

that they would address agricultural labourers who were in the difficult position of bringing up families on 15s. or 16s. a week, and who were ready to listen to any lie that promised to improve their position. The counteracting policy of the Unionists must therefore be pressed. Let them cast aside all "ifs" and "buts." When once they had placed an owning-peasantry on the land every difficulty would disappear.

The resolution was carried.

Unionist Housing Policy.

SIR ARTHUR BOSCAWEN, M.P., moved :—

In view of the deplorable condition under which so many of the working classes are housed, both in town and country, and the dearth of sanitary cottages in many parts of the country districts, this Conference welcomes the introduction of the Unionist Housing Bill in the present session, and the declarations which have been made by Leaders of the Party that Housing Reform shall constitute an important part of the constructive policy of the Unionist Party in the near future.

What, he said, was the good of talking about an Imperial race when we were bringing up thousands of our people in horrible slums? All social reform must begin in the home, and it was of primary importance that our people should be housed decently and well. There were slums in London, and in every great town, which were absolutely unfit for habitation, where people lived herded together in miserable dens, into which no sun, air, or light could penetrate, and where the death-rate was 50 per 1,000, and the mortality from phthisis and other tubercular disease was enormous. What was the good of giving £1,000,000 a year under the Insurance Act to cure consumption, when they allowed these breeding places of the disease to continue? There was also a rural problem of great importance—a positive house famine, so that young couples could not marry because there was nowhere for them to live. Unionists declared first, that housing was a matter of such importance that it could not be left exclusively to local authorities or private individuals; it was a responsibility that the State must take upon itself, and therefore they must have a separate Department or Housing Commissioners with large powers of initiative to see that in every locality, town or country alike, adequate schemes were carried out for the proper housing of the people. Secondly, Unionists held that it was most unfair that the whole burden of housing schemes—of great slum clearances in town, or of building cottages where they were urgently required in the country—should fall upon the local ratepayers. Therefore, there must be a State grant. Since the housing of the people was a matter of primary national importance the Imperial taxpayer must come to the aid of the local rates.

Mr. C. Bathurst, M.P., seconded, and the resolution was carried.

NATIONAL LIBERAL FEDERATION ON THE LIBERAL LAND POLICY.

The Annual Report of the National Liberal Federation, submitted at the annual meeting of the Council at Nottingham on November 21st, in referring to the land question under the heading, "The situation and outlook," states :—

What is wanted is that the land of the country, limited as it is in quantity and valuable as it is according to its position, shall be put to its best use, and that the burdens upon it shall be fairly and equitably apportioned in such a way as to promote and encourage its use in the interests of the community as a whole. To that end the problem will have to be attacked in detail along a variety of lines, including among other things the rating and taxing of land values. This does not pledge the Liberal Party to the policy of the single tax by which all the money required for public purposes would be

raised by a tax on land values. Both the Prime Minister and the Chancellor of the Exchequer have made it clear that such a single tax will not be any part of Liberal policy.

There were several references to the land question, housing and wages at the annual council meetings. We hope to report and deal with, in our next issue, the various proposals put forward.

THE EIGHTY CLUB AND THE LAND QUESTION.

LECTURE BY MR. R. L. OUTHWAITE, M.P.

A course of lectures on the land question arranged by the Land Group of the Eighty Club was opened in the House of Commons on the evening of Monday, October 14th, by Mr. R. L. Outhwaite, M.P., on "Liberalism and Land Monopoly." The chair was occupied by Mr. Newbould, who explained that there would be no discussion, although the lecturer would answer any questions which might be put to him.

