

LAND & LIBERTY

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Here are two simple principles, both of which are self-evident:

I.—That all men have equal rights to the use and enjoyment of the elements provided by Nature.

II.—That each man has an exclusive right to the use and enjoyment of what is produced by his own labour.

There is no conflict between these principles. On the contrary, they are correlative. To secure fully the individual right of property in the produce of labour, we must treat the elements of Nature as common property.—*Henry George*: "Protection or Free Trade," chapter 26,

WHY WAGES FALL

An Act of Parliament passed last session created a new department of State called the Ministry of Transport. One of its functions is to act as the chief executive authority in the management of the railways. The measure of State-control thus introduced is neither nationalization nor anything approaching it. The railways, far from becoming national property, remain the property of the companies. Whatever improvements the Ministry may effect by arranging better services or introducing economies or developing these great undertakings as a whole, the Government must assure to the shareholders at least as great a sum in dividends as they have been accustomed to receive.

This means that nothing has happened to disturb the monopoly-value of the railways—the value which attaches to them as strips of land subject to private ownership. The traffic must continue to pay rent to the owners, collected over every inch of the road by tariffs on travel and transit grossly in excess of the cost of carriage.

The Government and the railwaymen after prolonged negotiations found themselves unable to agree on the matter of wages, and the men, rather than submit to any reduction in their war-time rates of pay, have had recourse to a national strike. Their demands have in part been conceded, and a compromise has been arrived at by which the position will be reviewed again in September, 1920. As the dividends and the monopolists' toll must remain a burden on the railways, it is difficult to see how the Government can avoid either increasing

freights and fares or squaring a financial loss with grants from the Treasury. On a previous occasion the issue was settled by obliging the public to pay increased wages by an immediate advance in the cost of railway transit. The great strike in 1911, in which the Government acted as arbiters (whereas now they are one of the parties concerned), lasted a day and a half, and it was ended by the Government deciding in favour of the men. But the interests of the shareholders were duly safeguarded. Parliament empowered the companies to raise their charges, and it is on record that dividends benefited by a greater sum than the men received.

So it has been with other industries. The labourer on the land demanded higher wages, but he was told that "agriculture" could not afford it. His case was considered when the Corn Production Act was passed, and he got more, not by securing to him any greater share of the produce, but by granting him a small part of the subsidies voted out of the taxes. He was thus supported by other wage-earners, who at the same time paid so much more for their corn, and landowners' rents were increased.

So it has been with mining. The industry must afford to pay royalties, wayleaves and other mineral rents, before those who bring the coal to the surface can lay claim to any share of the coal. If the miners are powerful enough to insist on being better paid, the difficulty is overcome, not by securing to them a greater share of the wealth they produce, but by an increase in the price of coal at the expense of the community. Thus miners also were placed on the civil list. That elusive person, the "general consumer," pays the additional wage, and wherever coal is mined or can be mined the owners of the God-given mineral reap a golden harvest. They, like the railway owners and the owners of corn-land, receive a greater share than ever of general wealth production.

So it is with land settlement and small holdings. Before anyone may get a footing on the land, the owner must be bought out at full market value, at a price which mortgages the greater part of the produce for many years to come. The public authority must borrow money for the purpose. The settler or small holder is charged just as much rent as he can afford, but that rent does not pay the cost of the land purchase policy. There is an annual loss to each public authority which is made good by the State, and once more the taxes are raided for millions of money—all in the interests of private property in land. It is in these circumstances that the mere cultivator, as one of His Majesty's Ministers has said, "will make a great mistake if he thinks he is going to have a 'cushy job.'" That, too, in spite of the fact that his share of what he produces is supplemented by a grant of public money—by a subsidy, in fact, from other people's wages.

So with housing, every week the Ministry of Health parades its statistics of "schemes submitted" and "schemes approved" and offers promises of houses in mitigation of the famine. Thus far, after twelve months of departmental officialdom, they are but paper houses and castles in the air. If ever the houses are built on earth, the cost of ground and of materials is so high, and the burden of rates will be so heavy, that the people for whom they are built cannot be expected

to pay an economic rent. On each, we are calmly assured, there will be an annual loss of anything from £20 to £40. Here, again, the taxpayer will have to bear the additional burden. The house-dweller will call upon others to pay his rent for him, and in the result the land-monopolist has benefited—he who has been paid £100 to £500 or more per acre for land in respect of which he had been paying only a few shillings in rates.

