

HOUSING IN LONDON

Land Prices and Assessments

By FREDK. VERINDER

The census taken last year showed that, in the County of London, the number of families had increased during the preceding ten years by 61,842, but the number of structurally separate dwellings had only increased by 42,478. "Outer London"—the "dormitory suburbs" of the Metropolis—and "Greater London," showed a similar increase of subletting. Yet, even in 1921, almost exactly 50 per cent of the separate dwellings were occupied by two or more families. The 1931 census figures of overcrowding have not yet been worked out, but it is clear that overcrowding is on the increase. Most of us know of many cases of people who, driven by the stress of housing conditions to "buy" a house, built for one family, have taken in another family as lodgers, to help by their rent to pay off a mortgage.

Yet, as the recent accounts of the L.C.C. Housing Committee, presented to the Council just before the Christmas recess, show, the Council had incurred, up to 31st March, 1931, a capital expenditure of £36,618,272 (of which over 34½ millions were still outstanding as debt) in their efforts to solve the Housing Problem, by providing houses in cottage estates, flats in blocks of dwellings and cubicles in lodging houses. The bulk of this expenditure (£30,562,734) was in respect of "assisted" schemes, carried out, since the war, with the help of subsidies voted by Parliament in 1919, 1923, 1924 and 1930. The pre-war schemes, carried through by the L.C.C. without State assistance, are claimed to have yielded surpluses, though in the case of slum clearances the surplus is arrived at by "excluding acquisition and clearance of property"!

The Housing Committee submitted to the Council a report in which the accounts are explained. It is too long and complicated to be summarized in the space available in this journal. It is a maze of figures dealing with Government subsidies to the Council under the Acts just mentioned; of grants by the Council to the Metropolitan Borough Councils, to the Housing Trusts, Public Utility Societies, etc.; and of loans under the Small Dwellings Acquisition Acts, to enable persons to buy their houses. In spite of the subsidies, there is still a big deficit falling directly upon the ratepayers, who have already had, as taxpayers, to contribute towards the subsidies.

The financial results of the year 1930-31 can be summarized on the authority of the Finance Committee. The L.C.C. spent £3,809,023, and its total income was £2,816,692: net deficiency on Housing—£992,331, an increase of nearly £55,000 over the previous year's deficit. The Exchequer subsidy amounted to £702,312; balance brought forward and contributions from Borough Councils were about £22,000: leaving a charge upon the Rate Accounts of the Council of just over £268,000, to be passed on to the occupiers of houses and other buildings, and thus to increase the very difficulties which the money was spent to alleviate.

WHERE SUBSIDIES WENT

The Housing Committee does not tell us how much the "rake-off" of the London landlords on these schemes amounted to. But we know that the L.C.C. paid £295,544 for its Housing Site at Becontree, previously assessed at a "net annual value" of £3,590; £50,339 for a site at Bellingham, previously assessed at a "net annual value" of £490; and £120,000 for a site at Roehampton, previously assessed at a "net annual value" of £951. The whole 2,450 acres, acquired for three great Housing Schemes, for which the Council paid £465,883, had been formerly assessed at a "net annual value" of £5,031. These values cannot both be right. Either the purchase price (at 20 years' purchase) should be about £100,000, a saving of £365,000; or the rateable "annual value" should have been nearly £23,300.

On 12th May, 1931, the Finance Committee reported to the Council on a re-housing scheme in Poplar in connection with East London Slum Clearances. The site was confessedly unsuitable, for it was necessary to remove oily ground and to substitute suitable soil. The whole cost worked out at £256 10s. *per room* (£41 10s. for site and £215 for buildings). The gross deficiency was estimated at

£5 16s. 11d. *per person per year* for the first 20 years, and £5 13s. 9d. for the next 40 years. "The Housing Committee has informed us," so the Finance Committee states, "that there are practically no other sites in this neighbourhood, except at a very heavy cost."

The present writer said, many years ago, that he did not expect the rulers of this country to adopt the remedy advocated by the Land Values Leagues till every other "remedy" had been tried and had failed. The report of the Housing Committee seems to show that, if we are to solve the Housing Problem at last, there is now nothing left to do, except to rate land values, as the London County Council in its earliest and best days proposed to do.

THE IMPORT DUTIES BILL

The text was issued on 12th February. The Bill consists of 21 Clauses and three Schedules.

THE GENERAL TARIFF AND THE EXEMPTIONS

The Bill imposes a 10 per cent tariff on all goods imported from 1st March, with these exceptions: Gold and silver bullion and coin; wheat in grain; meat, but not extracts and essences of meat or meat preserved in any air-tight container; live quadruped animals; fish of British taking; tea; raw cotton; flax and hemp, not dressed; linseed, cotton and rape seed; raw wool; hides and skins, but not goat skins; newspapers, periodicals and books; newsprint; wood pulp; raw rubber; iron ore, but not chrome iron ore; scrap iron and scrap steel; iron pyrites; tin ores; wooden pit props; sulphur mineral phosphates of lime; unset precious stones, and radium compounds and ores.

TARIFF COMMISSION AND ADDITIONAL TARIFFS

An Import Duties Advisory Committee (the "Tariff Commission" referred to by the Chancellor in the House of Commons on 4th February) is to be set up, the function of which will be to select from the general list goods which will be subsequently subjected to a higher rate of duty. The additional duties, apparently of unlimited amount, may be chargeable for any period and may vary from one period to another. The Committee may also recommend that goods taxable under the general tariff should be exempted.

EMPIRE PREFERENCE

Goods from the Colonies and the mandated territories are to be free. On goods from the self-governing Dominions neither the general 10 per cent tariff nor any additional duties are to be imposed until 15th November, but in the meantime efforts will be made at the Ottawa Conference in July to obtain an agreement under which the exemption for Dominion goods shall continue in return for "reciprocal arrangements."

PREPARATIONS FOR TARIFF WAR

"Tariff bargaining" is provided for by a provision that the 10 per cent duty or any additional duty may be reduced or cancelled in respect of the goods of any foreign country. Corresponding to this provision for reduction of duties, there is also provision for "retaliation," power being given to increase the additional duties to a maximum of 100 per cent in addition to the general 10 per cent where there is "discrimination against this country."

SHIPBUILDING

Goods for the purpose of shipbuilding may be imported free if the Commissioners of Customs so decide. Where goods are imported for re-export the Commissioners may, subject to conditions, allow them to be imported free.

STATE CONTROL OF INDUSTRY

The Board of Trade will have power to call for returns as to quantity and value of output, costs, persons employed, etc., from the industries affected by the Bill—a plan for controlling "incompetence" and checking exploitation of the consumer through the tariff.

COST OF ADMINISTRATION

The Bill will be rushed on the Statute book by cutting short the discussion in the House and is to be law on 1st March. It is estimated that the cost of the Customs administration will be increased in 1931-32 by £43,000 and in 1932-33 by £550,000.