

INTERNATIONAL NEWS

(Press Service of the International Union for Land Value Taxation and Free Trade, 11, Tothill Street, London, S.W.1.)

AUSTRALIA

A Henry George College

It is reported in the *Sydney Standard* that one of Henry George's disciples in Australia, wishing to do something substantial and of a permanent character to spread a knowledge of Henry George's principles among the people, has devised the following plan. He is making provision in his will whereby the bulk of his estate will be vested in trustees, and held by them until, with compound interest, it reaches the sum of £40,000. When that amount is reached the College will be established at Canberra, Sydney or some other great Australian city, as may be decided. The memorandum of association states that the College will "undertake and supervise the education and instruction and information of students and others in the tenets and principles promulgated and advocated in the writings and literary works of Henry George, author of *Progress and Poverty*, and to promote scholastic and general interest in the teachings of that great philosopher." Provision is made so that others approving of the proposal may join in with a view to the necessary £40,000 being accumulated earlier than would be possible otherwise.

This magnificent example of generosity and devotion to a cause will be welcomed by all followers of Henry George and especially those who realize the invaluable educational work already done by such bodies as the Robert Schalkenbach Foundation in the United States, the Henry George Foundation of Great Britain, and the Henry George Foundation of Australia.

The Increase in Federal Taxation and Debts

In the sixteen years ending 30th June, the population of the Commonwealth increased by 31 per cent. In 1913-14 Federal taxation was £16,500,000, or £3 7s. 7d. per head. By 1918-19 it had increased to £32,800,000, and last year it was £58,000,000, or £9 1s. 5d. per head. It meant an average taxation amounting to £45 6s. 3d. per family of five. The Commonwealth Government taxed the people nearly twice as much as all the State Governments put together.

In 1913-14 the Commonwealth debt was £19,000,000. By 1929-30 it had grown to £372,957,000, an increase of 1,844 per cent. The war debt on the 30th June was £282,000,000, and the civil debt £90,000,000. The latter had increased 372 per cent in those years.—*Sydney Standard*, 15th October, 1930.

SOUTH AUSTRALIA

Mr E. J. Craigie's Budget Speech

In the South Australian Parliament on 1st October Mr E. J. Craigie, M.P., delivered a long and masterly speech during the debate on the Budget. Mr Craigie dealt with many of the economic problems facing Australia to-day, and his address made a profound impression on all sides of the House. We quote a few of the most striking passages:—

"When we look back on various Acts placed on the Statute Book we can quite understand the attitude adopted by a big section of the community in Australia at the present time. For quite a long period in the

history of this State, Labour did not have any very effective voice in making the laws. About 1891 Labour said: 'We will take people from our own ranks and put them in Parliament to look after our interests, and then, having placed our direct representatives in the legislature, an era of social justice will soon set in.' Unfortunately, the high expectations of the members of the great Labour movement at that period have not materialized. Instead of their conditions getting better as a result of Measures placed on the Statute Book even by their own leaders, their conditions have gone from bad to worse. That is mainly due to the fact that they have no faith in the principles of freedom, but have been more concerned about restrictive measures. The attempt to regulate the wages of labour by means of an arbitration court is one of the biggest confidence tricks that has been worked on the workers of this country. Reference has been made to the dictum of Mr Justice Higgins that any industry which could not afford to pay the living wage had no right to exist. Some people think that this was deplorable, but I believe the statement to be perfectly correct.

"We have all to recognize that in the production of wealth three factors are engaged—land, labour and capital. For the time being I propose to remove the land question from the picture, because it is not germane to the particular point I desire to make. We will have to assume a certain industry to illustrate clearly the principle I am trying to put before the House. For the purpose of illustration I am going to assume that we are dealing with the fixation of wages in the bootmaking industry. In the manufacture of boots capital and labour are required. The capital is provided by the boot manufacturer in the shape of factory, machinery and raw material needed for production. He also provides a measure of labour power in relation to superintendence in the factory. The labour power purely is supplied by operatives of the bootmakers' union. Those two forces operating over a given period of time will produce certain quantities of pairs of boots. We may assume for the purpose of illustration that we are not using money at all. When those pairs of boots have been produced by the union of capital and labour working for productive purposes I am going to assume that the share of boots coming to each operative is six pairs per week. Expressing it in commodity value, the wages of a bootmaker will be six pairs of boots a week, but in our complex state of society we do not give factory workers a share of the product. We find it more convenient to express commodities in terms of £ s. d., and for the sake of illustration let us assume that the value of the boots is 15s. a pair. Therefore, the wages of a worker in money tokens would be £4 10s. a week. They go along for a time on this wage, and then become dissatisfied. They say the amount is not sufficient, and decide to state a case to the Arbitration Court.

"A special meeting of the union is called, and certain members are deputed to form a household budget. In it they set out that they require so much money each week to pay for house rent, groceries, bread, meat, clothing, union fees, tobacco, moving pictures, beer, etc. Having formulated their budget the next procedure is to engage a member of the legal fraternity, and pay him something like £1,000 to make out a case on their behalf. When they get to the court they find a very dignified gentleman on the bench drawing about £30 a week to tell the workers why £4 or £5 is good enough for them. The workers have not yet realized the absurdity of that

position. We are assuming that the judge is of a sympathetic nature, and after listening to a tale of woe from the operative bootmakers' union he says: 'You poor fellows are not getting as much as you should,' and gives them a rise of 10 per cent in wages. The trade union secretary goes along to the union meeting and says: 'Well, boys, it was a brilliant victory; we have beaten the boss and got you a 10 per cent increase.'

