

faculties and his own property," and if he can only exercise his faculties on land, and create property by labour on land, what freedom has he to "exercise his faculties and create property," if he is compelled to purchase land before getting access to it? Verily, Mr. Auberger Herbert's economics, ethics, and philosophy are first a little too "Pickwickian."

ANOTHER PICKWICKIAN ITEM.—Lord Salisbury speaking on the constitutional right of the House of Lords to reject a finance bill, said:—"The difference between the legal rights and the moral rights of the House of Commons were very great. The legal right of the House to affirm or reject a bill was equally strong whether it was exercised by a single vote or by 100, but in the moral right there were definite differences. There were circumstances under which the moral force exercised by the House of Commons was irresistible, for no resistance could be offered to the national will, but when the House of Commons did not represent the national will, the moral force which it exercised was greatly diminished." And of course the House of Lords are to decide when the House of Commons fail to represent the national will.

### GLASGOW POLICE COMMISSION AND THE UNEARNED INCREMENT.

At the Ordinary Fortnightly Meeting of the Police Commissioners, held in the Council Chambers, on Monday, 30th July.

Mr. JOHN FERGUSON moved, in the terms of notice given—"That, in order to lighten the rates upon labour and capital, and extend the advantages which the Commissioners have conferred upon the citizens by improvements and control, powers be sought in the usual way from Parliament to appropriate, by rating, the future unearned increment of the city to municipal purposes." It would be admitted, he said, they were on the eve in the City of Glasgow of an expenditure so large, in order to make the working-classes comfortable, that they all shrank from the contemplation of the increase in rates necessary for that expenditure. Where were these rates to come from? Those who studied nature's laws, whether in the intellectual or physical world, would find answers to these questions. They had a fund lying ready for use, intended by Almighty God for the service of the producers of wealth held by idlers and loafers—that was to say, unearned increment. He did not ask them to tax the unearned increment of the past; he asked them, as Mill suggested, to tax it in the future, leaving the unearned increment of the past to those in possession. This unearned increment at which he aimed belonged of right to the citizens, springing as it did from the improvements which they as Commissioners had made upon the city, and the facilities they had given for the expansion of labour and capital. He asked that the unearned increment created by the Corporation, created by machinery, created by society, and bestowed upon men like Campbell of Blythswood and others, who took £50,000, some said £100,000, out of the city for no reason or other but some ridiculous story that about the time of Cromwell they lent a thousand pounds to save the city from being sacked, should be held by the rightful owners—namely, the people. If the story were true, he would say by all means give him back his thousand pounds; but Mr. Ferguson denied that he, or any one else, had a right to levy blackmail on the City of Glasgow.

Mr. BATTERSBY seconded the motion.

Treasurer GRAY, urged that there should be some attempt made to deal with the question seriously.

Bailie PRIMROSE said Mr. Ferguson had, in speaking to the motion, made general statements. How did he propose to assess the unearned increment? (Mr. Ferguson—Easily). Well, he had said nothing to give them any light on the subject.

Mr. W. F. ANDERSON said the question should be faced seriously.

Mr. ANGUS CAMPBELL, in seconding the amendment said, Mr. Ferguson had stated his views clearly and succinctly, and had not dwelt in generalisations. He would like those gentle-

men who differed from Mr. Ferguson, to get on their feet and say something in the way of controverting his arguments. Was the evil to be eternal? Were their investments to be seized by a class who "toil not, neither do they spin?" He held that they should discuss the question dispassionately, and give up the attempt to shelve it.

Mr. WM. STEVENSON moved the previous question.

Mr. PIRRIE seconded.

Mr. BURT remarked that the Council on a former occasion did appoint a committee to deal with a kindred question, and a large majority of the Council voted against it, but the question had grown a good deal since then, and the Council could do itself no injury, and might get some information if they agreed to the appointment of this committee.

Mr. J. R. PATON adopted Mr. Ferguson's preamble, and moved that there should be added the following—"That a committee be appointed to consider the whole question of how the future unearned increment of the city may be dealt with."

Mr. FERGUSON—That will do.

All the amendments were withdrawn, except Mr. Stevenson's, while Mr. Ferguson adopted Mr. J. R. Paton's proposal in place of his own.

The house then divided, when there voted:—For Mr. Ferguson's motion as amended—Bailies Morrin, Brechin, Bilsland, Primrose, Chisholm, Alexander, Pettigrew, M'Kellar, Murdoch, M'Phun, and M'Cutcheon; Messrs. W. F. Anderson, Battersby, Burt, Campbell, Ferguson, Fife, Finlay, Garey, Graham, Gray, Hamilton, Hope, A. J. Hunter, Jack, King, Martin, Mitchell, John M'Farlane, George Macfarlane, M'Kenzie, Neilson, Oatts, J. R. Paton, Starke, D. M. Stevenson, Stewart, Thomson, and Waddell,—39. For Mr. Wm. Stevenson's motion (the previous question)—Bailies Guthrie and Murray, Deacon-Convener M'Lennan, Carswell, Cassells, Cleland, Cuthbert, Langlands, A. Murray, Osborne, Walter Paton, Pirrie, Shearer, and W. Stevenson—14.

