

[workhouse] five days.' So I go workshop five days. I see many womens there. One womens she say, 'I bad womens; you not come near me.' I say, 'What you mean? Not we all peoples?' 'Are we not all just people? This is the last word of democracy.

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### THE ENGLISH STATESMEN OF THE PRESENT CRISIS.

Until the last half century the word "property" was a very inclusive term. It embraced so many things that men and nations were forever embroiled in quarrels over the acquisition and retention of property. Property rights have been so extended and exaggerated as to occupy nearly our whole field of vision, to the exclusion of rights much more important and wide reaching; and it is perfectly safe to say that the institution of property will never be properly safeguarded until its relation to the rights of man is properly determined.

A right is essentially a moral thing. It relates to the developed moral sense of man. Aside from this, the term "right" has no meaning whatever, and all the much vaunted legal rights have validity only in so far as they have moral sanction.

For many centuries men have by the sheer brute force of their governments made property of land, of men, and of the things men make and bring forth from land. These are the only three kinds of property possible.

Civilized society has outgrown property in men; it is raw, crude, and in a highly civilized state, economically unprofitable. It is possible only in a society the industrial order of which is primitive, or at least confined principally to the primary industries involved in tilling the soil.

We have left, then, but two forms of property to deal with: property in the gifts of nature, and property in the products of human toil. Property in land involves a constant, persistent and flagrant violation of property in the products of land; it involves getting without earning on the one hand, and earning without getting on the other. Because of the constant friction thus engendered we have our problem, which superficial people call the war between capital and labor.

Persons whose mental processes are so involved that they are unable to distinguish between two things so essentially different as property in the earth and the things made from it, are not sufficiently clear headed to formulate a practicable working theory for the reconstruction of society. If there is anything in which society is interested that requires clear heads, it certainly is the solu-

tion of this question. Confused thoughts will not do. Only that thought is valuable which is clear. Clearness of thought involves clearness of expression, which leads to definite action, which represents a net gain.

Society will hesitate to turn over its political affairs to any set of men who lack a definite, coherent, affirmative, progressive program, to say nothing of its industrial affairs. Platitudes will not do; generalities will not do; good intentions will not do—the road to perdition is paved with them all.

The men to whom society in future will entrust its affairs must not only know they are on the way; they must know where they are going. Testimony to this is borne by the fact that the leaders of the great movement in England now under way, have created such a program. For England's present purposes they are the greatest men that have ever floated to the top of English politics, and when historians get proper perspective, they will be so placed. It is a rare and happy combination of great men, great principles, and great opportunities.

The leaders of English Liberalism have been weighed in the balance and are not found wanting. The situation is splendid with promise for the future. Pericles once said that statesmanship consisted in understanding the situation, and in being able to explain it to others—a very excellent definition, which takes in every important leader in the Liberal party in England, and leaves out, with rare exceptions, every important American politician of all political labels.

HENRY H. HARDINGE.

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## EDITORIAL CORRESPONDENCE

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### AUSTRALIA.

Corowa, N. S. W., Australia,  
December 17, 1909.

The last session of the third Federal Parliament ended last week. The principal measures passed related to finance, defense, a loan for naval purposes, a site for the Federal capital, and a High Commissioner to represent the Commonwealth in London.

The Federal Constitution provides that, for the first ten years after federation, at least three-fourths of the revenue from customs and excise duties must be paid by the Commonwealth to the States (vol. xii, p. 678). In August a conference of the State Premiers and the Prime Minister of the Commonwealth was held, at which the financial relations between the States and the Commonwealth formed the chief subject of discussion, and a proposal that in future the States should receive twenty-five shillings (about six dollars) per head of

population was accepted. A bill embodying this proposal was passed by the Federal Parliament, after strong opposition in both houses, and attempts to fix a time limit for its operation. This question will be submitted to a referendum at the next Federal election, as an amendment of the Constitution.

The Defense act provides for the construction of an Australian navy, and for land defense forces, with compulsory training. The application of the compulsory clauses is limited to the more closely populated areas. Boys from twelve to fourteen years of age will be enrolled as junior cadets who will be given physical training and taught to shoot. Senior cadets, from 14 to 18 years old, are to receive sixteen days' training annually. Adult training, either naval or military, for sixteen days in each year, will be given to young men between the ages of eighteen and twenty. Men who have passed through these stages will be placed on the adult reserve list until they are twenty-six; they will receive training only in case of war, but will be obliged to attend muster parade annually. Provision is also made for the enrollment of volunteers.

