

LAND AND WAGES

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# LAND and WAGES

## The Economic Effect of Land Values on Labor and Wages

A Study of the Colonisation Schemes  
associated with the Swan River Settlement in  
Western Australia  
and the Foundation of  
South Australia

By

**E. J. CRAIGIE, Ex M.P.**

South Australia

7049

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## FOREWORD

Britain, in an era of expansion, colonised two continents—America and Australia. Numerous writers and thinkers earnestly traversed the various aspects of colonies and developed theories of colonisation. The wide open spaces of the "waste lands" were to become ordered settlements of British people. On what terms of tenure should the British Government allot these "waste lands" to the settlers?

Within the same decade (1828-1837) two widely different systems of tenure were established in two adjacent colonies, Western Australia and South Australia. For the Swan River settlement of W.A. the land was allotted by free grants with conditions. At the Adelaide settlement, S.A., the land was sold at a "sufficient price."

As the favorable reports by the explorer Captain James Stirling, R.N., had led the British Government to establish a colony on the Swan River, in 1829 Stirling was appointed Lieutenant-Governor and provided with ships, troops and officials. For his services Stirling received a free grant of 100,000 acres of land. The surveyor, doctor and other officers were remunerated with free grants of land. Yet the colony was for long a bitter failure, and extensive reports sent to London were widely studied to ascertain the cause of so many blighted hopes.

Foremost in analysis of these reports was Mr. Edward Gibbon Wakefield, formerly a member of staff of the British Foreign Office. Wakefield declared free grants of land to be a mistake, and secured acceptance for his theory of colonisation that the "waste lands" should be sold at a "sufficient price."

So a company, The South Australian Association, was formed and received a charter from the British Government giving eleven commissioners full power to found a colony, to frame laws, establish courts, and sell the land.

The chairman of commissioners (in England) was Colonel Torrens, the representative in Australia for sale of lands was Mr. Fisher, and the surveyor Colonel Light. At the same time King William IV. appointed Captain Hindmarsh, R.N., as Governor. Adelaide was founded in 1836.

One clause included by E. G. Wakefield in his theory was not adopted by the Association, viz., Article II.: That all land throughout the colony be declared liable to a tax of X per cent. upon the actual rent.

Students of social principles are greatly indebted for the painstaking research work of Mr. E. J. Craigie who, for over half a century, has won and held a prominent position in the public life of South Australia.

—E. F. HALKYARD.

# LAND AND WAGES

## THE WAGES OF LABOR AS RELATED TO PRICE OF LAND

A Study of Two Australian Colonisation Schemes by E. J. Craigie, ex M.P.

### INTRODUCTION.

American colonies had for nearly two centuries been the dumping ground for convicts from British gaols or prisoners of war. When the establishment in 1782 of the independent Republic of the United States of America closed that avenue for disposal of the unwanted thousands, Lord Sydney proposed a plan for sending them to New Holland (Australia). The Prime Minister, Pitt, assented with a faint measure of interest since "no cheaper mode of disposing of the convicts could be found."

For this purpose the convict colony of New South Wales was founded at Sydney in 1788, and that of Van Dieman's Land at Hobart in 1803. These colonies slowly spread inland as the officials carried on sheep grazing for wool or farming by the labor of assigned convicts. Often convicts at liberty went to the unoccupied territory, without official sanction, built huts and grazed sheep or cattle which may have been obtained by depredation. They occupied land to which they had no title and became known as squatters. Their wool exported to England awakened great interest in the new colonies.

England's agrarian revolution consisting, partly, of the wholesale enclosure of the common lands squeezed the country people off the land. Consequent upon the application of power-driven machinery in mills and the decay of handicrafts the industrial revolution brought great changes in the lives of the people.

Food was dear, wages miserably low, and disemployment widespread. England was believed to be over-populated. Pauperism was breaking down the country. But Australia was a vast empty possession which could be used to relieve the population pressure at home where painfully manifest sorrows could be remedied by emigration of free persons.

Other Englishmen believed in the possibility of making profitable investments. The Australian Agricultural Co. with a capital of £1,000,000 began operations in New South Wales in 1824, while a year later the Van Dieman's Land Company acquired a great estate in the southern island.

## PART I: PLAN FOR WESTERN AUSTRALIA

Fired by Stirling's report that the land on the banks of the Swan River "of all that I have seen in various quarters of the world, possesses the greatest natural attractions; it is not inferior in any natural essential quality to the plain of Lombardy," an association of English capitalists planned to establish plantations there. They proposed to grow produce that would find a ready market in England such as sugar, cotton, flax and tobacco in competition with America. They proposed to raise sheep, horses and cattle.

This colony of a company was a plan to transplant the English manor system into a vast area of unoccupied territory. The planters, i.e., settlers with grants such as 50,000 acres, would be lords of the manor—absolute owners of large estates. There were to be no convicts in this free colony. Instead the manual work was to be done by servants as indentured laborers at three shillings a day, from which the cost of food and clothing was deducted. But the settlers were to pay the cost of transport of the servants from Britain to Western Australia.

The British Government would not give financial help, but its Colonial Office granted each settler units of 40 acres for each £3 (i.e., one shilling and sixpence an acre) invested in money or goods transported to the colony. Some took pianos, carriages and costly furniture, whose monetary value was accepted as qualification for larger land grants.

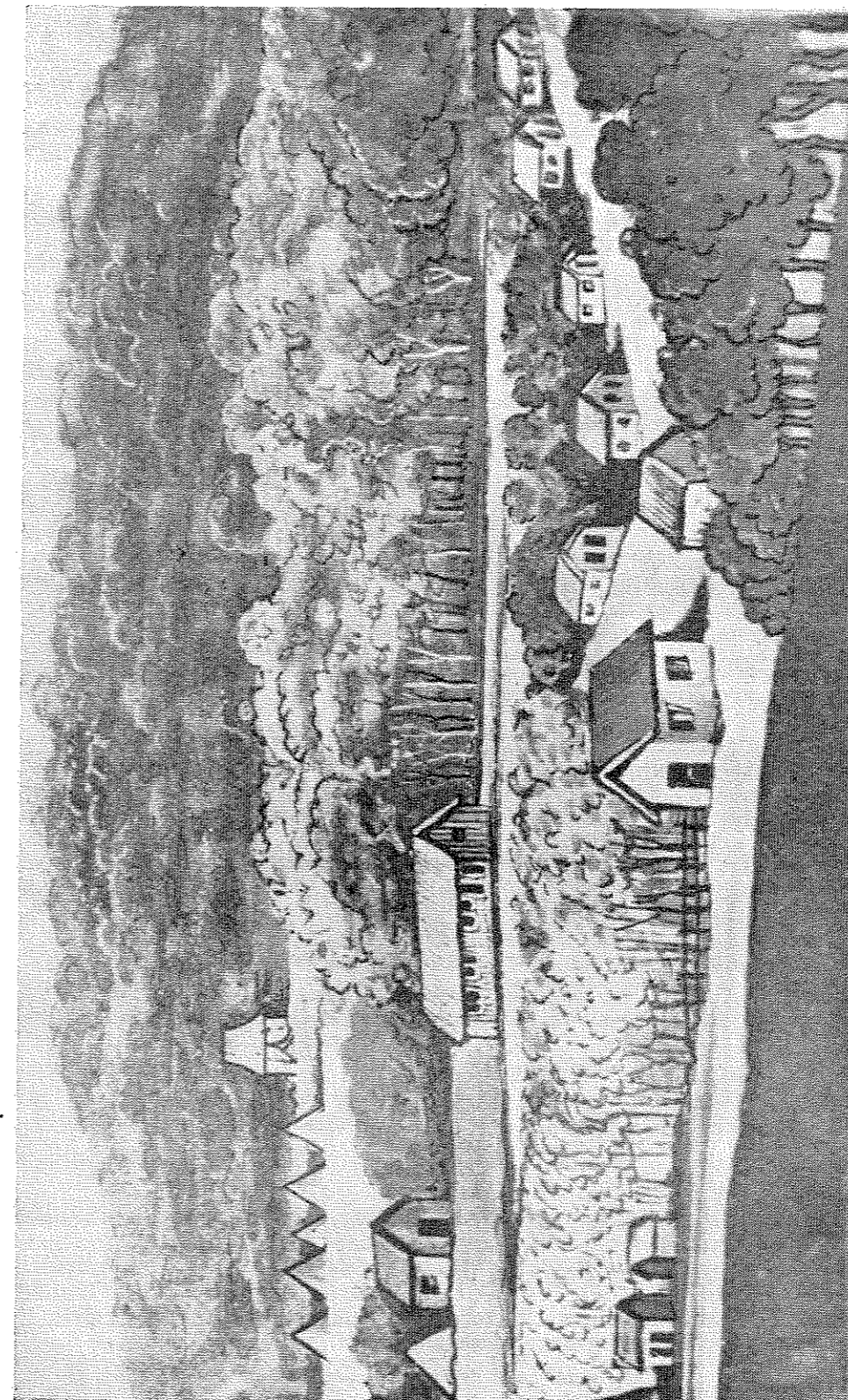
The British Government, however, undertook to maintain a civil and military establishment for the protection of the settlers and to enforce the indentured laborers to keep their contracts as servants to the capitalists.