Mr. R. L. Outhwaite at the outset of his lecture briefly reviewed the present system of raising revenue for national purposes. "There is a general hazy idea among many," he said, "that we raise it in the main according to the sacred principle of 'ability to pay.' Many of our opponents entrench themselves behind that as an established principle, and hold to the view that being equitable and just it cannot be supplanted. We hold, on the other hand, that that principle is more honoured in the breach than in the observance." Taking items in support of the contention that "ability to pay," as commonly accepted, is nothing short of a farce and absurdity, he showed that the duty derived from the consumption of drink is not equitable in its incidence. If it was imposed for the formation of temperance, why, he asked, should they raise £6,700,000 by taxing tea, cocoa, coffee, and dried fruits, the consumption of which promoted temperance? Who could say that the duty on tea, for example, was raised on the principle of the ability of the consumers to pay it, since it was the same on tea sold at three or four shillings a pound as on blends sold at less than half the price? The same condition applied to the tobacco duty, which was the same on cheap shag as on the best Latakia or the best cigars. There were other things, sugar among them, on which there were duties which were paid for by consumers, but not on the principle of ability to pay.

Touching next on rates, Mr. Outhwaite showed by figures that these, in certain working class localities, amount to 12s. in the £, equivalent in the case of a man earning a pound or twenty-five shillings a week to an income tax of 2s. or 3s. in the £, whereas in fashionable districts the local rates did not exceed half that amount. "Can it be asserted," he asked, "that rating in these districts is based on the principle of ability to pay? We want a new principle, and we find it in raising the revenue according to the services which the State renders the individual. The landowners get benefits in the form of the value which the activities, the expenditure, and the needs of the whole community give to the land they own. Our specific proposals are embodied in the Memorial which the Land Group presented to the Prime Minister and the Chancellor of the Exchequer. This was signed by 173 members of the House of Commons. They are that we abolish the duties on tea, coffee, cocoa, sugar, and other articles, so as to have the long promised free breakfast table. There is nothing new in this proposal, for at a meeting of the National Liberal Federation held at Manchester in February, 1889, which was addressed by Mr. Gladstone, there was a demand for the abolition of the food duties, and that the

deficiency to the revenue caused thereby should be met by the taxation of ground rents. It is interesting to note that the same demand was made in the Newcastle programme. It is therefore obvious that there is nothing new in the proposal." The rates in their relation to buildings and improvements should be transferred to the value of the land. The taxation of land values would compel the full use of the land. At present it was profitable for its owners to withhold it from use because they contributed nothing to the rates. If taxed, its owners would realise that it was better to utilise it because the annual tax they would have to pay would more than absorb the annual increase of its value. Mr. Outhwaite said that the next political contest will involve the issues, "Free Trade and Land Value Taxation" versus "Tariff Reform (or Protection) and Land Purchase." There was no use giving Free Trade, or free exchange to people who had not the means of producing the wealth they desired to exchange. "You cannot," he said in conclusion, "produce the maximum of wealth so long as you have monopoly in land, and a limit to the exercise and employment of labour. Free land for the production of wealth is a logical accompaniment of Free Trade. Let labour and capital come together for the free and unrestricted development of the land's resources. The State has no right to levy an impost upon the results of their joint operation."

After Mr. Outhwaite had replied to a number of questions he was cordially thanked for his address.

MR. TRUSTRAM EVE ON THE LAND AND TAXATION REFORM MEMORIAL.

The second lecture was addressed by Mr. H. Trustram Eve on "The Taxation and Rating of Land Values," on October 28th. Mr. Eve, whose paper has been published by Wyman's (Fetter Lane, London, E.C.) in pamphlet form, dealt with the Land and Taxation Reform Memorial and the Evidence submitted by the Land Values Group to the Departmental Committee on Imperial and Local Taxation. Mr. Eve's position is summed up in his conclusion to the paper from which we extract the following:—

We should all be better off if we had to pay no taxes and no rates, but the solid fact stares one in the face that our Members of Parliament, our County and Borough Councillors, our Boards of Guardians and our District Councils are all in an extravagant mood, and possess a very high standard of what is required for their constituents, and between them they are spending some 260 millions per annum, and on capital account the State owes 725 millions, and the Local Authorities 536 millions, as to which interest must be paid and repayments made.

I ask myself how this huge sum of 260 millions is to be obtained from the inhabitants of these islands in each year, and if we could afford to exempt structures without hurting any section of the community, I would begin to think about discussing it, but the truth is, we cannot do so.