The Naval Loan act empowers the government to borrow £3,500,000 (about \$17,500,000) for the purpose of building the navy.

A site for the Federal capital has at last been definitely agreed upon; an area of about 1,000 square miles in the neighborhood of Yass, New South Wales, was selected by the Federal Parliament and ceded to the Commonwealth by the State Parliament of New South Wales.

Sir George Reid (recently knighted), formerly leader of the free trade party in the Federal Parliament, and for a few months Prime Minister, has been appointed High Commissioner.

A general election for half the Senate and for the whole of the House of Representatives will be held in April. This promises to be the first Federal election in which only two parties will be contesting: the Deakin-Cook (ministerialist) party, and the Labor party.

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The Legislative Assembly (lower house) of Victoria (vol. xii, p. 199) has passed a graduated land value taxation bill; the minimum tax is a half penny, and the maximum threepence in the pound, with an exemption of £500. Absentee owners of land are to be charged 50 per cent extra.

The Legislative Council (upper house) has suggested amendments which the assembly refuses to act upon, and at present there is a deadlock between the houses.

ERNEST BRAY.

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## LAND VALUE TAXATION IN NEW SOUTH WALES.

Sydney, N. S. W., Australia,  
December 14, 1909.

The city elections took place on December 1, when aldermen for the City of Sydney were elected for the ensuing three years. As I have pointed out previously (vol. xii, p. 990), this city is the only place in New South Wales where the system of rating on rental values for ordinary municipal services continues. The power to adopt land value taxation

only, is in the hands of the aldermen. Unlike the suburbs and country the ratepayers have no power to demand a poll. Everything depends upon the council. For these reasons our efforts were directed towards getting a council elected to establish the new system.

There would be no trouble about it but for one thing. Almost every candidate professed to be in favor of rating on unimproved values, but some of them had an excuse for declining to promise to act up to their profession, if elected. In the suburbs and country the government pays rates on the unimproved value of the occupied land belonging to it, to the local council. In Sydney for some strange reason it pays rates on the rental value, and declares that if the city council imposes its rates solely upon land values that it will pay no rates at all. A sum of about £13,000 is involved.

That difficulty, absurd as it appears, is the only thing that stands in the way of rating entirely on land values in the City of Sydney in 1910. It would never have arisen with a man like Sir Joseph Carruthers in power.

Many of us would let the £13,000 go, holding that those who use their land fully, pay far more than that in excess of their fair proportion of the rates. We supported candidates who are in favor of the principle, come what may, and met with a fair measure of success. During the campaign the following statement was published:

### The Verdict of Experience.

In response to a request for an expression of opinion, we wish to say that the system of rating on unimproved values which came into force under the provisions of the Local Government Act of 1906 is working remarkably well.

It has reduced the rates of a very large proportion of the ratepayers, although we are raising a larger revenue.

It has stimulated the building trade, employment is more constant, and business generally is on a much sounder footing.

It has induced a number of ratepayers to build or dispose of land which they were not willing or able to use themselves, and has promoted the subdivision of land hitherto withheld from use for speculative purposes.

It is fair to all ratepayers, as it simply requires from each his due proportion of the rates.

It specially benefits those ratepayers whose use of land is most effective and creditable to the municipality, while it has put effective pressure upon a number of owners of idle or partly used land, to change their tactics.

As far as we can judge, the new system has the emphatic support of the bulk of the people. There is no public demand for a change.

It is but fair to admit that rating on unimproved values is working as well as its advocates claimed that it would before it was adopted.

Our experience is so satisfactory that we have no hesitation in saying that the new system could be adopted with great advantage in the city.

This document bore the signatures of eighty-four mayors and aldermen of the suburbs, and unquestionably represents the views of a large majority of the suburban aldermen, although time did not permit of their signatures being obtained. The land values of the suburbs amount to about £24,000,000, and those of the city to about £20,000,000, but these figures are somewhat below selling values.

A. G. HUIE.