Of the settlers, the best known is Mr. Thomas Peel, a relative of the famous Home Secretary, Sir Robert Peel. Mr. Peel received a free grant of 250,000 acres of land, an area about 40 miles by 10 miles, on condition that he spend 1/6d. per acre importing laborers and 4/6d. per acre improving the land. Altogether he invested £50,000 and aspired to be one of the founders of "new majesties of mighty states" so to make a name for himself, like Penn and Delaware in America, as well as to invest his money to advantage. Mr. Peel had agents who persuaded other English capitalists to join the association which raised and sent out £200,000 of capital as seeds, implements, tents, cattle, sheep and horses. The Surrey family of Henty were among the settlers who emigrated to Western Australia.

### SWAN RIVER SETTLEMENT.

The Swan River area in Western Australia was claimed for the British Crown by Captain Fremantle, R.N., from Sydney, early in 1829. Captain Stirling, R.N., arrived in June as Governor of the new settlement and determined that the port (Fremantle) should be at the mouth of the Swan River, while the administrative capital (Perth) was located several miles upstream where the river water expanded into broad but shallow lagoons.

Meanwhile, in quick succession, more immigrant ships arrived with settlers and indentured laborers. Contact was maintained with Sydney and Hobart by the ships bringing foodstuffs to the infant colony. Governor Stirling decreed that first choice of land be given to holders of the largest grants. Consequently all land around Perth was soon taken up in 50,000, even 100,000, acre blocks, with the result that those entitled to smaller holdings were pushed out to the perimeter, and so



Perth in 1829—from a drawing of the Swan River Colony made by an officer

created a very scattered community. For such primitive conditions, with no roads or public works or shops, a large labor force on each estate was essential. Hence land holders entered into competition with each other to secure more laborers. As a result, Professor R. C. Mills writes that: "Indentured servants caused a considerable amount of trouble to their masters; that they were continually asking for more (wages) than their indentures provided; and at times they deserted."

Governor Stirling relied on his Land Regulation (August 28, 1829), which provided that indentured servants or assisted persons must fulfil their agreements before they could obtain land in Western Australia. But there was ample free land in Eastern Australia, so the record of the discontented laborers reads: so soon as they obtain liberty they embark for either Hobart or Sydney.

Peel himself did not reach the Swan River until December, 1829, when he arrived with 300 people, men, women and children, whom he had bound by indenture to work upon his land. By the end of that year 25 ships had called, there was a total population of 1,300 persons and 525,000 acres of land had been allotted.

Thus, at the beginning of the Australian colonies the traditional economic position of Britain was reversed. For there was a reputed shortage of land in Britain and a surplus of labor competing for limited opportunities resulting in high prices for land and low wages for labor. At the antipodes the early historic situation was a surplus of free or near-free land with a shortage of labor, thus associating a lower price of land with higher wages.

The year 1830 found the colonists building houses in the semi-wilderness, clearing land, cultivating, tending stock. One thousand more immigrants arrived. But Peel was not a successful leader of men, he knew nothing of pioneering and lacked the personal qualities of an organiser. His labor force melted away; they could earn more by working for other settlers. Although he did secure the punishment of some for breach of indentures, others were liberated by the magistrates, and he gave permission to others to leave his service. By the middle of 1830 all were gone except one black servant. Mr. Peel was monarch of all he surveyed but he surveyed only solitude.

#### DIFFICULTIES ENCOUNTERED BY EMPLOYERS.

In his book, "England and America," Edward Gibbon Wakefield had some interesting comments to make concerning the plight of employers. He relates the account of Mr. Peel, who attempted to establish the Swan River Colony. He states that:—

"Mr. Peel's motive for moving to the Swan River, with a capital of £50,000 and some hundred people, was a grant of 500,000 acres of waste land, and the motive with which these people accompanied him, was the hope of high wages for cultivating waste land, or the prospect of obtaining waste land of their own." (Page 119).

Wakefield makes it very clear that the type of worker most desired by these capitalists(?) who were interested in establishing the new settlement, was those who were practically destitute and unable to move from one place to another on their own account, because of their limited resources. Such a class were likely to be submissive in the new colony it was proposed to establish. Concerning them, he said:—

"But those who would most desire to come in search of high wages are the poorest of the poor in the old country; so poor as to be unable to move from

one part to another part of their own country, people who live from hand to mouth, never having any property save their own thews and sinews . . . . These, however strong their inducement to emigration, cannot move without assistance. If they are to move at all, the cost of their passage must be defrayed, or at least advanced by somebody." (Page 1833).

However, subsequent events proved these British "capitalists" were in for a rude awakening. On arrival at Western Australia they found that despite the limited resources of the immigrants they were unable to keep the people they had employed in a state of subjection. The following passage from Wakefield's book is very illuminating on this point:—

"Every scheme of this sort, that did not establish a kind of slavery, has failed the moment it was tried. On the principle of the redemption system, that of payment by a capitalist for the poor immigrant's labor, many schemes have been tried, and have failed, in Canada, New South Wales, Van Dieman's Land, and South Africa, not to mention the Swan River. . . . Nor is there any difficulty in finding poor laborers willing to engage with colonial capitalists for a certain term of service in the colony. The difficulty lies in this: that without some kind of slavery the capitalist has no security for repayment of his outlay, that the laborer, as soon as he reaches the colony, laughs at his engagement; that what the capitalist brings to the colony in the shape of labor ceases to be labor the moment it reaches the colony; or, at all events, is never labor over which he who paid for it has any control. During the last 15 years some thousands of poor laborers, to speak within compass, have been conveyed from England to English colonies at the expense of colonial capitalists, and under engagement to work for those who had paid for their passage. 'There is no instance on record,' says Mr. Arthur, the greatest capitalist of New South Wales, 'where settlers have been able to prevent their indentured servants, hired in England, from becoming dissatisfied, and then leaving them after their arrival.' At the Swan River, the first settlers had hardly landed before the Governor was requested to punish indentured laborers for refusing to work for those who had brought them from England." (page 184)

#### WHY WERE LABORERS INDEPENDENT?

What was the reason for the independence manifested by these laborers brought to Western Australia to work for Mr. Peel? Let Mr. Wakefield express his opinion regarding it:—

"Those who went out as laborers no sooner reached the colony than they were tempted by the superabundance of good land to become landowners. One of the founders of the colony, Mr. Peel, who, it is said, took out a capital of £50,000 and 300 persons of the laboring class—men, women and children—has been represented as left without a servant to make his bed or fetch him water from the creek. The writer of the first book concerning the colony states that, landing in Cockburn Sound with goods taken from England, he did, with some difficulty, procure workmen to place his goods under a tent, but that there, for want of workmen to remove them, they remained until they were spoiled, as the tent became rotten. In such a state of things it was impossible to preserve capital. While Mr. Peel was without servants his capital perished. The capital taken out in seeds, implements, cattle, sheep and horses, cannot have been less in money value, than £200,000, and the laborers must have amounted to 1,000 at the very lowest." (Vol. 2, p. 33).

Mr. Wakefield quotes, as his authority for this statement, Mr. Elmsley, who was Mr. Peel's agent.

Wakefield goes on to ask the reason for the capital perishing in the new colony, and then gives this interesting answer to his own question:

"Why has so much of the capital perished that was taken to the Swan River? For want of labor wherewith to preserve it. Why do the new settlers that remain in the colony wish for a supply of convict labor? Because they have no free labor." (Page 116).

This answer supports the contention of Georgeists who understand the relation of Land to Labor. It should be taken to heart by those Socialists who insist that "Labor is exploited by Capital." To those who hold this

erroneous view we put the following query: "If £200,000 worth of capital owned by the capitalists at the Swan River colony was not sufficient to exploit the labor of **one** of the immigrants brought from England, what amount of capital is necessary, under similar conditions, where land would be free to all, to exploit the millions of workers in Australia and all other countries?"

#### SWAN LAND PIONEERS

The slow and halting progress of this giant skeleton of a colony is portrayed in Dr. J. S. Battye's History of Western Australia from which most of the facts in this paragraph have been drawn.

Mr. Peel's concession had the Murray River as its southern boundary with Peel's Inlet and Cockburn Sound on the west, and stretched north beyond Rockingham (named after one of his ships). Its headquarters, now extinct, was Clarence on the coast between Woodman's Point and Naval Base. Peel, a disappointed and embittered man, did little to improve his vast estate, but retired to a squalid hut near present Mandurah. Priceless articles served utilitarian duties among the general decay where Peel lived the last 30 years of his life in a mixture of latifundia and poverty. From 1832 onwards Mr. Peel was a member of the Legislative Council which advised the Governor on regulations relating to conditions of land holding. He died in 1862.

Professor R. C. Mills observes that other free settlers engaged in a scramble for land in which these colonists took up far more land than they could cultivate.

