

“OUR POLICY.”

“We would simply take for the community what belongs to the community—the value that attaches to land by the growth of the community; leave sacred to the individual all that belongs to the individual.”—*Henry George.*

THE UNEMPLOYED QUESTION.

THE RIGHT TO WORK.

At the annual conference of the Labour Party, held at Leicester on February 1st and succeeding days, the Chairman, Mr. W. C. Robinson, in his presidential address said that the students of our social life were beginning to observe that a spirit of discontent is abroad amongst the working classes of this country. It was not a question of violent unrest among the unemployed, the criminal and semi-criminal classes. It was amongst the workers, who have concluded that the great social inequalities which exist are unreasonable. They are contrasting their lot with that of the rich, and are asking themselves whether such inequalities are necessary or just. The men of this generation are asking many things which never entered into the heads of their fathers. They do not see why their hours should be so long, their wages so small, their lives so dull and colourless, and their opportunities for reasonable recreation and rest so few.

To all of this we are in agreement; but Mr. Robinson did not tell us how to remedy the evil. He dealt with the Osborne judgment and the payment of Members of Parliament. Later he said that he would like to see the Children's Feeding Bill made compulsory throughout the British Isles, and welcomed the promise of State Insurance, and said it would be the duty of the fighting 42 in the House of Commons to see that the measure was shaped into something real and beneficial. “Whatever the Government may offer,” he proceeded, “in the way of insurance against unemployment, the Labour Party will accept and endeavour to improve, but we shall not accept such palliatives as a substitution for the demand the Labour Party has put in the front of its social programme—namely, the right to work guaranteed by the State and the opportunity to satisfy that right by the State organisation of industry. The Labour Party stands still by its Right to Work Bill, and it will continue to press its principles forward until they are embodied in an Act of Parliament.”

The Conference afterwards endorsed its president's views by passing, on the motion of Mr. Arthur Henderson, M.P., a resolution calling upon the Government to deal with the real causes and the evil effects of unemployment on the lines of the Labour Party's Right to Work Bill.

This attitude of the Labour Party towards unemployment was actively demonstrated in Parliament on February 14th, by means of an amendment to the King's Speech, moved by Mr. J. O'Grady (Leeds), in the following terms:—

But humbly regret that no promise has been made of a Bill establishing the Right to Work by placing upon the State the responsibility of directly providing employment or maintenance for the genuinely unemployed.

Mr. O'Grady stated his party's attitude towards unemployment insurance in terms similar to those used by Mr.

Henderson at the Labour Party Conference. The principle of the Right to Work Bill, he said, was that the State should undertake the responsibility of directly providing employment or maintenance for the genuinely unemployed. Mr. O'Grady then proceeded to develop the old and familiar idea that the cause of unemployment was the concentration of capital into fewer and fewer hands as industry developed. The remedy was the Right to Work. Mr. Clynes (Manchester, N.E.), who seconded the motion, said the remedy was to be found in the statesmanlike organisation of men who could not find work from private employers. Several members of the Labour Party spoke in support.

Speaking on behalf of the Government, as President of the Local Government Board, Mr. John Burns said that the Government could not endorse the principle that the State should provide employment or maintenance for the unemployed. He said that the amendment asked them to adopt a palliative and endorse a panacea which would not remedy. He regarded insurance as the only means by which employment in certain fluctuating trades could be met. Labour Exchanges, the Workmen's Compensation Act, the Development Act and Unemployed Insurance were great and solid contributions to social reform on the instalment system and he asked, for the Government, to be allowed to go on with the work. The Liberal members who spoke mainly supported Mr. Burns' views. The Unionists who took part in the debate condemned the Right to Work, and put forward Tariff Reform as the remedy. Stimulate industry by putting taxes on everything, excepting of course, monopoly and privilege.

The proposals for dealing with this great question brought forward during the debate will afford cold comfort to the workers, employed or unemployed. This is a question which affects the employed worker as well as the unemployed worker, for it is the presence of a large body of unemployed labour, and the consequent fierce competition for employment, that keep wages at the lowest possible level.

The Labour Party talk loudly of dealing with the root causes of the evil; of not accepting palliatives as a remedy; and then offer as a remedy more palliatives. They say that labour exchanges and insurance only touch the fringe of the question, and themselves advance a sort of glorified State charity and relief works scheme as a means of getting to the heart of the problem. The Right to Work Bill means, as Mr. Burns said truly enough, “first and last, the provision of relief works.” It would provide that when a man can find no market for his labour he should have the “right” to demand of the State employment or maintenance.

Suppose it be admitted that, if grants were made by the Imperial or local exchequer in payment of wages to men who are at present out of work, these particular recipients of relief would benefit. The case does not end here. This is what is seen. We must consider what is not seen if we are to understand the case fully. What is seen is that the recipients of relief would gain some immediate advantage. What is not seen by the “Right to Work” advocates is that the cost of the proposed relief would come out of the wages, and consequently lower the purchasing power, of the people in employment. It would limit, exactly to the extent of the grant-in-aid of unemployment, their power to purchase goods, that is to say, the demand for goods.

