

THE LOW WAGES PROBLEM.

On another page we record an interview by "P.W.W." of the DAILY NEWS AND LEADER (13th May), with Mr. Lloyd George, during which the question of low wages was discussed. The result of the interview we regard as disappointing. Although admitting that "whenever you begin to probe these matters (labour questions) you always get back to the land," and stating that the low wages of agricultural labourers tended to depress the wages of all other workers, Mr. Lloyd George did not put forward any satisfactory proposal for dealing with the land question or raising agricultural labourers' wages. Asked if he would give a Minimum Wage Bill for agricultural labourers, he replied "you must take a longer view than that. Have you ever considered how much depends on housing?" "We must," he said, "clear out the slum—whether in city or village or mining urban district. We cannot tolerate the slum any longer. And if from any source, capital is found for housing, it will mean just the demand for labour which will be best calculated to level up wages in the village. Once this is effected, the figure for wages will not fall again."

Yes, we shall have to take a longer view of the question than a Minimum Wage Bill for agricultural labourers, and we shall also have to take a longer view of the question than clearing out slums by the expenditure of public money. Where is the money to come from? Unless it is raised by a tax on land values, it must be raised by a tax on industry. If it is raised by a further tax on industry, the money spent on erecting new houses will be money that is at present spent on something else. The volume of production will not be affected and consequently the sum total of employment will not be increased. If land values are taxed it will be unnecessary to build houses with public money. Slums are not the cause of low wages. The reverse is the case. Low wages are the cause of slums.

It is true as Mr. Lloyd George said that the low wages of the agricultural labourer tend to depress the wages of all other workers because of the huge reservoir of underpaid labour that is always in competition with the better paid labour of the towns. The only way to raise the wages of the agricultural workers is to create more opportunities of employment in the agricultural districts. Production cannot take place, consequently opportunities for employment cannot be increased, unless land is brought into use. Mr. Lloyd George knows the remedy for forcing idle land into use. He said in the House of Commons on April 29th, 1909, when introducing his famous Budget, "the owner of valuable land . . . by withholding from the market land which is required for housing or industry, is creating a speculative inflation of values which is socially mischievous. We propose to redress this anomaly by charging an annual duty of 1d. in the pound on the capital value of undeveloped land." Idle agricultural land can be forced into use by a tax on its value just as effectively as undeveloped building land. In the Colonies it has been done. A straight tax on the value of all land will throw the land of Britain open to cultivation and the opportunities for labour be doubled and trebled. Agricultural labourers will then be able to command high wages, they will cease to compete with the workers of the towns, and furthermore the wages they will have to spend will create a demand for the products of the town workers and increase the opportunities of town labour. This is the way the low wages problem is to be solved.

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GARDEN CITIES—A DISILLUSIONMENT.

BY W. LEWIS WADE.

Some weeks ago we spent a few days at a garden city not fifty miles from London. It was an interesting experience, and many innovations of a progressive character were to be seen. The houses were well-built, many of them very artistic, and each had a plot of ground to itself. There seemed to be plenty of places for both mental and spiritual edification, yet resorts of a more frivolous character were also in evidence. There was not a public house in the place, and one would think that here was the ideal community and the ideal home for those seeking peace and comfort. Chancing, however, to stroll into the manufacturing district, we passed a large motor works with all its machinery closed down, the only sign of life around being a solitary policeman, who seemed to be in rather an anxious frame of mind. Upon inquiry, the constable told us that all the employees had gone on strike for higher wages and better hours! This was a sad disillusionment, and our enthusiasm for the new experiment was somewhat damped.

During lunch time the weekly paper came in, and the perusal of its sheets did not encourage us. There were several cases of "drunks," mostly on the highway from the neighbouring town, more than one column of squabbling as to who should pay for the lighting of the streets, and a heated agitation against the building of a public library owing to the inability of the ratepayers to stand a 1d. or so increase in the rates. The paragraphs of this little paper signified a great deal. They indicated the presence of labour unrest in the little community, the payment of insufficient wages, the lack of public spirit, and the general dislike of the system on which the rates were raised. Clearly the institution of garden cities cannot in itself solve the problem which has faced reformers for so long. There is something abroad in the world that makes it possible for one man to offer another an inadequate wage; and we must seek for that thing before we can commence to save humanity from the fate which now enslaves it.

There is no useful piece of land in this nor any other country—that is, useful by virtue of its environment—that is not claimed as a private possession by some individual or individuals. These persons have all found out that by regulating the use to which this land is put, they can control the destiny of the whole human race. It rests with them whether a city shall thrive or starve, and they generally adopt what they consider the happy medium, which is, to permit land to be used on terms sufficiently high as will secure to them the bulk of the profits made by its users, and yet which will leave just a sufficient margin to their tenants to permit them to live and to continue to pay the rent toll. The result is that trade is depressed all round, and this depression is felt just as much by those whose lot is cast in a garden city as it is by those who live in jerry-built suburban houses. The rating of improvements is just as galling and as ruinous to a workman living in a four-roomed cottage with a seventy-five foot potato patch at the rear, as it is to the tenant of a "three-pair back" in Clerkenwell, and until we open up the land to labour and remove rates and taxes on improvements and on food, we shall never advance a step. The taxation of land values will go far to attain this end. It will put an end for ever to the iniquitous rack-renting which is to-day sapping the very life blood of our industry, and it will provide revenue with which to meet the expenses of the State. It will make possible the total abolition of the taxes upon the breakfast table, the workman's cottage and the farmer's barn. Then the garden city will be a practical proposition, and may our country ere long be covered with such healthy and invigorating townships, and may they be available for all the workers, wherein to fortify and recoup themselves for the journey through life.

"I entirely agree with those who think that its (the Housing and Town Planning Bill) necessary complement is a reconstruction, a complete reconstruction, of our valuation and rating system."—H. H. ASQUITH, Prime Minister (Birmingham, June 20th, 1908).