

Problem, to make a net profit of \$4,000,000 without paying taxes.

This feat is being accomplished in Philadelphia by Mr. F. Isman and the Mint Realty Company; and as the ingenuous real estate man remarked in an advertisement explaining his cleverness, "there are other mints for sale in which United States money can be made . . . without having it actually coined for you."

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The contract between the syndicate and the United States government was made March 22, 1902. Within six months the purchase money, \$2,000,000, was to have been paid, the Government keeping title to the property until this were done.

Property to which the Government holds title is not taxed. At the time the contract was signed \$25,000 was paid, and within thirty days another \$25,000 was to be paid. Then Mr. Isman assigned the contract to the Mint Realty Company.

On August 21, \$200,000 was paid and an extension of eighteen months was obtained for payment of the remaining \$1,750,000, the Government still to hold title and the city still to whistle for the taxes—about \$30,000 a year. To refer again to the "ad:"

There's a little man down in Washington who has the appearance of a western hardware merchant . . . his name is Shaw—Leslie M. Some day he will be promoted some for good conduct. There has been some criticism about the Government's terms for the payment of the purchase of the mint property. Mr. Shaw, knowing that the property was to be improved, naturally accepted \$250,000 and allowed over 18 months more time for the payment of the balance, as any other level-headed business man would have done. Owing to the fact that taxes will be paid when the Government gives title to the property—is not the city very much better off to obtain a revenue in 18 months than if the property remained unsold and unimproved for an indefinite period? The old mint property lot is 150x204—over 30,000 square feet. The . . . company paid \$66.66 per square foot. I think it's worth about \$150 a square foot. Just took advantage of Philadelphia's natural timidity—that's all.

But the purchase money was not all paid in eight years; it has not all been paid yet. Nine years have gone by and the Government still holds title to the Mint Realty Company's mint; and the city counts about \$285,000 in taxes that might have been. For "Government property" is not subject to tax!

During the nine years several Secretaries of the Treasury have approved further extensions for payment of the purchase money for some cryptic reason, and even when the money is all paid it is a question whether back taxes must be paid. Meanwhile the temporary arcade building erected on the site is said to have paid in office rents a substantial part, if not all, of the purchase sum. Experts say that the only way to collect the taxes is to have the State legislature pass a bill providing that when Government property ceases to be used for Federal purposes, although title is still held by the United States, it shall be subject to tax.

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Senator Penrose has been urged to have something done at Washington as the city needs the money. This seems not as likely as last year. When

there was talk of the establishment of a Board for the Equalization of Taxes, Mayor Reyburn, who takes orders from Penrose, announced that Mr. Isman would be a member of the board. This was not established, so Mr. Isman lost his chance to inflict poetic justice upon himself.

So badly does the city need the money that it recently hoped for an increase in revenue by the application of the Somers unit system, by which the land and the improvements are assessed separately. This principle, for some reason, was offensive to Mr. Isman. He said it was unfair. And Mrs. Anne Weightman Walker Penfield, who has \$60,000,000, and who found that her taxes would be increased about \$40,000 annually by the Somers system also objected. But they let experimental assessments be made till the Somers people had run up a bill for \$85,000 for their work and then had the courts enjoin the city from paying the bill. The State was the only power that could regulate local taxation, said the court. So Philadelphia's timid step toward land valuation has been halted. But it has given us a chance to talk about it and that is something.

HERBERT S. WEBER.

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PROGRESS IN ALBERTA.

Langdon, Alberta, Canada, Jan. 18.

The United Farmers of Alberta, a progressive and receptive organization of agriculturists, held a Pro-receptive session in Calgary during the week, at which Joseph Fels of London and Philadelphia, and Frank Coulter of Portland, Oregon, who is now promoting the Direct Legislation movement at Winnipeg, spoke. That this new city and Province are ready to accept the whole program was evidenced by the hearty indorsement given to the illuminating utterances of those splendid workers in the cause of political and social freedom.

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The city of Calgary owns its street railway system, which, during the year 1910, netted the city about \$55,000 in clear profits. The city also owns its water system, and an electric lighting plant, and is now planning an immense power distribution plant to be owned and operated by the city. The Province of Alberta, also in the government ownership ranks, last year bought out the entire Bell telephone system in the Province and now operates it in the interest of the whole people of the Province. So the seed of reform has already been sown here, thanks to the evangelism of the Americans coming across the border from the western States.

It seems to be the determination of the people of this new and rapidly developing Province to adopt the entire "Oregon plan" of Direct Legislation. They are tired of the legislative farce at the Provincial capital, and are in a most receptive state of mind just now. The program of reform sounds good to them, and the wheels are rolling on toward complete political independence.