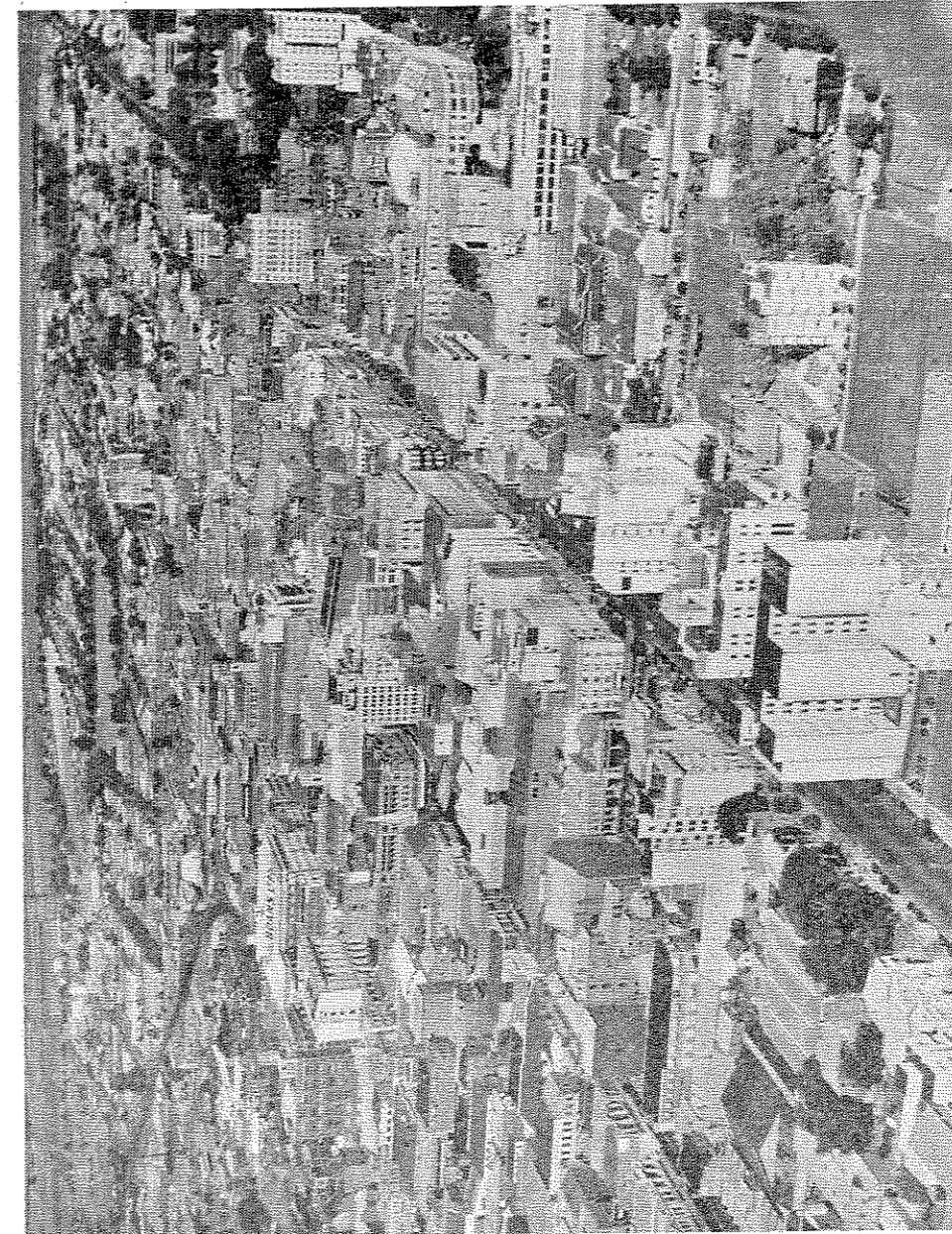
Bunbury today stands on portion of another estate where Colonel Latour secured a grant of 103,000 acres and set headquarters at Port Leschenault. He made no immediate use of this territory, but in London negotiated a sale of portion of the free-grant land to a company which promoted the abortive settlement of Austral-Ind for pukka sahibs.

At Albany there was an early settlement where the labor shortage was partly met by indentured coolies from India. Near Cape Leeuwin there was a settlement at Augusta. In other districts settlers had the well-known names of Brockman, Stone, Dale and Shenton.

At the close of 1829 there were 850 permanent residents with 1,000 more migrants on the way from Britain. As Professor Ernest Scott remarks: the curve of the population figures shows how the colony fared. In 1830 there had been as many as 4,000 persons in Western Australia. The greater part of them drifted away, and in 1832 there were only 1,500.

Early in 1831 new land regulations reduced the land grant unit by one-half, that is, 20 acres for each £3 invested. By the end of 1831 over 1,000,000 acres had been granted, and 200 acres were under cultivation, of which 160 acres produced wheat. Upstream from Perth, at Guilford, the land was surveyed in blocks of 4-5 acres each, and these were granted to servants who had completed their term of service. There was transport by boat along the Swan River from Fremantle to Perth and Guilford. Brick and tile making had been established.

On January 1, 1832, the system of making free grants of land was given up, and the further areas of land were sold. The capital sums of purchase money received were taken to be revenue together with the tariff taxes on alcoholic spirits. A council was set up in February, 1832, with Mr. Thomas Peel as one of the four representatives of the land holders, whose term of office was duration of residence in the colony. Its business included the regulation of land tenure.



Aerial View of City of Perth, Western Australia

Settlers returning to England and reports of failures had dried up the stream of migrants, so the colonists urged Governor Stirling to visit London, explain to the Colonial Office the causes of the initial failure and secure further support from the Home Government. Colonists provided his outfit and passage, and, leaving in August, 1832, he was absent two years, received a knighthood in London, and returned in 1834 as Sir James Stirling.

Meanwhile the area under grain, 435 acres in 1832, was 600 acres in 1833, and in 1834 rose to 809 acres. Grinding the corn to flour was done by windmills. Wool production was 5,884 lb., and the vines, olives, figs and peaches were growing well. The troops were suitably housed in Barrack Street. The colony had turned the corner. Little by little the growth continued. By the end of 1835 there were 1,570 acres of crop and 3,545 head of sheep, while in 1838 there were 16,816 sheep and exports of wool worth £1,935. Many of the more capable servants had become settlers with land of their own to cultivate, but few migrants arrived to replace them. Hence there was a scarcity of efficient labor for hire.

One of the original conditions of the free grant of Crown land in 1829 was a clause accepted by every holder that the Crown reserved the right to impose a fine of sixpence per acre upon all lands not improved to a certain degree within three years.

The Governor had deferred putting this clause into operation, but nine years of opportunity had now passed. Hence, in February, 1838, Governor Stirling decided that this charge was due and gave notice that if not paid by the settlers it would be levied on the land (i.e., as a quit rent). Dr. Battye observes: "This was one of the wisest moves made during the infant years of the settlement, as it tended to increase the revenue at the expense of other than bona fide settlers, and to throw open good land which was not being used."

This, too, was the view taken by the public at first, but before the date of its enforcement (December 31, 1838), Sir James Stirling, the Governor, who had nursed the infant colony, had resigned. During his rule 1,624,727 acres of land had been alienated.

#### HALF A CENTURY OF STRUGGLE.

The next Governor, Mr. John Hutt, had previously been Governor of a district in Madras, and was acquainted there with the problems of land tenure and settlement. Arriving early in 1839, Governor Hutt gave further notice that free grants under land regulations of 1830 remaining unimproved would be charged a quit rent of one shilling per acre. Further, in accord with an original clause of the free grant, that all land still unimproved after ten years should revert to the Crown. Governor Hutt also insisted that land around springs of water should be resumed for general use of all settlers.

These notices were certainly in the interests of the bona fide settler, but met the most strenuous opposition from the land-holding colonists. However, in accordance with notices already issued, a few grants of land were resumed and 100,000 acres were marked for resumption in 1840. Land revenue showed a large increase, being £2,639 for 1840, and £3,183 for 1841, then dropped back to £880 (1842) and £622 (1843). The export of wool reached 50,000 lbs. in 1840 and the population was 2,350.

In October, 1839, Governor Hutt summoned a meeting of the Legislative Council to consider a Bill for the augmentation of the revenue

by an assessment on land to provide defence against aborigines with police protection for the settlers. Again the opposition of the colonists compelled him to abandon the plan.

Making resumption and quit rent a grievance against the Governor, the colonists sent their petition in 1839 to the Home Secretary in London. Lord John Russell replied in April, 1841, with instructions to the Governor:—

- (a) to grant the fee simple on all improved lands;
- (b) to grant the fee simple on one-fourth of all unimproved land provided that the rest was surrendered to the Crown.

To produce an increased revenue, another instruction fixed the sale price of Crown land at a minimum of 12/-, later 20/-, an acre. Its effect was to give settlers a higher price when selling their surplus land and to reduce sales of Crown land. Hence the revenue fell and the colony was deprived of the fund which had been used to bring out more laborers.

Further, Russell advised the introduction of a land tax of 1d. per acre. Governor Hutt moved (1841) to do so, but his action was nullified by the colonists.

A shortage of labor in 1840 continued, and in 1848 Governor Fitzgerald's inquiry among the leading land holders showed they would be willing to relieve the situation in regard to the shortage of labor by receiving convicts. Wages, of course, would be a minor matter. Ten thousand convicts were introduced from 1850 to 1868, together with an equivalent number of free immigrants, at the cost of the Home Government.

Growing slowly for 60 years, Western Australia had a population of 460,000 in 1890 when it became a self-governing colony. Then the great discoveries of gold opened its modern era.