Surely anyone looking at the question from a broad point of view would say, "From what persons and in what proportion should these sums be collected? What obligations are national in character and what obligations are local?—and surely we must for the present leave that for the Departmental Committee to think out and report upon."

My whole point is that the exemption of structures, however desirable, is an arithmetical impossibility unless you tax out of existence the owners, and, to a large extent, the occupiers of agricultural land. If my arithmetic is wrong, I am wrong as well, and I will admit it when it is so proved.

As long as figures show the principles of the proposals to be impossible, what is the good of discussing the principles themselves, however good they may appear to be?

I have attempted up to this point to deal with the proposals of the Land Values Group in a definite way,

assuming that they are really intended to be a business proposition for the betterment of the present system of rating, and if this were so, I could end here; but anyone who reads the Evidence of the Land Values Group and the Memorandum submitted to the Departmental Committee must come to the conclusion that a mere reform of rating is neither the sole object, nor even the avowed object.

After quoting from the leading article in October LAND VALUES he continues:—

I have quoted these extracts (and LAND VALUES of each month contains similar remarks) to show that the leaders of the United Committee, who are also leaders of the Land Values Group, are really Single Taxers at heart, and they are advocating as the thin edge of the wedge a "small" National Tax and an option to local authorities to use site values for rating. I can see no difference between the principle of the Single Tax, which is the placing of *all* taxes and rates on land, and that of placing on land a special but "*small*" tax and all rates (if local authorities agree to the latter).

The Single Taxer seeks the abolition of all taxation of every kind except on land values. The aim and object is to get the land by taxing the owner out of existence. The Land Values Group and friends desire the appropriation of rent by means of taxation, and the object is also to get the land by means of gradual and increasing taxation.

For the life of me I cannot see any difference between the two, except the former seems to be more direct in its methods, and the latter proceeds by stealth.

Before anyone makes up his mind about the proposals of either group, it seems to me one must ask the question, "Do I want to tax out of existence private ownership in land?" If the answer is "Yes," surely the more honest way would be to proceed to do so by direct legislation, which would deny that the land is the property of individuals. If the answer is "No," it follows, I think, that one must oppose the proposals of the Land Values Group and of the United Committee.

It is an old Liberal maxim, that no tax should have ulterior objects, but that you should tax for revenue. Certainly no one can say that the Group has no ulterior object after reading their views.

I hope the Members of the Eighty Club will dive deeply into this difficult subject, and decide on their views on the *facts they find*, rather than on the *theories they read*.

A Gross Misrepresentation.

The following passage occurs in Mr. Eve's paper:—

Every member of the Land Values Group, and every member of the United Committee, when addressing an audience, makes a great point of this proposal, and politically, from a vote-catching point of view, it must have a great effect, for nearly everyone in the audience uses "tea, sugar, cocoa, and other articles of food," and would like to buy them at a cheaper price than is now possible; but it strikes me as the height of immorality (even in political propaganda work) to continue to advocate a part of a policy which officially has been withdrawn and repudiated by those who control the policy. These are strong words, I know, but I am justified in using them when I quote the following from the evidence given officially by Mr. L. Davies on behalf of 178 M.P.'s who form the Land Values Group, the leaders of which are also the leaders of the United Committee.

Q. 2272. (Mr. Harper.)—Did you not also say levying a Budget Tax upon Land Values in substitution of the duties on tea, sugar, cocoa, and other articles of food? A. That is in the Memorial presented to the Prime Minister, but it is not in our evidence, it did seem to me to be relevant.

Q. 2273. (Mr. Beard.)—I think it is relevant; you put it in the Memorial as part of your evidence. I do not want to press a technical point, but I want to know how far this principle will take us. Would it not take us to the levying of the whole of our public charges by a tax upon land values. I do not want to argue that question as to whether that would be a right thing, but would not the principle you put forward take us that far? A. You will appreciate my difficulty in speaking on behalf of a number of people.