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The masterly array of facts presented by Mr. Fels appealed to the farmers, who are hungering for release from financial bondage. The fallacy of the old

order of things was impressed upon his hearers with emphasis, and the Canadians warmed up and joined in the applause with vim and vigor.

The address of Mr. Coulter on Direct Legislation was lucid and brilliant. It was fired with the spirit that has driven Oregon to throw off the yoke of bondage to professional politicians.

The farmers here are ready for the Initiative and Referendum and the Recall. The Provincial legislative sessions are more hopeless and expensive farces than ever the old-time Oregon sessions dared to be, and the new Province is being burdened with debt. So the farmers' organization is determined to have a say in the future policies of the new Province.

BERT HUFFMAN.

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AUSTRALIA

Corowa, N. S. W., December 17, 1910.

The first session of the Federal parliament ended late last month. The most important measures passed were:

1. An act to substitute Commonwealth bank notes for the notes issued by private banks.
2. An act imposing a tax of 10% on notes issued by private banks after December 1st.
3. A graduated tax on land values; maximum, sixpence in the pound, with an exemption of £5,000, and an extra tax of one penny, with no exemption, on land held by absentees.
4. An act to establish next year penny postage throughout the Commonwealth.
5. An act to give effect to part of the Kitchener recommendations for the military forces.
6. An act intended to allow the Constitutionality of Federal acts to be tested by the High Court at once, without waiting until a case arises.

Among the rest are two bills for amending the Constitution, to widen the legislative powers of the Federal parliament and giving it authority to legislate for taking over industries declared by parliament to be monopolies. These will be submitted to the people probably in April, 1911, to decide by referendum whether they shall be accepted.

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State elections were held in New South Wales in November, when the Ministerial (Wade) party was defeated. The Labor party elects 46, the Wade party 36, and the Independents 8.

It appears probable that most of the Independents will support the Labor party, which has formed a Ministry with Mr. J. McGowen as premier.

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In South Australia the State (Labor) ministry proposes to remit taxation to the amount of £155,000, and make up for it by increasing the present tax on land values from one-half penny to one penny farthing in the pound. This is estimated to bring in £150,000, and the remaining £5,000 will be obtained by an increment tax, copied from the British Budget. Crawford Vaughan, formerly president and secretary of the S. A. Single Tax League, introduced the budget, including these taxes, as Treasurer in the Verran (Labor) ministry.

Last year a graduated tax on land values was passed by the Legislative Assembly (lower house) of the State of Victoria, but was thrown out by the Council. This year the government has introduced a bill providing for a tax of three farthings in the pound on land values, without graduations but with an exemption of £500. This will probably be passed by the Assembly, but its fate in the Council is as yet in doubt.

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There is a proposal before the State parliament of Tasmania to exempt improvements, thus converting the present tax on the improved value of land into one on the unimproved value.

ERNEST BRAY.

INCIDENTAL SUGGESTIONS

A BOLD GOOD MAN.

Pittsburgh, Pa., Jan. 17.

Charles Frederick Adams of New York created a sensation in his series of lectures here during the past week. He spoke before the Americus Club, the Hungry Club, in Trinity Church Assembly Room, and at the annual Henry George dinner in the Hotel Henry. The audience at each meeting was large, representative of the diversified interests of the city, and thoroughly appreciative. His lecture on the courts to the effect that they are human and should be subject to adverse criticism called forth withering sarcasm from the plutocratic press of the city. The Gazette Times, owned by Senator George T. Oliver, was particularly bitter in its editorial denunciation of his utterances. This in itself is evidence that Mr. Adams must have hit pretty close to the mark, for the Gazette Times becomes exercised only when the sacred workings of Big Business are in danger of exposure. Of course, Mr. Adams did not please all—it seems to be his purpose not to—but his wealth of first-hand information, his scholarly, open, frank, utterly uncompromising treatment of his subjects, and the sincerity of his convictions and the boldness of his utterances, have endeared him to many Pittsburghers.

BERNARD B. MCGINNISS.

NEWS NARRATIVE

To use the reference figures of this Department for obtaining continuous news narratives:

Observe the reference figures in any article; turn back to the page they indicate and find there the next preceding article, on the same subject; observe the reference figures in that article, and turn back as before; continue until you come to the earliest article on the subject; then retrace your course through the indicated pages, reading each article in chronological order, and you will have a continuous news narrative of the subject from its historical beginnings to date.

Week ending Tuesday, January 24, 1911.

Progressive Republicans Organizing Nationally.

Following the Minnesota conference of progressive Republicans (p. 34) and in line with its purposes, a national organization was launched on the