## PART II: THE FOUNDATION OF SOUTH AUSTRALIA

Following the attempt to establish the Swan River colony in Western Australia, some influential men in Great Britain took action to found a colony in South Australia. This proposal was to follow the plan outlined by Mr. Edward Gibbon Wakefield, which incorporated the following principles: "That no free grants of land should be made, but that the land should be sold at an upset price of not less than 12/- per acre nor more than 20/-. The money so obtained should form a fund for giving free passages to qualified laborers and mechanics, with their wives and families; the colony to bear all its own charges, and to have the principal management of its own affairs."

The attempt to establish the colony in South Australia met with many official rebuffs. Despite this fact, early in 1834, an organisation under the name of "The South Australian Association," under the chairmanship of Mr. W. W. Whitmore, M.P., was formed, and because of the persistent efforts of this body a Bill to establish South Australia as a British province was introduced into the House of Commons and received the Royal Assent on August 15, 1834.

Under the provisions of the Act all public lands were to be open for purchase for cash at a minimum price of 12/- per acre. A Board of Commissioners was to be entrusted to arrange for the sale of the land, and to give title in fee simple to all purchasers.

Many clauses in the Act made it very difficult for the promoters of the colony. One such clause provided that no part of the expense of founding or governing the colony should fall on the Mother Country. Power was given to the Commissioners to borrow money on the security of the colony to the extent of £200,000, and it was stipulated that of the sum borrowed £20,000 was to be invested in Exchequer Bills in the names of trustees to be appointed by His Majesty.

The clause in the Act providing for the investment of £20,000 in Exchequer Bills proved a source of great anxiety to the Commissioners, inasmuch as it prevented them from exercising their general powers until they had invested this said amount, and until £35,000 worth of land had been sold.

The first Board of Commissioners worked for six months in an endeavour to sell the required quantity of land, and not being successful tendered their resignations. On May 5, 1835, new Colonisation Commissioners were gazetted, and the first regulations for the sale of land in South Australia were published in June, 1835. Being of the opinion that 12/- per acre was a low price the Commissioners fixed the price at 20/- per acre, or £81 for a lot consisting of one town acre and a country section of 80 acres.

With a view to stimulating interest in the purchase of land orders, priority of choice in regard to town acres and country sections was offered to the purchaser of land orders secured in England. Another inducement to buy land orders early was that those who did purchase the 81 acres, and also paid the price of 4,000 acres of land, or upwards, would each enjoy the right of a special survey, in any compact district not exceeding 16,000 acres, and would be permitted to select his 4,000 acres from such district before any other application would be considered.



# ADELAIDE

## NORTH TERRACE

174	174	174	174	174	174	174	174
TRUSTEES TRINITY CHURCH	SOUTH AUSTRALIAN COMPANY	S. A COMPANY	GEORGE BARNES	GEORGE BARNES	JOHN RIGGIE Jun <sup>r</sup>	S. A COMPANY	R. N. BURTON
9 £12,354	10 £15,252	11 £19,592	12 £20,640	13 £30,720	14 £44,572	15 £52,050	16 £32,554
174	174	174	174	174	174	174	174
CHARLES CRIPPEN	REVEREND C. B. HOWARD	GEORGE ORMSBY	ROBERT THOMAS	THOMAS PLAYFORD	SAMUEL SMITH	SAMUEL STEPHENS	SAMUEL PAYNE
54 £10,352	53 £10,404	52 £11,180	51 £24,194	50 £34,250	49 £32,506	48 £77,570	47 £58,192

## NORTH TERRACE

174	174	174	174	174	174	174	174
C. G. EVERARD	S. A. COMPANY	S. A. COMPANY	JOHN COVEY	T. GATES DARTON	OSWALD SMITH	ROBERT THOMAS	ROBERT THOMAS
17 £133,976	18 £63,664	19 £71,748	20 £56,748	21 £48,128	22 £43,514	23 £26,478	24 £38,292
174	174	174	174	174	174	174	174
J. P. NODIN	S. A. COMPANY	S. A. COMPANY	JOHN BATLEY THORNGATE	JOHN BATLEY THORNGATE	ROBERT THOMAS	JAMES COLTMAN	SAM. G. SMITH
46 £257,568	45 £49,642	44 £19,932	43 £132,978	42 £21,048	41 £43,106	40 £44,634	39 £74,390

## HINDLEY STREET

174	174	174	174	174	174	174	174
C. G. EVERARD	JOHN BROWN	ROBERT COCK	ISAAC SLADDEN	CAPTAIN BERKLEY	WILLIAM LEIGH	CAPTAIN LIPSON R.N.	B. FINNIS
71 £8,848	72 £8,758	73 £7,120	74 £22,226	75 £21,976	76 £32,770	77 £63,912	78 £226,786
174	174	174	174	174	174	174	174
LIGHT SQUARE	WILLIAM WHITHAM	OSMOND GILLES	OSMOND GILLES	JOHN BATLEY THORNGATE	WILLIAM LEIGH	CAPTAIN LIPSON R.N.	B. FINNIS
115 £29,440	114 £31,716	113 £36,480	112 £45,222	111 £39,528	110 £69,052	109 £148,378	

## RUNDLE STREET

174	174	174	174	174	174	174	174
WILLIAM STURKEY	ROBERT COCK	JOHN MORPHETT	ROBERT THOMAS	ROBERT COCK	ROBERT COCK	WILLIAM LEIGH	THOMAS MORRIS
79 £25,880	80 £7,914	81 £10,506	82 £13,056	83 £33,204	84 £24,470	85 £73,176	86 £35,420
174	174	174	174	174	174	174	174
D. B. MAJOR	ROBERT GOUGER	ROBERT GOUGER	WILLIAM PULLEN	RICHARD SLADDEN	JOHN REAY	JOHN REAY	HINDMARSH SQUARE
108 £233,946	107 £96,460	106 £105,038	105 £62,600	104 £75,496	103 £44,722	102 £40,064	

## CURRIE STREET

174	174	174	174	174	174	174	174
JOHN COCK	HIS EXCELLENCY CAPTAIN HINDMARSH R.N.	W. G. GOVER	JOHN BATLEY THORNGATE	WILLIAM WYATT	W. G. GOVER	THOMAS DYKE	
120 £30,402	119 £30,826	118 £35,530	117 £48,120	116 £57,374	115 £72,578	114 £74,954	
174	174	174	174	174	174	174	174
CHARLES CORTES	OSMOND GILLES	OSMOND GILLES	OSMOND GILLES	WILLIAM WYATT	ROBERT COCK	ELIZ. WARREN	
77 £9,806	76 £18,450	75 £20,530	74 £25,420	73 £40,334	72 £52,460	71 £42,906	

## GRENFELL STREET

174	174	174	174	174	174	174	174
JOHN A. SMITH	ROBERT COCK	JOHN HALLETT	I. SLADDEN	I. SLADDEN	WILLIAM WYATT	P. ST. LEGER GRENFELL	HINDMARSH SQUARE
111 £36,906	110 £41,580	109 £79,346	108 £61,240	107 £47,380	106 £50,222	105 £43,690	
174	174	174	174	174	174	174	174
JOHN A. SMITH	ROWLAND HILL	ROWLAND HILL	ROBERT COCK	WILLIAM WYATT	WILLIAM WYATT	P. ST. LEGER GRENFELL	HINDMARSH SQUARE
170 £145,238	169 £47,040	168 £64,298	167 £47,744	166 £22,380	165 £38,978	164 £31,198	

## WAYMOUTH STREET

174	174	174	174	174	174	174	174
THOMAS HARDY	W. H. NEALE	EDWARD WRIGHT	EDWARD WRIGHT	JAMES CHAMBERS	ROBERT COCK	D. B. MAJOR	D. B. MAJOR
188 £12,274	187 £15,258	186 £13,564	185 £21,778	184 £19,880	183 £23,776	182 £27,374	181 £35,098
174	174	174	174	174	174	174	174
W. BRUCE	W. H. NEALE	EDWARD WRIGHT	EDWARD WRIGHT	S. A. COMPANY	S. A. COMPANY	S. A. COMPANY	GENERAL POST OFFICE
220 £147,044	219 £13,098	218 £16,506	217 £15,120	216 £24,134	215 £40,454	214 £71,608	213

