



LABOUR LAND CAMPAIGN PRESS RELEASE – 4 JANUARY 2023

## NIMBYs and YIMBYs

*“As an incentive for people to back these [proposed onshore wind farm, solar farm and shale gas extraction] projects, ... local residents should receive free or subsidised energy bills for the duration of the project.”*

Extract from “Energy Market Reform: Tackling the energy trilemma” a report from the Conservative Party’s 1922 Backbench Committee on Business, Energy and Industrial Strategy (January 2023)

Secretary of the Labour Land Campaign Carol Wilcox welcomes this eminently sensible proposal from a source that she does not always agree with, *“It is perfectly fair that when vital public investment causes hardship to certain citizens, they should be compensated”*. This principle is enshrined in other legislation such as the contributions to the local public realm demanded of private sector developers appointed to manage profitable construction projects that inflict years of dust and noise on neighbours. In the case of energy infrastructure projects, one of the main preoccupations of local home-owners is negative impact on property values.

Carol goes on, *“But that’s just one side of the coin”*. When public investment – be it in a hospital, a school, a tube line, buses, roads, sanitation, policing or free interpretative dance classes – pushes local land values up, the landowners contribute nothing because land is not taxed. With the recently opened Elizabeth Line in London, land values – and rents – rose across a great swathe of Greater London and beyond (with house prices doubling at either end of the line). It was Winston Churchill who said in 1909 that the landowner *“contributes nothing to the process from which his own enrichment is derived”*.

If it is fair to compensate landowners when their property values go down because of public investment, it is all the more fair to recover at least some of the unearned wealth that they accrue when the value of their asset goes up for the same reason. And more pressing because many of our public services are starved of funding (think NHS) and much of our infrastructure is failing (think housing crisis). What is commonly referred to as a land value tax could “fairly” be seen more as a contribution in return for received financial benefit: a better moniker might be Community Charge although that ostensibly noble term has unfortunate baggage.

Whatever we call it, if financial benefit from public sector investment were harvested for more public sector investment instead of going into private hands, a virtuous cycle would be established in which state spending drives increasing land value (as it has always done) which is in turn harvested to fund further investment to enhance citizens’ quality of life. ENDS

***The Labour Land Campaign is a voluntary organisation working for land reform.  
It advocates a fairer distribution of land wealth through a Land Value Tax.***

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**Contact details**

Press Officer: Anthony Molloy

Email: [anthony1molloy@gmail.com](mailto:anthony1molloy@gmail.com)

Telephone: +44 (0)7704 116 238