject until August, 1909, when upon page 4 we read:—

If a man chooses not to use land to the best advantage, but to keep it unbuild on in the hope that the growth of the community will later on send up its price, it is only fair that he should be taxed.

In October, 1909, there appeared some definitions of Liberalism, one of which we quote:—

LIBERALISM

means
TAXES ON LAND VALUES.

With the single exception of December, 1910, this statement was repeated each month down to and including January, 1913 (39 issues in all), since when it has not been seen again.

On page 5 in the issue for November, 1910, we are informed that:—

The people of this country, knowing that land is like no other form of property, have made up their mind that the State ought to have a fair share of its increasing value, and that the land itself ought to be used for the advantage of the community as a whole.

And, finally, on page 7, in the issue for December, 1912, we are told:—

We spend practically all the rates of London in public works that add to the value of the land which belongs to somebody else, but which does not bear any share of the cost. We do worse than that. By a system of rating based upon the annual rental value we penalise the man who improves his property and encourage the man who uses it badly, or not at all. If a man puts in a bathroom, we increase his rates; if he adds a bedroom, we increase his rates; if he builds a workshop, we increase his rates; if he lays down machinery, we increase his rates. Is this commonsense?

There can be but one reply to the question with which the above quotation concludes, and it only remains for the Liberal Party to give speedy effect to its own definition of the meaning of Liberalism.

Mr. Chapman Wright, secretary of the Midland League, has had several interesting letters in the EXPRESS AND STAR (Wolverhampton) on the taxation of land values.

At a meeting of the Southport Parliamentary Debating Society at the Y.M.C.A. Buildings on February 11th, under the presidency of Mr. H. Norton, a debate took place on the question of taxation of land values.

Councillor Houldsworth (L., West Belfast) opened the debate, and moved the following resolution:—"That, in the opinion of this House, a measure is urgently needed to levy a tax on land values for the purpose of meeting the increased demands for the Army, Navy, and social reform, and for lightening the burden of taxation."

The debate was adjourned till the following Wednesday.