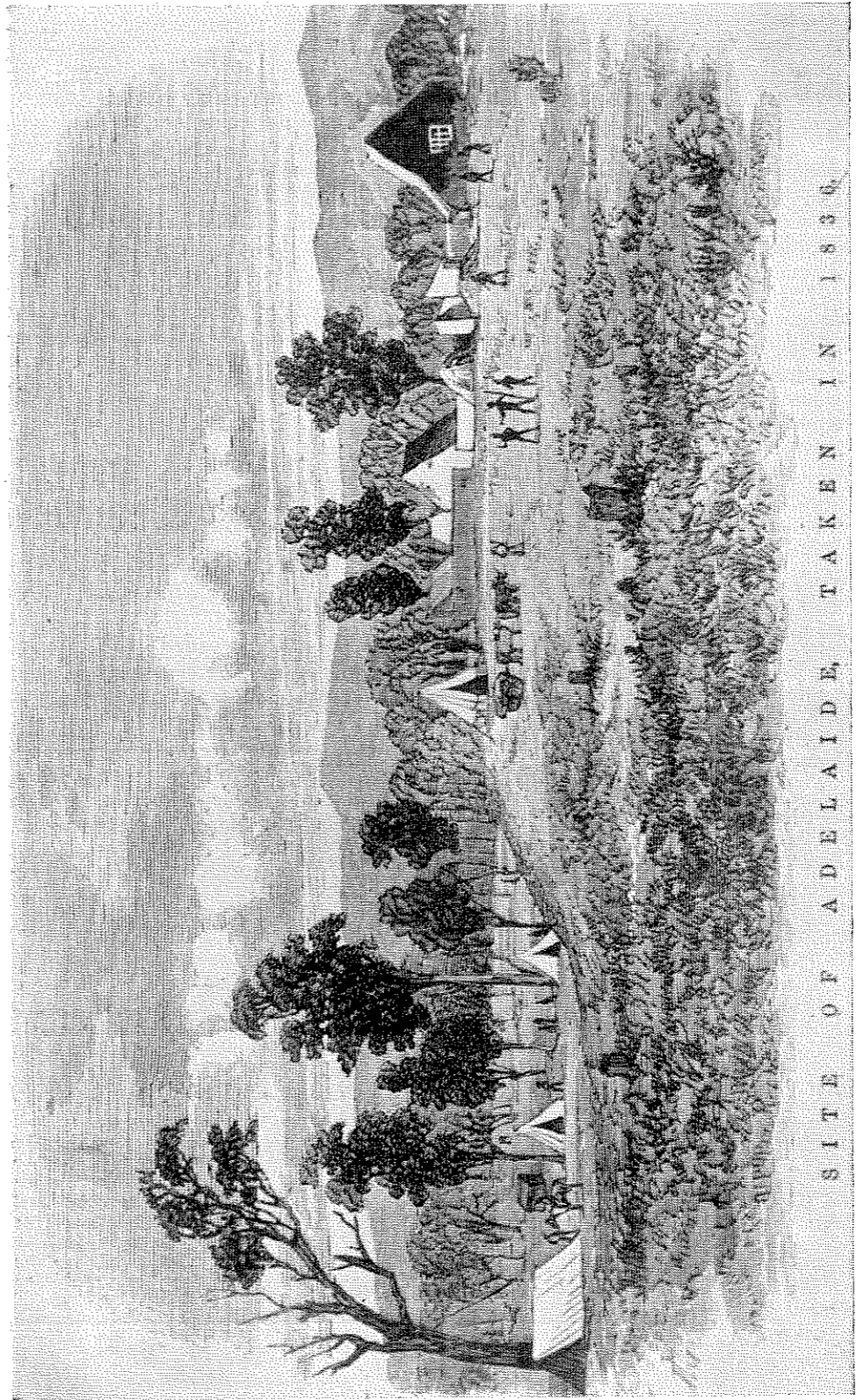
## PIRIE STREET

174	174	174	174	174	174	174	174
TOWN HALL	JOHN BROWN	JOHN BROWN	H. GOUGER	HIS EXCELLENCY CAPT. HINDMARSH R.N.	WILLIAM WYATT	C. MARCHANT	R. BLUNDELL
203 £24,000	202 £37,714	201 £8,000	200 £34,398	199 £32,538	198 £38,750	197 £17,564	196 £104,064
174	174	174	174	174	174	174	174
GOVERNMENT OFFICES	ROWLAND HILL	MARY A. FREEMAN	ELIZABETH FISHER	ELIZABETH FISHER	JOHN A. SMITH	JOHN A. SMITH	R. BLUNDELL
236	235 £7800	234 £39,374	233 £35,100	232 £14,650	231 £22,102	230 £23,942	229 £9,000

## FRANKLIN STREET

## FLINDERS STREET

TOP LINE FIGURES, PRICE PAID FOR ACRE IN 1837.  
 NAMES OF ORIGINAL PURCHASERS.  
 BOTTOM LINE FIGURES, NUMBER OF ACRE AND UNIMPROVED LAND VALUE, 1935 ASSESSMENT. TOTAL UNIMPROVED LAND VALUE, 122 ACRES, £7,741,560 \$ TOTAL PURCHASE MONEY 1837, £505,900



SITE OF ADELAIDE, TAKEN IN 1836.

Despite these special offers made to stimulate the sale of land orders, very little interest was shown in the proposed new colony. Notwithstanding that special agents were appointed, and a considerable quantity of printed matter and maps were circulated, less than the required quantity of land was sold, and it was feared the scheme would be a failure.

#### THE ANGAS FAMILY TAKE AN INTEREST.

In this, the darkest hour for the promoters, a wealthy merchant, Mr. George Fife Angas, showed interest in the proposed colony. He suggested the formation of a joint stock company to raise sufficient capital to purchase the quantity of land necessary to enable the scheme to operate.

Strong opposition to the proposal made by Mr. Angas was shown by the Commissioners, but after some delay, and as no other alternative presented itself, they gave consent to it. It is of interest to note that the purchase of the unsold quantity of land necessary to establish the colony was not made without a concession. The offer by the Angas group was on the basis of 12/- per acre, and this was accepted; and so as not to clash with earlier sales, the size of the country sections was altered to 134 acres and one town acre, instead of 80 acres and one town acre; and this constituted the difference between a "preliminary land order," of which there were 437, and one subsequently granted.

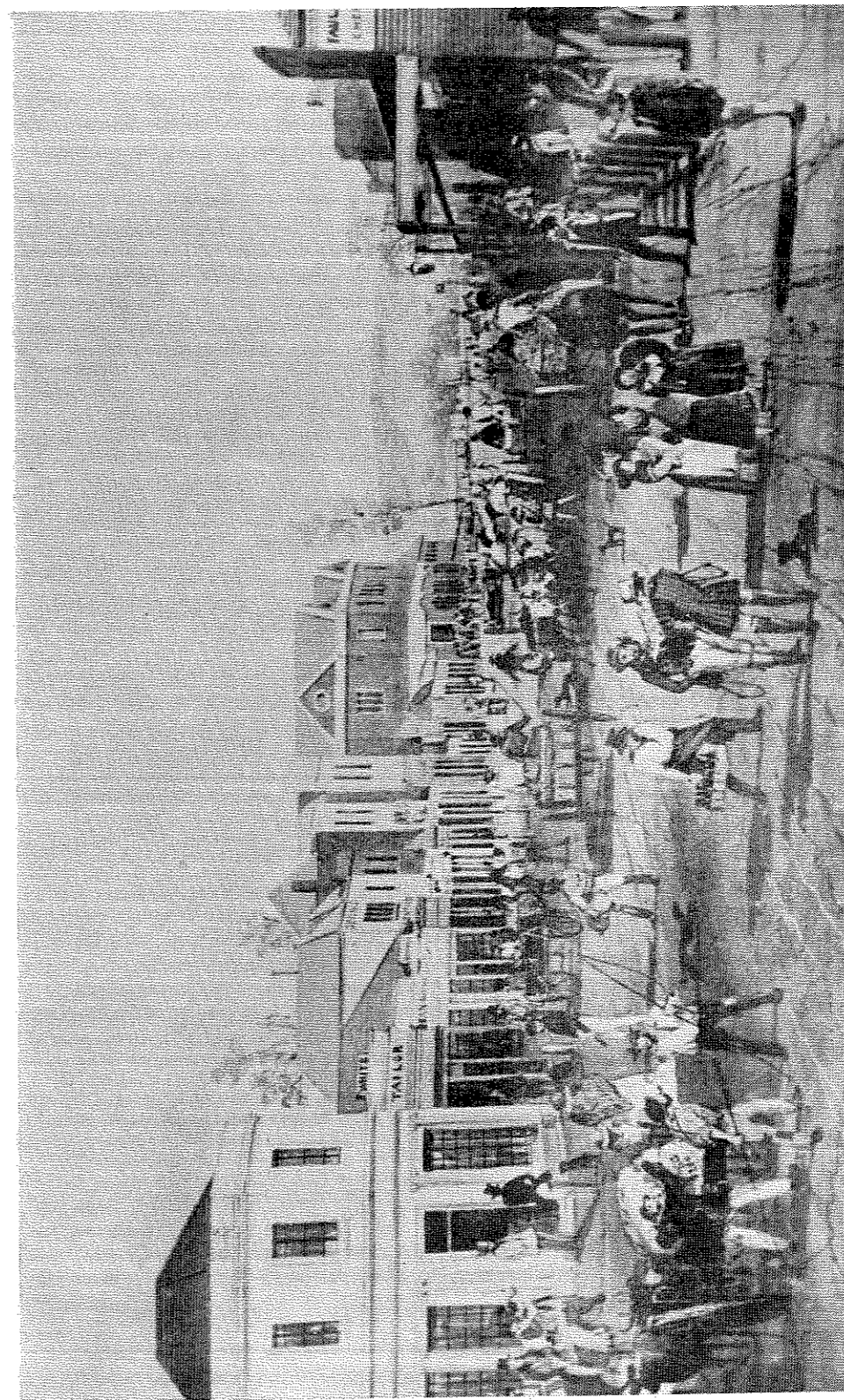
This purchase by the Angas group of 13,770 acres removed the main obstacle facing the Commissioners, and on November 19, 1835, the required sum of £20,000 in 3 per cent. consols was invested, as required by the Act founding the colony.

