

Labour Land Campaign

Annual Report 2014

Over the last year, a greater understanding of – and interest in – shifting taxes on to Land Value Tax (LVT) appears to have been shown by some politicians, the media and think tanks. The Green Party has LVT in its manifesto. The Co-operative Party supports LVT (we have to wait and see whether it is included its manifesto. The Labour Party has the Mansion Tax in its manifesto (which may be described as an ‘LVT-lite’ measure). And the Scottish National Party is discussing moving to LVT, and has raised the issue of taxing sporting estates. Meanwhile, importantly, the Institute for Fiscal Studies has continued to advocate LVT to replace National Non-Domestic Rates (Business Rates), for instance in its Green Budget proposals.

Members of the Labour Land Campaign have spoken at various public meetings, had letters published in the press, and have met with MPs, MSPs, individuals and organisations, and set up literature stalls at various public events and trade union and party conferences, with the aim of spreading the case for LVT to as wide an audience as possible. Furthermore, a number of papers have been written for our own policy formation and for others. In support of these activities this year, we have extended our range of literature, and perhaps of even greater importance, and with special thanks to Yoni Higginbotham, our Communications Director, we have a bright new logo, and a completely refurbished website, at www.labourland.org, which is superb.

Pamphlets and Leaflets

We have updated our major recruiting leaflet, ‘**Land Value Tax...a fairer alternative**’, which summarises the principles of LVT and what the Labour Land Campaign stands for, complete with our banner and the new logo. And we have produced a new leaflet on housing entitled ‘**Britain needs affordable housing to rent and buy**’, which, among other things, introduces the reader to the role LVT could/should play in resolving the current housing crisis.

In addition, Heather Wetzel, one of our Vice-Chairs, has produced a new attractive and punchy pamphlet, *Welfare for the Rich: Who Really receives the biggest subsidies in the UK?* that aims to show how tenants and the poorest of folk are subsidising the richest. The pamphlet complements our existing pamphlets, *Land Value ... for Public Benefit*, and *Manifesto of the Labour Land Campaign: Towards a fairer tax system and a more just society*. So we have a good range of literature for our stalls, to cover different people’s tastes, from a brief introduction, to giving a bit more detail, to dealing with the subject in more depth.

Website and Twitter

Meanwhile, we now have a very competent website that is easy to update/improve, and it should see us well into the next 3-5 years. In addition, Yoni has established a Labour Land Campaign Twitter account, where we currently have 142 followers. Some of our best tweets that are more re-tweeted (re-published by other users) are ones that highlight elements from our manifesto – for example, that LVT is a fair tax – and follow this with a link to our website to find out why. Yoni has been tweeting at least once a week on a relevant topic – often based on what our Secretary, Carol Wilcox, sends out to members in emails.

Stalls

The main events where we had literature stalls literature include the following:

- The Annual Conference of the Campaign for Labour Party Democracy (March);
- The Levellers’ Festival in Burford (May);
- The Annual Conference of the civil servants’ trade union, PCS (May);
- The Annual Conference of UNISON trade union (June);

- The Tolpuddle Festival (July), which was particularly successful this year.
- The Annual Conference of the Green Party in Birmingham (September), where lots of friendly interest was shown. Heather's pamphlet, *Welfare for the Rich...* was particularly popular.
- The Annual Conference of the Co-operative Party (October), where we also held a packed fringe meeting, chaired by Jim King, our Co-operative Liaison Officer, and with Murad Qureshi, member of Greater London Assembly, and Dave Wetzel, our President, as speakers. Whilst leafleting for our fringe meeting, Heather handed Ed Balls (Shadow Chancellor) our leaflet on housing, and later gave his PA more literature, and spoke to her about LVT.

Unfortunately, we were not able to staff stalls which we could have had at the GMB Annual Conference (GMB General Secretary Paul Kenny is an LVT supporter), which was in Nottingham, and the Unite Biennial Conference which was in Liverpool. It was a particular shame that we missed the latter, because, as we discovered later, the Conference passed a motion supporting LVT.