These expedients have been adopted in the attempt to increase wages and establish better conditions. The "improvement" has affected only some workers, and even in their case it is more apparent than real. Outside their ranks the general body of the people has had to find the cost, thus reducing the wages of labour in the mass and lining the pockets of the vested interests. Every encouragement has been given to land speculation and the holding to ransom of the source of raw materials as well as raw materials themselves. While the official announcements on hoardings and in the newspapers shout for greater production, bonuses have been showered upon monopoly to exploit industry the more and absorb a still larger share of wealth. We need only look at the figures of unemployment to realize what dangers menace the rates of wages in every trade when the doles to the unemployed are withdrawn, as they must be sooner or later. Competition for jobs, where opportunities are denied and landlordism reigns supreme, will soon settle the fate of labour. If the only weapon Trades Unions will take up is that of collective bargaining with the immediate employer they cannot stop the cataclysm. No remedy will avail which ignores the fundamental principle that if you would emancipate labour you must first overthrow land monopoly.

The present Government are the last body in the country to recognize or apply that remedy. Instead, they have indulged in this rake's progress of doles, grants and subsidies, and have stood guard over the interests of every privilege which feeds on the earnings of industry. The Government stand guard over the dividends of the railway companies, and assure to the owners all the plunder they receive for the use of their strips of land. In the same way the spoils go, and have gone, to the landlords of the great estates, the owners of coal, and the speculators in building sites. Of all the wealth produced the monopolist gets always more; and as his power grows, the more it is entrenched behind the laws which confirm his right to that greater share, so labour is doomed to get less and less. An attempt is being made to improve the condition of labour, and over it all the wage-fund theory prevails. It is the formula alike of the Government and capitalist, of Whig and Tory, of Liberal and Labour, of employer and trade-unionist. The experiment has been made on a big scale and the task of the State as fairy god-mother is about finished. The effects of obliging everyone to pay the wages of everyone else are now becoming apparent and the results are now seen in the high cost of living, in monopoly rents and prices of land, in heavy taxation and unemployment. The true law of wages has been ignored—that wages rise only as rents fall, that if the labourer is to get more of the produce, the monopolizer must get less. This is the case as we see it, and it is simple enough. The problem of the distribution of wealth can only be

solved by stopping the robbery of industry, by assuring to the producer what he produces, and by making it impossible for any holder of land to engross the natural resources of the country for his own benefit.

A. W. M.

TRADES UNION CONGRESS AND LAND VALUES TAXATION

The following Resolution on the Direct Taxation of Land Values was unanimously adopted at the Annual Trades Union Congress, meeting in Glasgow, September 8th to 13th:—

"This Trades Union Congress, recognizing that increased taxation will have to be imposed to meet the huge expenditure in connection with the war, declares that those who own the land should be required to make a special contribution towards its defence; it, therefore, calls upon the Government to levy a direct tax on land values in the next Budget. This Congress also expresses the opinion that the present rating system is unjust and inequitable, as it facilitates valuable land being withheld from use or from the uses for which it is best adapted, thereby strengthening land monopoly and encouraging land speculation, penalizing industry and restricting improvements. This Congress affirms that the taxation and rating of land values would yield large revenues, national and local, give all desiring the use of land access to it on more reasonable terms, and thus materially assist in opening up opportunities for employment and raising the economic status of the working classes of the country as a whole."

HOUSING AND LAND PRICES

An Official Review of "Approved Plans"

In a return issued by the Ministry of Health on September 15th, a table is given showing the average cost of land in the housing schemes of different classes of local authorities, where the price has been approved. The tables give the data up to July 31st.

In 40 county boroughs 94 schemes have received sanction covering an acreage of 4,950·06. The total cost of £1,040,210, averaging £210 an acre.

In other boroughs and urban districts with a population of 20,000 and over, 55 local authorities have submitted 77 schemes, at a cost of £400,798, or an average of £189 per acre.

Boroughs and urban districts with a population of less than 20,000 to the number of 156 have promoted 183 schemes. These have an acreage of 2,269·04, acquired at a cost of £397,400, or an average of £175 per acre.

One hundred rural districts have come forward with 247 schemes with a comparatively small acreage of 975·32. The cost of the land in this case is £123,270, or an average of £126 per acre.

These figures give a grand total for all authorities of 351, with 601 schemes, having a total acreage of 10,318·78, the total cost being £1,961,678, or an average of £190 per acre.

In view of the fact that the statistics published from time to time by the Board of Health are somewhat conflicting, it is well to notice that the above data refer to schemes that have been approved by the Board. Up to July 31st the acreage of schemes "submitted for approval" was 37,288 acres, but no figures are given of the price local authorities had offered or had agreed to pay.