For example, let us suppose a man earning £2 per week has to contribute 5s. towards the Unemployment Grant. This only means that he has 5s. less with which to demand other services and that 5s. will be added to the purchasing power of somebody who at present has little or no purchasing power. It will take up some unemployed into the field of employment and drop others into the unemployed ranks. So long as we raise our national and local revenues by taxing industry and wages, relief works and similar schemes only mean the diversion of the necessary sum, through rates and taxes, from some form of industry, to another. The amount of employment available will remain the same. This conclusion is indisputable. Reduce by taxation the consuming power of the workers in general, as would be done under the Right to Work Bill, and it is absolutely certain that some among them will lose their jobs to the extent that others, now out of work, find jobs through getting wages paid by the proceeds of the tax.

What the Labour Party mean by "Right to Work" is merely right to State maintenance when out of work. This is not what the workers want. What they want is freedom to employ their labour and freedom to enjoy the fruits of it. Men to-day are denied the opportunity of employing their labour because the first essential to employment and production—land—is monopolised in the hands of a few privileged persons. Land monopoly confers on its protégés the power to say on what terms the source of all production shall be utilised, and they have the power to say that it shall not be utilised at all. Here is the whole cause of the trouble, for all men, to get employment must have more or less direct access to land. To-day land is held out of use by exorbitant demands made for access to it. That is why there is unemployment. Open the land to production on fair terms and unemployment will be wiped out. This is a plain economic truth with which the Labour Party is thoroughly well acquainted. Mr. G. N. Barnes, M.P. (their Parliamentary leader in the last Parliament), made this clear at a Conference on the Unemployed Question held in the London Guildhall on April 24th, 1909. We quote from Mr. Barnes' speech on that occasion:—

The primary and underlying cause (of unemployment and poverty) is, I believe, to be found in the individual monopoly of the means of life and their use for private profit. This has resulted in such economic dependence and poverty on the part of the great mass of the people that they are unable to exert sufficient purchasing power to keep the wheels of industry in motion. . . .

The most direct and at the same time the most far-reaching mode of relief is by public acquisition of land and taxation of land values.

The Labour Party should by this time know full well the right way to cure unemployment. Why do they coquette with palliatives that won't cure? Let them come out for a straight tax on land values and recognise the right of men to the use of the land—the opportunity to work and the right to enjoy the fruits of their labours.

Just as the Labour Party's trumpery proposals give cause for regret, so in like degree do the proposals of the Government. The attitude they displayed during the Right to Work

debate leaves everything to be desired. Mr. Burns, speaking officially for the Government, pulled the "Right to Work" principle to pieces, but having done this he proceeded to enumerate and champion schemes that, to say the least, are no better, and are subject to similar condemnation. Workmen's Compensation, Labour Exchanges, Unemployment Insurance, Development Acts—these are his remedies. Like the Right to Work Bill, they aim at dealing with the evil after it is created. Those Government supporters who managed to catch the Speaker's eye dealt with the question in much the same manner as Mr. Burns, and Mr. Chiozza Money probably voiced the opinion, unhappily, of a number when he said that "unemployment is inherent in the competitive system." This is a strange enough notion for such a vehement Free Trader, for Free Trade means competition "run riot." If Mr. Money considers that competition is the cause of unemployment, then he should join the Tariff Reform League and help them to stop it at our shores. Mr. Money seems to regard unemployment as a necessary evil, which it is only possible to palliate. We maintain that it is an unnecessary evil, and that by reforming our land and taxation laws it can be swept away completely.

Competition is responsible for bringing out the best that is in the power of the human being to conceive and execute. It has given us the great inventions and labour-saving devices of modern civilisation. The competition for employment that goes on to-day is restricted and unfair. It is kept from operating freely, and its benefits are confiscated, by the presence and influence of monopoly and privilege. It is one-sided competition. What is wanted is free competition. Nature offers to mankind opportunities for the application of labour to land, and competition acting on free land, on land free from the power and caprice of the monopolist, would only act in fixing values in a natural manner. This is the province of competition. Unemployment springs from the want of it and not because of it.

All that mankind requires has its origin in land. All materials are primarily drawn from land, and by the application of labour are fashioned to meet the needs and desires of humanity. The processes may be many and varied, but the source is ever the same—land.

In all our towns and throughout the country there are many thousands of idle acres. There is plenty of land, but production is restricted because our systems of land tenure and taxation encourage and foster the withholding of land from use. Rates and taxes are levied on the fruits of industry, which means that the more a piece of land is used the more the occupier is rated and taxed. If the land is kept idle, the owner is exempt. This is a direct discouragement to the best use of land and consequently the prime cause of unemployment. Landowners are enabled by these conditions to hold back land where it is especially in demand, until they can force monopoly prices for its use. A substantial tax on all land values, without exemption or abatement, will compel owners of idle land to bring it into use, and owners of badly developed land will be persuaded to raise the standard of development. This will mean real genuine unrestricted competition, for it will bring the landlord into the competition line. Moreover the revenue derived from a Land Values Tax would make possible the repeal of the rates and taxes which press so heavily on industry at present. With production unlimited and unhampered the demand for labour will be unlimited, and unemployment will disappear like the morning mist before the rising sun. S. J. P.