Mr. FERGUSON moved that the following be appointed the committee:—Bailies Chisholm and Primrose, Councillors Waddell, Burt, Osborne, Colquhoun, Angus Campbell, Richmond, W. F. Anderson, Alex. Murray, J. W. Dick, King, Crawford, and Fife, and Treasurer Gray.

Mr. SHEARER seconded, and the motion was adopted.

### THE SOURCE OF THE LIVING WAGE.

To the Editor of the Single Tax.

Benburb House, Lenzie.

SIR,—As my motion for powers to impose a special tax upon the ground values of all land, whether in use or not, in the city of Glasgow has now passed into committee by a majority of 29 to 21, and as Bailie Crawford—a man of caution, method, and expediency—in supporting it against the "previous question" declared his belief that within two years we should have legislation upon the subject, and more particularly as the question has now a force behind it, not only in this country but in the United States and the British Colonial States, which society cannot and dare not ignore, I ask permission to state as clearly as I can what the "question" really means.

The burden of taxation is growing too great for labour and capital to bear, yet the requirements of civilization are daily demanding greater expenditure, and will continue to do so. Labour must have a larger share of its own product, and capital finds it difficult to meet all demands. I am of those who hold that upon all subjects there are educated authorities. That these lay down the science of subjects, and only badly educated people ignore such authorities. Herbert Spencer points out how a merchant who would hesitate to meddle with the mainspring of a watch lest he might destroy a few shillings' worth of property, will not hesitate in a Chamber of Commerce to meddle with a social problem enormously more complicated than the watch, of which he knows scientifically much less and upon which an error may cause the loss of life and property. This arises from presumption begotten by commercial success and an old world ignorance that assumed intellectual principles to be of

little or no value compared with material.

All economists from Smith to Marshall have taught the following undisputed truths:—All taxes paid out of wages of labour or profits of capital of necessity retard production by increasing its cost. It is a benefit to each individual and to the whole nation that each individual should be able to obtain every article he requires at the lowest possible price; or, in other words, in exchange for the least amount of his own labour or capital. Mill puts it that taxation should be upon *unearned* rather than upon *earned* incomes, so as not to interfere with production, and in order to increase comfort by enabling people to obtain all products with the least expenditure of labour or capital. There are two kinds of unearned income. One, the product of individual exertion, accumulation, and legitimate investment; in other words, "economic interest." Taxation of this kind, though not calculated to retard production, and much less injurious, is still injurious, inasmuch as it is a tax upon prudence and industry, and should not be used till the legitimate source of taxation is exhausted. But the other kind of "unearned" income is not the product of individual exertion. It is the product of the exertion, invention, expenditure of the whole community. It belongs to the whole community by the same right that the individual has had his product. The term "unearned increment" is applied to this. All economists agree that this should be appropriated by the community. Some would not go back upon the past, but, like "Mill," refuse to allow private individuals to appropriate this in future. Others would, in words of Herbert Spencer, go back appropriating it "as equity sternly demands, however difficult the operation." This unearned increment, ground rents, mining royalties, rents of rivers and lakes, amounts to between two hundred million sterling per annum and three hundred million, about one-sixth of the entire wealth produced in Great Britain and Ireland. Every improvement in machinery and modes of industry ultimately finds its way into the pocket of the owner of the land. For a time the wages of labour and profits of capital feel the benefit of the "spinning jenny" or the "power loom," but a Bolton, a Manchester, or a Glasgow springs up, and land worth 30s. per acre has to pay £1,000 per acre, per annum, and this must come out of the wages of labour and profits of capital employed upon that acre. Give me the ownership of the natural agent—land—and, speaking reverently, I can frustrate the efforts of God and Nature to make the workers better off than they are. Let science aid them in production, till wealth pours from above or below upon the land. I'll, in due time, discover by competing man against man to take £1000 or £10,000 per acre per annum for the right to use my land. All this unearned increment, after leaving the living wage and living profit, should go to the community for the benefit of the whole people who created it. When we are told profits cannot afford a living wage, the right reply is—Quite true, so long as labour and capital have to support a set of economic loafers who contribute nothing to production, and who take a sixth of the whole product. We impose income tax upon profits out of chattel property itself, the honest product of brain and hand work—pure private property by the laws of God and man—and we start in horror from the idea of imposing a special tax upon income which is simple plunder taken from those natural agents—land, mine, water—which are not private property, not chattel property, but which are by the constitutional law of Great Britain the inalienable property of the nation, resumable at pleasure by the people, and that, too, as the late Lord Coleridge said to the Juridical Society, without any compensation being due in law, whatever might be in expediency or charity!

The people know where to look for the living wage. Capitalists should not take the side of the loafers against the workers, lest the latter might forget what science and religion both teach, that labour and capital are natural friends and allies, and should work, not against each other, but against those "who gather where they have not sown, and reap where they have not sown."—I am, &c.,

JOHN FERGUSON.