"The point we are concerned with is whether they have really beaten the boss in the manner they think they have. The point we must not overlook is that the wages of bootmakers, though increased by award of the court, is still the same six pairs of boots as it was previously. But when the boss comes to price those boots for sale he no longer sets them out as 15s. a pair, as prior to the award, but puts them up to 16s. 6d. or 17s. to cover the increased money token he has paid to the men working in his factory. In due course the baker comes along to buy a pair of boots, and finds that the price has gone up and that his purchasing power has been reduced. He goes to his trade union, tells his little tale, and the organization goes to the Arbitration Court, hiring another lawyer to represent them.

"After the bakers have received their increase from the court up goes the price of bread, and the bootmaker is paying a higher price for boots and bread. I could continue the illustration right round the field of industry, and at the finish would show that although every man in industry was handling more money tokens than he started with, he was worse off because of the increase in the price of commodities. It has been aptly said that the wages of labour climb painfully up the stairs while the prices of commodities go up in the elevator. Rising wages never seem to overtake rising prices. Increases in the price of commodities ultimately filter through society until finally they rest upon the men growing wheat, producing wool, and mining for minerals. Although these three sets of producers are forced to pay considerably higher rates for all they use, in the world's markets they cannot command higher prices for their wool, wheat and minerals.

"This ridiculous working around in a vicious circle has been going on for more than a quarter of a century in Australia. So long as primary producers were getting the abnormal prices that ruled as a result of war conditions, to a certain extent they could stand up against the inflated prices passed on to them. The last three years, however, have not been kind to the producers. The harvest was poor, and wheat, wool and metal prices have fallen. Now we find that the chickens are coming home to roost because of the insane economic policy pursued in Australia.

"The tariff and arbitration have been working hand in hand. First we had the tariff taxation imposed to give a special privilege to the manufacturing industry. Immediately that had the effect of raising prices. The workers then found the purchasing power of their wages had been reduced and went to the arbitration court to get an increase in money rates. When that was granted the manufacturers once more sought the shelter of the tariff because of the higher wages they were paying to the workers. We have been working in a vicious circle detrimental to the best interests of Australia. Although I am at one with Members of the Opposition in decrying the system of arbitration as a means of giving adequate remuneration to the workers, I am not unmindful of the fact that so long as we have a tariff increasing the price of commodities we must expect the workers to make some effort by means of Arbitration Courts to try to overtake rising prices. If my friends who are urging the abolition of arbitration would at the same time advocate the repeal of the tariff, that has so increased the cost of living, I should look upon them as sincerely

anxious to do the right thing for the people as a whole. Members have been sent here to legislate in the best interests of the community, and it is their duty as representatives of the people to protest against a tariff that is shackling industry and crippling production. In no uncertain voice we should proclaim the iniquity of it. We should be justified in having a full-dress debate on the tariff and in carrying a resolution of protest to send on to the Federal Parliament. I am absolutely free trade. I would abolish every Customs house and would not place one penny tax upon the necessities of life nor upon the tools and implements of production. We are here for the purpose of seeing that every Australian is given the right to earn a living under the freest possible conditions; to see that if a man produces wealth it is not filched from him either by an individual or Government by the application of an unjust principle of taxation. The people who voted for me at the recent elections did so on the understanding that I was to come here and declare my belief that all the revenue for Governmental purposes should be raised by a tax upon unimproved values, and all other forms of taxation abolished."

NEW SOUTH WALES

The *Sydney Standard* (15th October) contains a report of the Anniversary Dinner to commemorate the birth of Henry George. Mr W. Davies, President of the Henry George League, was in the chair, and expressed the view that Australia to-day is economically enslaved despite all her political freedom. Australia was fast approaching the condition of England in 1840-1845. The followers of Henry George, he said, knew the cause of the prevalent economic errors, and he urged them to make renewed efforts to "spread the glorious gospel of economic truth." The same issue of the *Standard* contains an inspiring paper by Mr L. J. Thompson on Henry George as a philosopher and as a man.

Mr A. G. Huie, Secretary of the Henry George League of New South Wales, is one of the candidates for the Ashfield Division at the State Elections, and in his campaign has been supported by Mr E. J. Craigie, M.P., his co-worker from South Australia.

UNITED STATES OF AMERICA

To the Editor of "Land & Liberty"

A striking proof of the fact that there exists among the thinking citizenship of the United States, a growing appreciation of the greatness of the character and intellect of Henry George, was demonstrated recently in the public announcement of the results of the balloting upon names to be inscribed in the American Hall of Fame.

The Hall of Fame is a unique institution connected with the University of New York. About 30 years ago, a rich and patriotic woman made a large money gift to the University for building an impressive granite colonnade on University Heights, overlooking the Hudson River, to be maintained perpetually as a Hall of Fame for great Americans of the past. The colonnade was to contain 150 panels, each bearing a bronze tablet, surmounted by a life-size bust of the celebrity to be chosen. Judges were named for the selection of the first 50 names, and it was planned that the remaining 100 places would be filled during the succeeding century, *i.e.*, by the year A.D. 2000 by the choice of five names at the expiration of each five-year period.

The manner of determining what names, after the first 50, should be chosen, is interesting. Any citizen is free to suggest a name to a Committee on Nominations,