Labour Party Conference

We were not able to have a stall at the September Labour Party Annual Conference (far too expensive!), but, our Secretary, Carol, attended as official delegate from her Constituency Labour Party, during which time she did her usual networking in support of LVT, giving out a special leaflet on housing that we had produced for the occasion, and she made some sales of our publications informally. Carol had a brief face to face encounter with Labour leader, Ed Miliband (with whom Carol and Dave had previously had a meeting at the Treasury), and managed to give him a leaflet. At a reception, Carol met with Dawn Primarolo, former Paymaster General, now Deputy Speaker, who came up to her to say that LVT, on which Carol had constantly lobbied her in the past, was being seriously considered by the Shadow Treasury team. (Carol did not know whether to take this seriously, since she had said something similar in the past.)

In addition, Carol raised the issue of LVT at several fringe meetings on housing, where she distributed copies of our new housing leaflet. Most of the meetings had Emma Reynolds, Shadow Housing Minister, on the platform (who has always been hostile to LVT). Tom Copley, Deputy Chair of the Housing Committee of the Greater London Authority, was on one of the panels. He appeared to support LVT when Carol spoke to him – he was already on our contact list. Roberta Blackman-Woods, Shadow Planning Minister, was on the panel of a couple of the housing fringes. At one she mentioned trying to capture planning gain. Carol was able to speak to her later about the dangers of doing just that, and managed to sell her our pamphlet, *Land Value...for public benefit*, which has a section pointing out the disastrous nature of such development land taxes introduced by past Labour governments.

At a fringe meeting on the so-called Robin Hood Tax – more properly the Financial Transactions Tax – Carol pointed out that it only addressed the symptoms of the problems of the financial sector, and that LVT would be much more effective of bringing it under control, which is mainly concerned with churning second-hand homes rather than lending for investment and consumption. Afterwards she had a friendly word with Catherine McKinnell, Shadow Economic Secretary to the Treasury, whom Dave and Heather Wetzel, and Carol had met in Parliament a couple of years ago.

At a Q&A session following a fringe interview with Ed Balls – where the previous questioner had referred to the 'Mansion Tax' – Carol was able to speak to Balls (who knows Carol well from previous encounters) and gave him a copy of the paper, 'A Proposal to Replace the Council Tax and the National Non-Domestic Rates with a Land Value Tax', written by our Chair, Jerry Jones, and Carol (see below), telling him that we

had been working on this for a year to try to resolve the real problems the Labour Party would have in implementation. He thanked Carol and said he would definitely read it. Later, at a delegates-only seminar, Carol also managed to give a copy of the paper to Chris Leslie, Shadow Chief Secretary to the Treasury (who had reneged on a promise to meet us the previous year).

Major Lobbying Activities

In February, Heather Wetzel drafted and sent a submission on behalf of the Labour Land Campaign to the **Lyons Housing Review**, and another to the **Consultation on the Future Structure of the Land Registry**.

Later in February, Dave Wetzel, our President, and Heather met with Andy Slaughter, MP for Hammersmith, following a newsletter he had sent re Hammersmith Council selling off all their land including parks. He asked for a copy of our submission (and Heather's personal submission) to the Lyons Housing Review. He sounded genuinely interested in hearing about LVT re housing and sent the link to a very interesting GMB report on landlords who receive housing benefit subsidies for their tenants (many the same landlords as those who get subsidies from the Common Agricultural Policy) – see <http://www.gmb.org.uk/newsroom/name-landlords-paid-housing-benefits>

Heather had a meeting with the **British Retail Consortium**, which she had contacted after reading about their report on Business Rates and the retail industry, 'Business Rates – the Road to Reform' at:

<http://www.brc.org.uk/downloads/Road%20to%20Reform.pdf>.

Also in February, Heather contacted the network organisation, **Radical Housing Group**, following news coverage of their housing campaign. An email sent with our submission to Lyons Housing Review went out to their members. And Heather wrote to Tom Copley, Labour London Assembly Member, following his email to Labour Party members in London about average monthly rents rising to over £1,600 by the end of Boris Johnson's term of office. However, he did not reply, and we did not follow it up.

In March, Heather attended the AGM of the **Labour Housing Group** (which does have a policy of possibly replacing Council Tax with LVT), where she moved the following motion on LVT (which was remitted to their Executive Committee:

There are two values in the price of a home – (i) the building value and (ii) the land or location value.

Whereas buildings require labour and capital to be built, land is provided free by nature.