It is of interest to record that when Mr. George Fife Angas passed on to learn the great secret, his son, John Howard Angas, became, in due course, a millionaire land monopolist. During his sojourn in South Australia he played a very prominent part in public life. The land held by him was sufficient to enable many hundreds of families to produce a good living. However, instead of it being made available to them on equitable terms, it was held as a close monopoly, and provided employment for only a few station hands and boundary riders. The late Mr. J. H. Angas was strongly opposed to any sound policy of land reform. Not content to manifest his opposition during his lifetime, he made provision in his will to ensure that this opposition should continue when he was no longer here to voice it.

In his will, dated November 23, 1904, it is stated:—

Clause 9: And I declare that without limiting their general powers authorities and discretions, my trustees shall in the administration of the trusts of this my will be invested with the following special powers authorities and discretions, namely—

- (a) Power to withhold from any of the foregoing legatees institutions or objects (except those in Schedules A and B) (Schedules A and B comprise legacies to relatives) and either absolutely or conditionally payment of any one or more of the foregoing legacies interest or other benefit under this my will for any reason or reasons which my trustees in their absolute and uncontrolled discretion shall think good and sufficient (which reason or reasons they shall not be compelled or compellable to disclose) without limiting such general power especially if in the absolute and uncontrolled opinion of my said trustees (the grounds for which opinion they shall not be compelled or compellable to state) any such legatee or legatees or any official or officials of any of the said institutions is or are supporters of any such mischievous schemes of class taxation as the single tax or any progressive land tax or any similar scheme of class taxation.



Rundle Street, Adelaide, South Australia, 1845

There is a quotation which says that to "Speak reverently of the dead is a wise maxim." We are of the opinion that when dealing with the early days of South Australia, and the pioneers associated with its colonisation, it is just to readers that the deeds of pioneers who are alleged to have "opened up the country for settlement" shall be placed in their true light, so that false ideas shall not be promulgated.

#### SURVEY OF THE CITY OF ADELAIDE.

The survey of the town acres was commenced by Colonel Light and his assistants on January 11, and completed by March 10, 1837. On March 17, a meeting was held, and at this gathering the holders of land orders, or their agents, determined the order of the right of choice, and on March 23, 1837, the selections were duly made.

The unselected acres were sold by public auction on March 27 and 28, the prices ranging from £2/2/- to £14/14/- per acre — the last mentioned figure being the highest amount paid for any town acre. It was paid by Mr. W. H. Gray for an acre in Hindley Street. The total amount received by the Government for the whole site of the City of Adelaide was £3,856/8/-, and it is of interest to know that the unimproved land value of the city as assessed under the 1950 valuation for State land tax purposes is £19,434,590.

The first South Australian land boom occurred in connection with these town acres a short time after the original sale had taken place. Acres selected at 12/- per acre were sold at from £80 to £100 each, while in some cases for land in more favored positions, owners asked as much as £250 per acre. The boom was short-lived, and later the prices went back to one-fifth of the boom figures.

#### INTERSTATE CRITICISM OF SOUTH AUSTRALIAN SETTLEMENT.

Mr. George Sutherland, M.A., who wrote a book: "The South Australian Company," records criticism which came from colonists in Australia who were interested in the working of land and the employment of convicts or assigned servants in New South Wales. As their comments are of interest and illustrate the working of the minds of these land monopolists, we give the following quotation from Mr. Sutherland's book:

"Criticism of a still more destructive kind came from Australia, more especially from some of those colonists and investors who were interested in the working of the land and the employment of convicts or assigned servants in New South Wales.

"The 'Sydney Herald' on October 26, 1835, after quoting from the 'Standard' the official announcement that 'the King has appointed certain gentlemen to be His Majesty's commissioners for carrying into effect the South Australian Act' struck the keynote of the new indictment against the scheme when it said: 'In the formation of the Swan River no objectionable principle existed, and besides the distance of the Australian colonies rendered consultation on the subject immaterial; but this new colony, perfectly unshackled by prison discipline, by military governors, and by immense civil and legal establishments, and wholly independent and free, threatens to annihilate the other colonies. If it be successfully established the colony of New South Wales will probably become an inferior subordinate and subservient appendage to it.' The 'Herald,' in short, confidently predicted that no governor would be able to maintain New South Wales as a penal settlement if Southern Australia were established as a free colony with a governor appointed by the Crown. 'Besides,' continued the article, 'let our landholders be fully on the alert to another important consequence. If the new colony prospers, with her land rates at 12/- per acre as the minimum price, we shall soon have the land in this country raised to the same price, and will probably be required, besides, to pay handsomely for the privilege and honour of employing convicts.'"

#### AN IMPORTANT OFFICIAL DOCUMENT.

An important document associated with the early settlement of South Australia is in existence, and it is of great interest to all who are interested in the Land and Labor questions. It is the first report of the South Australian Commissioners, and it was received in England by the Secretary of State for the Colonies on June 24, 1836.

We have already indicated that under the South Australian Colonisation Scheme land was sold under the preliminary land orders for £81, that being the purchase price for 80 acres as a country section and one town acre. The money received from the sale of the land did not go into the public treasury. It was used as a fund to send immigrants from England to South Australia. The reason for this, as given in this first report, is as follows:—

"It is essential in the prosperity of a new colony in which there are neither slaves nor convicts that there should be a constant supply of free laborers willing to be employed for wages. If there be not a constant supply of labor for hire, no extensive farm can be cultivated, no large or continuous work can be carried on, and the capital imported must perish for want of hands to render it reproductive."

The document goes on to show how this cheap labor could be obtained—

"Now, in order to secure that constant supply of labor for hire, two things are necessary: It is necessary that the requisite number of laborers shall be conveyed to the colony, and it is necessary, when so conveyed, they should continue as hired laborers until the arrival of other emigrants to supply their places in the labor market."

These two clauses, it will be noted, make it very clear that the founders of the colony, and the Commissioners, were keen to be able to have an assured supply of cheap labor. This cheap labor was brought from the Old Land, and the important question was: "How in an alleged free country was it possible to retain that supply of labor when it reached the new colony?" The next part of the report shows clearly how this problem was to be overcome. It states:—

"Hence in determining the proper price of public lands in the new colony, two points have to be considered: first, the price necessary to convey to the colony the number of laborers required to cultivate the land in the most profitable manner; and, second, the price necessary to prevent the laborers so conveyed from acquiring property in land before they had worked for wages for a sufficient period. In order to accomplish the latter object, it is not improbable that, at an early period after the arrival of the Governor, it may be desirable to raise the price of public lands over one pound per acre."

Here, then, was the key to the situation. To secure an adequate supply of cheap labor the price of land was to be increased. It was realised if the price was allowed to remain at the original low level it might be dangerous to the land monopolists who were so keen on securing cheap labor. The Commissioners said:—

"Should public lands continue to be obtained at this price, and should wages be such as to enable industrious mechanics to realise a moderate sum in a few months, there would be considerable danger lest the habit which prevails in old countries of associating the idea of wealth and station with property in land, might induce them to purchase small freeholds, and to cease to work for wages, in order to become isolated cultivators on their own account."

What a terrible position to contemplate! If the price of land was not increased, an immigrant "might be induced to cease working for wages" and proceed to work out his destiny as a free man. Such conditions were anathema to these monopolists, as it meant them losing control over the laborers, and the Commissioners in their report claim such a state of affairs—

"Would be disastrous alike to the capitalists and to the laborers."

Their main reason for expressing such an opinion was—

"That capital would waste and perish for want of means to use it."

These paragraphs should be studied by Socialists and all others who hold the opinion that "Capital enslaves Labor." It is evident the Commissioners and the Capitalists had a much clearer conception of the economics of the question than is held by many Labor leaders of this day.

Another point worth consideration in regard to the fear expressed by the Commissioners and the early South Australian capitalists is one we have frequently met in our propaganda for a just system of land tenure. It is frequently asserted that assuming land is available on just terms to laborers, such a condition would not benefit them as they have no capital to work the land. We ask: "How did these early settlers obtain the capital they needed for production?" It is certain they did not bring it from England. Apparently those responsible for such a contention as the one stated are not aware that all capital is a product of labor applied to land. The early monopolists understood this economic fact, hence their desire to raise the price of land so that laborers could not get possession of it.

#### HOW TO AVERT A LABOR SHORTAGE.

Recognising the danger of a shortage of labor for hire if the price of land remained at £1 per acre, the Commissioners go on to say:—

"We, therefore, venture to hope that your Lordship will approve of our having authorised the Colonial Commissioner to advance the price of public land, should the laborers conveyed to the colony by the Emigration Fund begin to cultivate small farms on their own account before the arrival of other laborers to work for hire in their stead."

