

SHALL WE TAX LONDON'S COAL?

As in the case of national taxation, so also in the case of the local rates, the increase of these burdens during and since the war is bringing forth a crop of reactionary suggestions for the "relief" of the burden-bearing public. The latest of these comes from a certain Robert G. Webster, who writes to the *TIMES* (22nd February, 1922), from the Carlton Club. He wants to relieve the rates by reviving the old Coal Dues, an *octroi* which was happily (or, as he says, "foolishly") abolished more than 30 years ago. He maintains that they "were easily collected, and hardly felt" (but does not explain in which of two possible senses he uses the word "hardly"). "They brought in a large revenue for public improvements, such as the Thames Embankment, freeing the London bridges from tolls . . . acquiring open spaces, etc."

One hardly knows how to argue with a man who, with coal at present prices, makes a proposal like this. In these columns, and for the benefit of our readers, it is hardly necessary to state the case against the revival of an *octroi* to be levied upon all coal entering the London area. But, for the benefit of this gentleman of the Carlton Club, we may remind him that the question was long ago disposed of by no less an authority than Lord Randolph Churchill, then Chancellor of the Exchequer in Lord Salisbury's Carlton Club Government of 1886. A deputation from the Metropolitan Board of Works (shortly afterwards dissolved with ignominy for corruption by the same Government) wanted Lord Randolph to help them to get the Coal Dues renewed, the Act under which they were levied being about to expire. (This was towards the end of 1886.) Lord Randolph made a long speech, which Mr. Webster would do well to look up and read. He pointed out that the London coal tax was "a tax on a necessary of life . . . involving principles of taxation which we in this country have long sought to get rid of"; "a very high tax . . . no less than 10 per cent. on the value of the article at the pit's mouth . . . a tax of 13 pence a ton." He pointed out that it was a "specific duty: not an *ad valorem*"; and, therefore, it tends to press more heavily upon those who would be anxious to consume cheaper kinds of coal; that it "operates hardly on manufacturers in London," to the increase of "the great mass of unemployment about which we hear so much every day." "It enables expenditure to be incurred of the amount and actual incidence of which the great body of the ratepayers in the Metropolis are not aware": and so on, and so forth.

So much for a Tory Chancellor. Now let us hear a great Liberal Chancellor on the results of spending the money raised by this pernicious impost. Speaking at the Memorial Hall, London, on 29th July, 1887, Mr. W. E. Gladstone said:—

We have just been driving along your magnificent Embankment. But at whose expense was that great, permanent and stable improvement made? Instead of being made, as it should have been, mainly at the expense of the permanent proprietary interests, it was charged, every shilling of it, either upon the wages of the labouring man in fuel necessary for his family, or upon the trade and industry and enterprise which belong of necessity to a vast Metropolis like this. Take, gentlemen, the question of the ground rents of London, those great unearned increments. I rejoice to think that there are among the great proprietors of London now some high-minded and munificent men, who do anything they can for the improvement of their property with a free and open hand. But I believe that I should be correct in saying that only within the last half-century any such thing was known, and down to that period their business was simply to receive and pocket the vast earnings of the labour, industry and enterprise of their fellow-creatures.

Mr. Webster must try again. Lord Randolph Churchill and Mr. Gladstone alike condemned the Coal Dues. Mr. Gladstone clearly saw that the expenditure of the money thus raised on the Thames Embankment benefited the "permanent proprietary interests," i.e., the landlords of London, and that the receivers of land values were the people who should have paid for the improvement. Mr. Webster, with his reference to "freeing the London bridges from tolls," might also recall that Lord Randolph's son, Mr. Winston Churchill, pointed out in a speech at Dundee, some years ago, that the freeing of Waterloo Bridge sent up the rents of the people who were thus "benefited," by an amount equal to what they saved by not having to pay the tolls.

F. V.

"WHEN I AM PRIME MINISTER"

(From notes of an Address by Chas. E. Crompton to the Midland Land Values League, Birmingham, 13th February, 1922.)

When I am Prime Minister I am going to have an easy time. I am not going to live a life of feverish activity like Mr. Lloyd George. It is quite unnecessary. The Parliament to which I shall be responsible, and whose servant and not master I shall be, will pass a Bill declaring land to be common property.

Under this Bill, owners and occupiers of land will be asked to make a payment to the State for the privilege of owning and occupying their land.

All other taxes and rates will be abolished. When the Act is passed I shall instruct the Land Valuation Department to bring up to date and make public the land valuation which they made in 1909-10.

When this is done I shall instruct the rating and taxing authorities to notify all persons occupying or holding land that they will have to make an annual payment to the State based upon the value of the land they occupy or hold and that they will not be expected to pay any other taxes or rates.

The results of this change in taxation would be immediate.

1. Owners who used their land would only have to pay on the value of their land and not on the use they put it to. This would mean a great relief to industry, and, unhampered by excessive taxation, enterprise of all kinds would be enormously encouraged.

2. Owners of unused land would not be able to afford to hold their land out of use. If they were obliged to make an annual payment equivalent to the true value of the land they would be compelled to use the land, and to use land they must employ labour. This would give a big impulse to all the primary industries of mining, quarrying, brick-making, lime and cement making, afforestation, etc. This increased demand for labour would reduce unemployment and increase wages. At the same time the large quantities of raw materials produced would reduce prices, and so by this Act of Parliament we should get rid of the great problems of unemployment and the high cost of living.

For the first time in history, the people of this country would be relieved of the gaunt spectacle of poverty and starvation and of the anxiety of finding employment. This state of affairs would enormously ease my anxieties as Prime Minister. I should not have to be continually interviewing deputations of dissatisfied workers and I should not have to continually declare that I was the protector of the interests of the nation. In fact, I can see that all the elaborate machinery of the Ministry of Labour with its employment exchanges, unemployment insurance and doles would be quite unnecessary and that I could dispense with this very expensive institution.