*Landowners do nothing to add to the location value of their land. The value of a building's location arises from many factors including population, local amenities and both public and private investments and services which are paid for by **all of us** as taxpayers and consumers (whether tenants or home owners). As land values increase, freeholders receive increases in the value of their homes whereas tenants are unfairly penalised with increases in their rents.*

Land speculation inflates the price of land and encourages even more land hoarding; empty homes and idle development sites. We all create land value but it is only landowners that receive it as unearned income.

The UK's tax system is unfair; avoidable/evadable; skews the economy; encourages land speculation and needs fundamental reforming.

The LHG calls on the next Labour Government to abolish current property taxes; reduce negative taxes on the production of wealth and introduce a levy on the annual rental value of all land at its permitted use value."

In April, Dave and Heather Wetzel went to **Scotland**, where the land issue is high on the agenda. It was raised during campaigns for independence in the Scotland Referendum and there has been on-going work on LVT in Glasgow and the Scottish Parliament, which is really encouraging. Thanks to April Cummings, they met with Sarah Boyack

MSP and then, together with Duncan Pickard, author of *Lie of the Land: A Study in the Culture of Deception*, (Shepherd-Walwyn Publishers, 2004), which advocates LVT for agricultural land, had a meeting with around 15 advisers and researchers for Labour, LibDem, SNP and Scottish Green MSPs, some of whom were already working on LVT as a replacement for Council Tax and National Non-Domestic Rates (Business Rates). Heather has noted that April Cummings's blog as a result of the meeting is great; see <http://stucbetterway.blogspot.co.uk/2014/05/in-praise-of-land-value-tax-case-for.html>. Heather also spoke to Tommy Kane, adviser to Neil Findlay MSP, who was a candidate for the Scottish Labour Party Leader, about LVT. He asked us to write a brief paper on LVT to replace Council Tax and/or Business Rates, which he will put to the local government minister with a view to the Labour Party adopting it for next year's Scottish elections. Jim Murphy's office was also contacted, which put us on to Claudia Beamish, who is the Scottish Shadow Minister for Environment, Climate Change & Land Reform.

In July, Dave and Heather attended the **Council of Georgist Organizations conference** in Newport, California, after which both spoke at a number of outreach meetings.

Later in July, Dave spoke at a meeting of the Green Party in Banbury. And at the end of July, he gave a well-received presentation at an RMT union conference, 'Fighting Tube Cuts – Listen to London' where he advocated LVT (which was front page news, and the subject of the editorial supporting LVT in the following Monday's *Morning Star*). Previously, Dave had secured a £4,000 grant from the RMT union for a paper on funding the London Underground using LVT, the research for which Dave and Yoni (in his capacity as Secretary of the Professional Land Reform Group) had been commissioned to do the research. (This could be seen as precursor to an eventual study on funding all transport infrastructure from LVT.)

In July Carol gave a talk on introducing LVT to Bath Labour Party.

In August, Heather and Dave had a meeting with **Stephen Hill** (Director, C₂O futureplanners), who was one of the speakers at our own Labour Land Campaign Housing Conference held in November 2012 (and also more recently, in September 2014, at the colloquium on land value taxation organised jointly by the Coalition for Economic Justice and the Royal Institution of Chartered Surveyors – see below). His interest is Community Land Trusts, and although not an active advocate of LVT, he does support it, and hopefully she gave him some food for thought as to why LVT would enable more Community Land Trusts to be developed for homes. Also in August, Dave spoke at meeting of the East Sussex Labour Party Branch.

In September, Dave had a meeting with **Yiming Wang**, Georgist lecturer at University College London, with regard to a new £280,000 LVT project in 2016, and he attended the **Henry George Foundation AGM**, where he gave a report on the activities of the Labour Land Campaign.

Later in September, Dave was in Ilfracombe, Devon, to attend a **Co-operative Youth** reunion from the 1960s, and he discussed LVT with the Mayor, town councillors and traders who are looking at traffic calming that would increase land values. During the visit, Dave and Heather met with two Ilfracombe '**Transform for Work**' activists, one of whom had used Heather's pamphlet, *Welfare for the Rich...*, in discussions about housing and economic problems that Ilfracombe faces. They also spoke about the problems villages face with people buying second homes – over 30 per cent of homes were second homes/holiday lets in one local village. Heather has suggested that we need to write something about these and other problems that rural communities face.