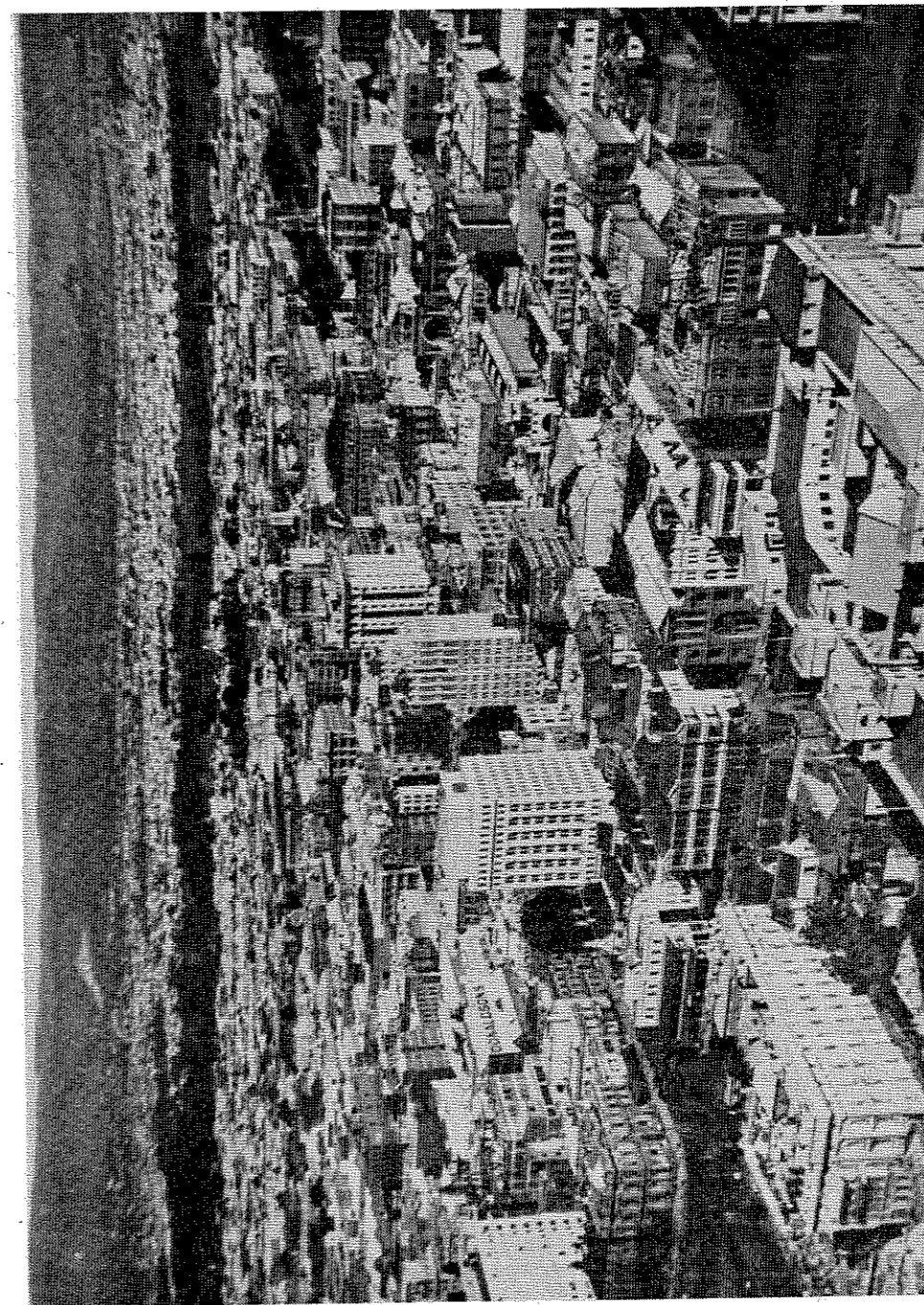
So far as the Commissioners were concerned it was unthinkable that these immigrants should be permitted to cultivate land on their own account, and thus deny the landholders the power of exploitation they possessed under the existing system. An increased price for land showed them the way out of their difficulty, but something else troubled these Commissioners. They were alive to the fact that it would be useless to increase the price of land in South Australia, whilst allowing land to be purchased at a low price in other colonies; so, under the heading of "Difficulties Encountered, Obstacles to be Removed," they said:

"Were the price of land in any district raised sufficiently high to take out the proper supply of labor, while in some adjacent district land should be sold at a lower price, or be granted gratuitously, those who obtained their land at a lower price, or for nothing, would be in a condition to offer higher wages to the emigrant laborers than those who had expended a portion of their capital in contributing to the Emigration Fund by paying a higher price for land. The emigrant laborer would be attracted by the higher price of labor and the lower price of land, and thus the capitalists who contributed to the Emigration Fund would be deprived of the supply of labor for which they had paid."

#### TO KEEP LABORERS AS HIRED SERVANTS.

From the foregoing quotation we see that should any of the adjoining colonies offer land to settlers at lower prices than was asked in South Australia, or should such land be granted without payment, the holders of that land would be in the happy position of being able to offer higher rates of pay than the South Australian landholders, and thus attract laborers from that colony. To prevent this dreadful tragedy the Commissioners suggested that: "The price of land in every colony should be increased."

We have already indicated that the money received from the sale of land was used as an Emigration Fund. Adults of each sex, not exceeding 30 years, were to be brought to the colony in equal proportions.



Aerial view of City of Adelaide, South Australia, 1946.

To keep them as hired servants certain regulations were framed dealing with the sale of land, and they make interesting reading. Section 5 says—

“The sole condition of purchase shall be the payment of money, at the rate of £1 an acre, and nothing, whether above or below the surface of the land, will be reserved for the Crown . . . . In the event of there appearing any tendency to injurious dispersion among the colonists, the Colonial Commissioner shall have authority, after the expiration of three months from the date of the first sales, to raise the price of land to any sum not exceeding £2 per acre.”

The regulations point out that the money is used to send laborers to the new colonies, and goes on to say—

“By means of this regulation it will be seen that the buyer of land may have his purchase money returned to him in the most valuable shape. Whatever the line of industry that any capitalist may intend to pursue in the new colony, all the workers whom he may choose to engage for that purpose will be set down in the colony free of cost to himself.”

There is no gainsaying the fact that these monopolists knew their job, and did it well. They pay a low price for land they acquire, and then the money is used for the purpose of sending cheap labor to South Australia for the purpose of exploitation on that land. It was a well thought out scheme that indicates how astute were those who conceived it.

#### A COLONY WITHOUT SLAVES OR CONVICTS.

The Commissioners' report goes on to state—

“Without either slaves or convicts, capitalists of every description will obtain, without cost, as many laborers as they wish to employ; and engagements which laborers may make for a term of service will be maintained. The means of securing all this is a proper price for land.”

This official statement should cause every reader to “see the cat.” Although there were neither slaves or convicts, these landholders were to obtain, “without cost,” as many laborers as they wished, and conditions were to be so arranged that when these workers entered upon their agreements there was no danger of them leaving before the stipulated time. It is hard to distinguish the difference between such conditions and slavery.

Here in the Commissioner's document, an official paper, we find evidence in support of the economic truth that **control of the land means control of the people who can exist only by having access to natural resources from which alone can be obtained those necessities which are vital for the preservation of human life.**

#### HOW TO ABOLISH WAGE SLAVERY.

These illuminating extracts from the South Australian Official Report and from Wakefield's work dealing with the Swan River Settlement should prove to every open-minded reader that land monopoly is directly responsible for wage slavery. Possession of land is the **key to all production.** One has only to realise that everything we eat, drink and wear, all the tools and machines needed for production, all the raw materials used in factories and for house construction come from the land; therefore, it should be apparent that those who control natural resources have the power of life or death over those who have been dispossessed of their right to land. Where the land is held as a close monopoly by a privileged few, the many can live only on the terms dictated by those in possession of the earth. The land question and the labor question are inseparable. The land question is the most important one that has to be faced in every country of the world. If our legislators knew as much about the relation of land to the labor question as these



Rundle Street, Adelaide, South Australia, 1946

early Commissioners and Mr. Peel, and had the courage to apply that knowledge to the affairs of State, there would soon be a more just distribution of wealth.

The solution of the social problem lies in the collection of the rental value of land for public purposes and the removal of the tax burden that now presses upon all forms of industry. This is the fundamental reform.

The question may be asked: Why should the rental value of land be taken into the public treasury? The answer is: "Because it is a people's value. It comes into existence with the presence of the people. It disappears when the people leave the locality, notwithstanding that the improvements may remain. Justice demands that this value created by the people shall be taken and used for the benefit of the people, and the taxes now levied upon industry be abolished."

In support of our contention that land value is a people's created value, we present the following table showing the price paid in 1837, and the unimproved value of each of these town acres under the 1950 assessment for State land tax payments:—

Location	Number of Town Acre	Amount paid in 1837 per acre			1950 Land Value Assessment
		£	s.	d.	
Rundle Street	46	12	0		530,858
Adelaide,	45	12	0		411,818
North side from	44	12	0		317,170
Beehive Corner,	43	12	0		270,476
Running East to	42	12	0		197,714
Pulteney Street	41	7	14	0	461,070
	40	6	6	0	208,042
	39	12	0		93,954*
Rundle Street					
Adelaide,	79	12	0		509,792
South side from	80	10	13	0	261,652
Lawrence's Corner	81	6	6	0	422,324
Running East to	82	10	0	0	292,916
Pulteney Street	83	8	18	0	364,150
	84	10	10	0	245,692
	85	10	10	0	142,436
	86	12	0		158,588
		75	13	0	4,788,652

\* The lower assessed value on Town Acre No. 39 is due to the fact that portion of this acre is Government property, therefore, that portion is not assessed for land tax purposes.

