

says that "Simple folk, including most of the political economists, have been taught to believe that taxation in any form tends to inflict a burden on enterprise and industry." It ridicules the statement of these business men who say, "So far from inflicting any burden on enterprise and industry a rate or tax on the value of land would afford them stimulous and encouragement." This the *Telegraph* thinks "a most charming theory." Indeed it is, and its charm is its truth.

CHAMBERLAIN and his Tory colleagues are about to advocate an extension of the system of land purchase from Ireland to England, Scotland and Wales—a step foreshadowed by the English correspondent of the *New York Tribune* in its issue of Nov. 8th. It is perhaps needless to remind our Budget friends that here is the most formidable suggestion which has yet emanated from the enemy. Much hard fighting will be needed to overcome this latest proposition. It was by measures of this sort that the voice of Henry George's principle in Ireland was effectually, if temporarily, stilled.

"THE Bitter Cry of the Landlords" is the title of a recent article in the *Literary Digest* with portraits of the gentlemen who will be hit when the new British Budget becomes operative.

VICTORIA.

Mr. Watt, Treasurer in the State Murray Government, brought in a Bill on August 31st to provide for a tax on the unimproved value of land to be leased after the year 1910. The Bill provides for an exemption of £500 on all properties up to £2500 unimproved value, after which it gradually diminishes and disappears at £3500. The taxes to be progressive or graduated. The rates are a half-penny on land over £500 and not more than £2500 unimproved value; three farthings from £2500 to £5000; gradually rise to three pence on land of which the unimproved value is more than £80,000. The Bill provides for the abolition of the existing,

so called, land tax, (which is a tax upon land above a certain area and value according to its sheep-grazing capacity) and that income from agricultural and pastoral land up to £5000 unimproved value shall not pay income tax. Absentee owners are to be taxed 50 per cent. extra.

Mr. Watt has ability and fighting capacity, and it is to be regretted that the Ministry has been so deluded by the "burst up the big estates" fallacy, as to include the system of a graduated tax. Correspondence in the papers is directed to show that the heavier tax falling upon city land of small area but great value may discourage the erection of large buildings for which larger areas are necessary, and will fall heavily upon those who have erected such buildings on land bought at high prices. (The market gardener and the poor widow have for the nonce disappeared). There is force in the criticism, and its power would be destroyed were the tax uniform.

There are members in the Assembly opposed to exemptions, and graduation, on principle; and others who are opposed to land value taxation but who, if it must come, will be likely to move that it shall be without graduations, and possibly without any exemption. If these parties should be powerful, or logical enough to secure an amendment of the Bill in the directions suggested, it will be "a consummation devoutly to be wished."

A. C. NICHOLS.

EUROA, Victoria.

MRS. SARAH CORKILL, beloved wife of Edmund Corkill, a frequent contributor to these pages, and mother of Mrs. Peter Aitken, passed away on the evening of Nov. 8th.

THE N. Y. Evening *Post* of Nov. 6th contained a three column article on The Unearned Increment Tax in Germany. The *Post* states that the tax is popular there, and in no instance has been repealed. Since 1904 more than 130 cities and communes have adopted it. As REVIEW readers know it is not yet a federal tax in Germany.