In October, Dave and Heather, joined by John Lipetz and Louanne and Chris Tranchell, were involved in the ‘Say No to MIPIM: YES to Housing Justice’ campaign, which mounted a demonstration against the conference of **MIPIM** (*Le marché international des professionnels de l’immobilier*) at Olympia, London (described as ‘the world’s biggest property fair’), which critics say promotes an unsustainable ‘business-as-usual’ approach to housing and land use that is privatised and profit-driven for the benefit the richest 1 per cent, whilst destroying communities and keeping millions in poverty.

Also in October, Heather spoke at a **House of the Commons** event on affordable homes held in Oxford. This has since led on to an invitation to speak at a debate organised by **PricedOut**, which is part of a rally on affordable homes for tenants.

And Heather attended the **London Labour Housing Group** conference, where **Emma Reynolds** (Shadow Housing Minister) was a speaker. After her speech, Heather asked if she had considered how an annual Land Value Tax would address the issues she had raised in her speech, including a Mansion Tax; a financial way to get land speculators to develop idle sites; allowing Councils to levy full Council Tax to bring empty houses into use; high home prices to rent or buy; overseas property speculators, etc. She said LVT is expensive to administer and not efficient. Heather spoke to her later, pointing out that her reply was not true, and asked whether the Labour Land Campaign could meet with her to discuss LVT and housing. She retorted ‘How can you value land?’ to which she joked that William the Conqueror had done it on horseback in six months, then said valuations are done every day of the week – that valuers can tell the difference in value on a similar building in different areas – and that in some parts of the United States, valuations on land and buildings are carried out separately as a matter of routine. Reynolds avoided any response – she simply stepped back, and turned to speak to someone else.

Dave and Heather met with David Shaw, Policy Adviser to Cathy Jamieson, Shadow Economic Secretary to the Treasury. We had asked to meet with Ed Balls, but his office suggested that we try Cathy Jamieson. However, her Secretary said she was too busy. But then her PA offered to meet Heather. At the meeting, he seemed quite positive about LVT and asked sensible questions, including what were the objections. We said they were: ‘can’t value land’ and ‘asset-rich/income-poor – usually a widow’. He gave us the answer to the last one: roll the bill over. Heather also reminded him about the asset-poor/income-poor who subsidise the widows and the rest. He advised us that politicians like simple changes and rather than call for reducing and/or abolishing negative and inefficient taxes to call for a simple change such as replacing Council Tax and/or Business Rates with LVT.

Colloquium on Land Value Taxation

The Colloquium on Land Value Taxation, held in mid-September, grew out of a steering committee examining wealth taxes – of which our Secretary, Carol, was a member – which had decided to promote LVT. Carol introduced them to Mark Wadsworth, our Research Officer, who presented his calculations showing that the potential revenue from LVT was £200 billion per annum. In order to try to get this figure more formally endorsed, the committee organised the Colloquium, sponsored by the Royal Institute of Chartered Surveyors, at which Mark gave a presentation. Our Communications Director, Yoni Higginbotham, was also involved as administrator of the film, *The Taxing Question of Land* (see below), and in his capacity as Secretary of the Professional Land Reform Group he was responsible for recording the proceedings. He is also involved the publication of a report of the proceedings, which is due to come out shortly. One of the observers was **Martin Wolf**, Chief Economics columnist of the *Financial Times*, who, over the years, has expressed support for LVT in several of his feature articles. Carol was, unfortunately not invited, but on the following day, she spoke with Wolf at the

launch of his new book, *The Shifts and the Shocks*, and gave him a copy of the paper, 'A Proposal to Replace the Council Tax and the National Non-Domestic Rates with a Land Value Tax', by Jerry and Carol (see below), which he said he would read with interest.

Film on land issues

In June, our Communications Director, Yoni Higginbotham, launched a second film on land issues he has made, *What is Land?* which was for a group called Earthsharers. It was nominated in The Smalls short film festival in the documentary category – which is an impressive feat within the industry. The inspiration was to ask a selection of Londoners a series of questions about land and ownership, to film them in their natural setting, and to grow the discussion on the topic. The film may be viewed at <https://www.youtube.com/watch?v=fi2F724mxhY>. It complements Yoni's previous film made in 2013, *The Taxing Question of Land*, which may be viewed at https://www.youtube.com/watch?v=1pYSsME_h7E.