The figures in the above table, taken from official sources, indicate that the land in Rundle Street, Adelaide (the main shopping centre) from King William Street to Pulteney Street, has increased in value from £75/13/- (the amount paid for it in 1837) to £4,788,652—the assessed value for State land tax purposes under the recent valuation in 1950. That increase in value is not due to anything done by the landholders who hold the title deeds. It is due to the fact that business grew around the area of the old bullock trail from Port Adelaide, and has remained in that area since the foundation of the colony.

The value arises because hundreds of thousands of people, buyers of goods, throng that busy thoroughfare every day. Take the people away from that area, and the land value will disappear from that locality and reappear in the new area where the people congregate. There is no valid argument against the land value created by the presence of the people

being taken into the public treasury and used to defray the cost of the people's services. Instead of this action being taken by those in charge of the Government of the Commonwealth and States, the community created values are permitted to flow into the pockets of private individuals who have done nothing to bring them into existence. We give two striking examples indicating how our legislators have been traitors to the trust reposed in them.

#### THE THORNGATE ESTATE.

John Batley Thorngate, of England, purchased four land orders in 1837 for £324. These orders entitled him to 320 acres of country sections and four town acres in the new colony of South Australia. A search of the estate made at the Lands Title Office, Adelaide, 1928, showed that up to that date £622,988 had been taken out of South Australia by this absentee family as purchase price for land sold, and as rent for land leased. The books in the Land Taxation Department revealed that this absentee family was then in possession of land to the assessed value of £250,000.

It is of interest to note that the lessees of the land had under the provisions of the leases to erect improvements at their own expense, keep the improvements in good order and repair, pay all rates, taxes and charges levied during the tenure of the lease, and at the expiration of the lease hand over all the improvements without receiving one penny compensation. At the time the search was made not one member of the Thorngate family had set foot on South Australian soil, yet because their ancestor had spent £324 in 1837, they had up to 1928 been able to take nearly £1,000,000 out of the State of South Australia, merely because they were the holders of certain title deeds.

#### THE FEATHERSTONE ESTATE.

Town Acre No. 106, corner of Grenfell Street and Gawler Place, Adelaide, now the home of the Young Men's Christian Association, was purchased in 1837 by Robert Gouger for £2/2/-. A portion of it, 123 feet by 148 feet, was purchased by William Paul Featherstone for £500. In 1882 the Y.M.C.A. leased this land from Featherstone on the following terms: The Association had to pay a ground rent of £1,600 per annum for 40 years, to erect a building to the value of £25,000, to pay all rates, taxes and repairs levied on the building during the tenure of the lease, and then hand the improvements over to the Featherstone estate.

In 1922 the Association was concerned about its future, and sought to acquire the freehold of the property. After much negotiation they were successful in getting it on the following terms: The Y.M.C.A. had to pay a deposit of £5,600, being 10 per cent. of the purchase price; £13,077 on October 1, 1923, and the balance to remain on mortgage at 6 per cent. for five years. During the 40 years of the lease the Y.M.C.A. paid to the Featherstone estate £64,000 as ground rent for the land. It spent £27,000 in the erection of a building, it paid £6,000 in land tax, and other taxes, details of which are not available. After paying this huge amount the Y.M.C.A. had to buy at an additional cost of £56,000 the building it had paid to erect. The Featherstone estate was thus in the happy position of getting £153,000 for an expenditure of £500, without rendering any service whatsoever. When the younger generation are advised to "Go upon the land, young man"; this is the type of land they should have their eyes on.

These are only two out of many examples that could be given showing how it is possible to "get rich without working," but they are sufficient to indicate to all thinking people that the land question is the fundamental reform, and until that is dealt with on sound economic lines, any improvement made in society by means of palliative legislation is capitalised by the landholding class, and taken in increased rent for permission to use the earth.

#### WHAT OF THE FUTURE?

Having indicated how land values have grown as a result of the presence of the people, and produced evidence to prove that this people-created value is not at present being taken for the benefit of the people, but is flowing into the pockets of a privileged few, the question now asked is: "What do you propose doing about it in the future?" Are you going to allow this filching of the public fund by privileged interests to continue? Or are you going to do your part in working to prevent this great injustice in future?

It is a fact that all the economic ills which afflict society have as their fundamental cause the monopoly of natural resources. This monopoly is made possible by the neglect of governments to collect the rent of land for public purposes. This neglect can be overcome per medium of the ballot box. Every adult male and female enjoys the right of voting for our Federal and State Legislatures. If the voters are convinced that the value of land arising by reason of the presence of the people is the proper source from which the cost of government should be paid, the remedy is in their own hands to make a change in the present methods of collecting revenue. The responsibility lies with all voters to see that those returned to Parliament support this just system of securing public funds.

With land values flowing into the public treasury, no person could receive wealth without giving service in return. The rent of land being sufficient to meet the cost of all necessary government, the taxes now imposed upon industry, both direct and indirect, could at once be reduced and ultimately abolished. This simple readjustment in our method of collecting revenue would automatically solve the high cost of living, housing, and all other problems. Such a simple reform would destroy land monopoly by making it unprofitable for anyone to hold land unless it was put to its best use. Natural resources would then be open to all on equitable terms—merely by the paying of the annual rent into the public treasury. Tariff barriers, quota systems, exchange controls and all other trade restrictions would be abolished, and peace and goodwill would be established with all nations, instead of the hatred and suspicion so prevalent at present. The adoption of this policy is the sure way to abolish war and to make for a permanent peace. It will restore to the masses the birthright that has been filched from them, develop a nobler race of people, and would for all time prevent individuals from "getting rich without working."

The study of these historical documents is of vital importance to all reformers as a guide to right action.

Herein is evidence for the doctrine proclaimed by Henry George that, where land is free, the exploitation of labor is impossible.

May we enroll you as a worker in the grand army now working for the restoration of land rent to the people who have brought that rent into existence?

Here, let us imagine, is an unbounded savannah, stretching off in unbroken sameness of grass and flower, tree, and rill, till the traveller tires of the monotony. Along comes the waggon of the first immigrant. Where to settle he cannot tell—every acre seems as good as every other acre. . . . Tired out with the search for one place that is better than another, he stops—somewhere, anywhere—and starts to make himself a home. . . . It is an easy matter for him to get enough to eat; but beyond this his labor will only suffice to satisfy the simplest of wants in the rudest way. Soon there comes another immigrant. . . . He settles by the side of the first comer, whose condition is at once greatly improved, and to whom many things are now possible that were before impossible, for two men may help each other to do things that one man could never do.

Another immigrant comes, and, guided by the same attraction, settles where there are already two. Another and another, until around our first comer there are a score of neighbours. Labor has now an effectiveness which, in the solitary state, it could not approach. . . . A blacksmith and a wheelwright soon set up shops, and our settler can have his tools repaired for a small part of the labor they formerly cost him. A store is opened, and he can get what he wants as he wants it; a post office, soon added, gives him regular communication with the rest of the world. Then comes a cobbler, a carpenter, a harness maker, a doctor, and a little church soon arises. Satisfactions become possible that in the solitary state were impossible. . . . Population still keeps on increasing, giving greater and greater utility to the land, and more and more wealth to the owner. The town has grown into a city—a St. Louis, a Chicago or a San Francisco—and still it grows. Production is here carried on upon a great scale, with the best machinery and the most favorable facilities; the division of labor becomes extremely minute, wonderfully multiplying efficiency; exchanges are of such volume and rapidity that they are made with a minimum of friction and loss. . . . Hither run all roads, hither set all currents, through all the vast regions about. . . . Here are museums and art galleries, collections of philosophical apparatus, and all things rare and valuable, the best of their kind.

So enormous are the advantages which this land now offers for the application of labor, that instead of one man with a span of horses scratching over acres, you may count in places thousands of workers to the acre, working tier on tier, on floors raised one above the other, five, six, seven and eight stories from the ground, while underneath the surface of the earth engines are throbbing with pulsations that exert the forces of thousands of horses. . . . The productive powers which density of population has attached to this land are equivalent to the multiplication of its original fertility by the hundred fold and the thousand fold. **And rent, which measures the difference between this added productiveness and that of the least productive land in use, has increased accordingly. One settler, or whoever has succeeded to his right to the land, is now a millionaire.** Like another Rip Van Winkle, he may have lain down and slept; still he is rich—not from anything he has done, but from the increase of population. There are lots from which for every foot of frontage the owner may draw more than the average mechanic can earn; there are lots that will sell for more than would suffice to pave them with gold coin. . . . It is a well-provisioned ship, this on which we sail through space. If the bread and beef above decks seem to grow scarce we but open a hatch and there is a new supply, of which before we never dreamed. And very great command over the services of others comes to those who as the hatches are opened are permitted to say, "This is mine!"

To recapitulate: The effect of increasing population upon the distribution of wealth is to increase rent (and consequently to diminish the proportion of the produce which goes to capital and labor), in two ways: First, by lowering the margin of cultivation. Second, by bringing out in land special capabilities otherwise latent, and by attaching special capabilities to particular lands.

—Henry George in "Progress and Poverty."