

existing rates would "help the landlords rather than the tenants." That is to say, it would help the landlords to raise rents in proportion to the reduced public charges on their land. And to the landlord party, hungry for doles and for bigger bounties than those provided for in the Corn Production Bill, this is the only way to encourage agriculture! There can be no mistake about the nature of these demands, although they are backed up in that equivocal language which speaks of agricultural land as a "rural industry, singled out for a special part" and put to a "severe strain." That there is an "impost" upon agricultural land we agree, but it is something much more definite and burdensome than THE SPECTATOR would or could admit—the right of individuals to charge rent before there can be any industry or production, a right which encourages the holding of land out of use and which necessitates the public taxation of cultivation and improvement. The urgency of removing *this* impost is so transparent that we are less alarmed than astonished at the courage with which THE SPECTATOR argues that it should be perpetrated and increased.

Taxation of Fruit Trees.

After reading the notes on the taxation of fruit trees, both in Syria under the Turkish Government and in this country under our own, on p. 374 and 404 of the May LAND VALUES, a correspondent points out that what the Marquis of Graham said recently on this subject in Glasgow may be supplemented by a reference to what the Duke of Bedford wrote in his book, entitled THE STORY OF A GREAT AGRICULTURAL ESTATE (by the Duke of Bedford, London, John Murray, 1897, ch. iii., pp. 71—3):—

"I have established near Woburn an experimental fruit farm. An ordinary agricultural field was converted, during the autumn and winter of 1894, into a fruit garden by the employment of capital and labour. The land was duly planted with a valuable stock of fruit trees and bushes, and after a few months there came up—I confess to my amazement, for I had not foreseen this result of my experiment—the Overseer. Now the Parish Overseer said:—'The employment of capital has wrought a great change in this spot, and it is my duty to report the same and treble your rates.' Well, I was in search of experience in the matter of fruit farming, and am now in a position to record an important result. It is this: If you invest capital in a fruit farm, your rates will be trebled before you have any chance of a return for your outlay."

The Indian System.

He then goes on to say that he made public mention of this result, that the Press took it up, and that on his appealing against the assessment it was reduced by half, and he continues, as regards the general aspect of the matter:—

"I think that this method of dealing with improvements would compare unfavourably with the methods adopted in other countries. Even in India improvements are protected against enhanced taxation for lengthy periods. If a man sinks a well in order to irrigate his fields and to render his crop secure, the State does not pounce on him as the Overseer did on me, but allows him for thirty years to pay taxation assessed on his fields as they were before the well was sunk. Again, if land is broken up from forest and brought under the plough, it remains untaxed sometimes for periods extending to thirty years. Every effort is made by the Indian Government to attract capital to the land and to encourage improvements. My experience in the fruit farm rather suggests that this is not the case in England."

The Rating of Cottages.

The late Colonel Kenyon-Slaney, Unionist M.P. for the Newport Division of Shropshire, speaking in the House of Commons on 18th February, 1903, in the Debate on the Address, with reference to the Housing of the Working Classes Amendment proposed by Dr. Macnamara, M.P., described what happened when he built cottages for labourers:—

"I am as interested as any owner of land can be in the effort to provide good dwellings for the rural labourers, and I retain in my hands all the cottages on my property. Recently I built one or two pairs of cottages which cost me between £450 and £500 a pair. Last year, when the agricultural depression was very severe, I thought I might assist the farmers in my neighbourhood by reducing the rent of the cottages from £4 to £3 to any labourers who, for twelve consecutive months, had served any one master. I thought that would be an inducement for labourers to stay, but no sooner had I done it than a Local Assessment Committee met and raised the assessment of the cottages very considerably. I asked the reason and was told that inasmuch as I had chosen to build cottages for labourers which were worth a great deal more than the rent charged, they would add to the assessment an amount which would show what they thought these cottages ought to be let at. Is that an inducement to the country landlord to try to carry out such work?"—PARLIAMENTARY DEBATES, 4th Series, vol. 118, p. 174.

Country landlords would build cottages for labourers if they were not fined for so doing by an increase of rates. So would many tenant-farmers if they were not fined in this way and if they had security of tenure. And the taxation of land values is the key to security of tenure as well as to fair rents.

Rival "Single Tax" Scheme.

Mr. Gilbert C. Vyle gave an address to the members of the Manchester Rotary Club on Monday on "One tax instead of eighty-seven." He proposed that we should scrap every existing tax without exception, and substitute a discount deduction on every financial transaction, the rate of discount to be fixed by the requirements of the State. For simplicity, he said, he would call the tax a stampage. If the stampage were 4d. in the pound, or a penny for each complete 5s., and an account were being paid for £10, stamps to the value of 3s. 4d. would be fixed to the revenue bill, and the cheque made out for £9 16s. 8d. The receiver of the money would receipt the bill by cancelling the stamps, and this would constitute the only legal receipt. Mr. Vyle estimated that in an average peace year a stampage of 4d. in the pound would yield 330 millions.—MANCHESTER GUARDIAN, May 23rd.

If this was a serious proposition it could be taken as formidable opposition to methods of taxation, either in practice, or in question. It is quite simple: every time you pay 5s. to me I give a penny, and when you pay a like sum I do likewise. In that way "we," the State, make twopence for "our" exchequer. This new rotary looking scheme has all the appearance of the latest interpretation of how best to get along by taking in each other's washing. Meanwhile we can picture the man who pays his 3s. 4d. on a ten pound note he has earned by hard work having conversations with him who pays a similar tax on £10 he has not earned. This suggests a gulf which has got to be bridged and those who stand for justice in taxation are out on this job.

War Loan Problems.

In our issue of February last we pointed out that the subscribed stock of the latest War Loan would require to reach a very large figure before any "new money"