Freedom of Information Request

The Labour Land Campaign is currently engaged in a freedom of information battle with the Treasury to have sight of an official report on taxation written by Nicholas Stern (better known for his report on the economics of climate change), which in a recent article by the author ('Fairer fixes for the public purse lost in a chancellor's drawer', *Financial Times* 7 August 2014) implied that it had supported LVT, and which, unlike his two other reports commissioned by the previous government, the Treasury has so far refused to make public (in fact, 'neither confirming nor denying its existence'). Carol had written to Stern requesting a copy of the report, but he replied that he was unable to supply it because it was the property of the government. It was he who suggested that we made a Freedom of Information request.

Theory Group Meetings

In addition to our General Meetings, (currently held bimonthly), we held two Theory Group Meetings over the year. The first, in February, was led by Bob Colenutt (a Senior Lecturer at the Institute of Urban Affairs, Northampton University, and an activist in the progressive Planners' Network UK), which was on planning and land value taxation. He demolished the widely held view that our planning laws are to blame for housing crisis. There is a report of the meeting on the Labour Land Campaign website.

The second, in August, was a discussion, led by Carol, on the paper, 'A Proposal to Replace the Council Tax and the National Non-Domestic Rates with a Land Value Tax', by Jerry and Carol, mentioned already. The discussion resulted in a number of revisions, and it is this version of the paper that is now on the Labour Land Campaign website as a discussion document. The paper has since been sent out to a number of individuals with expertise in various areas for comment, and we hope this year to incorporate the feedback we have had into a final version of the paper.

The paper grew out of a chapter, 'Property and Land Taxes', among others, drafted by Jerry, for a major tax report produced by the Communist Party's Economics Commission, with considerable help from Carol, and also Mark Wadsworth, our Research Officer, especially making use of his excellent website, 'Killer Arguments Against Land Value Tax... Not', which may be found at <http://kaalvtn.blogspot.co.uk/p/index.html>, an important resource to deal with all the various spurious arguments attacking land value taxation. The full report, which covers all the major taxes, is available at www.communist-party.org.uk/EconomicCommissionTaxReport, or from Jerry. A summary has been published as a pamphlet, *From each according to their means: Essential tax reforms for a Left progressive programme*, which is available from CPB, Ruskin House, 23

Coombe Road, Croydon CR0 1BD (£2.50 including postage in A5 format, or £3.50 in A4), or, in an electronic form, from Jerry.

Constitution of the Labour Land Campaign

We made a number of revisions to the Labour Land Campaign Constitution (approved at the General Meeting on 26 July), mainly to redefine the broadened role of what was previously, the Press Officer, now Communications Director, and more generally to tidy up various areas, mainly eliminating repetitions that had crept in from previous amendments. The revised Constitution is on the Labour Land Campaign website.

Letters to the Press

An important activity some of our members have been good at is getting letters related to land value tax and housing published in the national or local press, especially our stalwart and former Vice-Chair, Dave Reed. Most of these letters over the past year (and before) are on the Labour Land Campaign website.

Campaign for Economic Justice

The Campaign for Economic Justice, which was established as an umbrella group for all organisations in Britain interested in promoting LVT among other things some years ago upon the initiative of the Labour Land Campaign, and which is chaired by the Labour Land Campaign stalwart, John Lipetz, is going from strength in terms of its many and varied activities. Its Steering Group meets on a monthly basis. John will be circulating his Annual Report to Labour Land Campaign members in due course, probably sometime in June.

The Coming Year

Over the coming year, which, of course, is an important election year, it is suggested that the Labour Land Campaign needs to focus more on particular issues, particularly on really affordable housing to rent or buy; paying for the NHS with a Mansion Tax; reform of Council Tax and Business Rates; rural issues (low wages, unaffordable homes worsened by second/holiday homes, farming issues etc). We need to produce more pamphlets and leaflets for stalls, meetings, and marches, and so on. Scotland in particular offers a real opportunity for LVT and on-going work that the Campaign for Economic Justice is doing, supported by the Labour Land Campaign and others, must be a high priority. Last, but not least, we need to extend our work with trade unions with the object of persuading trade unions, trade union branches and trade councils to affiliate to the Labour Land Campaign and encourage them to move resolutions on LVT at their conferences, with the ultimate aim of achieving a presence at the Annual Conference of the TUC and getting a motion on LVT carried, so that LVT gets adopted as a policy of the TUC. To this end we need to extend the setting up of stalls and fringe meetings at union conferences, meet with trade union officials, and provide speakers at trade union meetings.