

glamour of peasant proprietorship. The failure of the latter system however, is already becoming apparent, as in some of those districts where purchase was effected in the eighties, wealthy capitalists are gradually buying up farm after farm at enhanced prices, thus laying the foundations of future large estates once more. The same expedient has been tried in Australia, and I believe also in New Zealand, with similar unsatisfactory results. I think it is a great pity that some able Single Taxer does not endeavor to convert the leaders of the Sinn Fein movement to our philosophy, as during my brief visit the Sinn Feiners impressed me as having all the youth, all the enthusiasm and all the determination which go to make real reformers. The Irish Parliamentary party seem to have their rapt gaze so fixed on the distant prospect of Home Rule as to be unable to see anything else, consequently I don't consider we have the slightest grounds to hope from that quarter. Single Taxers cannot be said to be a very numerous body in Western Australia though our principles are beginning to receive rather wide acceptance on those goldfields, thanks to the able and persistent propaganda work of our local Single Tax League. So far, however, we have failed to move our state parliament to give the option of rating on the unimproved values to all local governing bodies. As you are already aware, this reform has been carried recently in New South Wales and has been in force for many years in Queensland. We feel somewhat confident that before the present parliament expires we shall have the necessary permit on the statute book. The political party which has swept to the front with amazing rapidity in Australia is the labor party, which is now in charge of our national government. Its policy generally is a kind of mongrel Socialism combined with the most hopeless conservatism. The party, as a party, profess no particular fiscal faith, but at the same time are strongly protectionist. They profess to believe in the nationalization of the land, and at the same time hold to the old lunacy that the nationalization of machinery is equally essential. They believe in arbitration courts for the

settlement of industrial disputes, provided the minimum wage fixed by the court is favorable to the workers, otherwise they ignore the arbitration court, and resort to the old method of the strike. Whilst all our political parties profess to have a wholesome dread of the swarming millions of Asia none of them will make any serious attempt to strengthen Australia's position by destroying the rampant land monopoly that now obtains throughout the commonwealth, and so give the white European a chance to come and fill up our vast unused and vacant places. The success of the new rating system in our most important mother state of New South Wales has done much to draw the attention of the other state governing bodies to the many advantages of this method of exempting improvements. In addition, the present prosperous condition of the mother state and its large annual surplus compares more than favorably with the annual deficits and general stagnation of most of the other states. The land tax imposed by the W. A. state government has got so many exemptions because of improvements, and because of deductions from the income tax, that its efficacy in forcing idle lands into use has been almost entirely nullified. We have not got the vast monopolies and vested interests in Australia to fight against that you have in the United States, so I think our progress should be more rapid, but so far I don't think we have been able to give you much of a lead.

GERALD HARTREY.

BOULDER CITY, W. Aus.

NEW SOUTH WALES.

THE OPPOSITION BUSY WEAKENING THE MEASURE—SYDNEY TO BE ALLOWED TO RATE ON LAND VALUES ONLY—LABOR TROUBLES AT BROKEN HILL.

Students of public affairs are well aware of the tendency of public feeling to swing from one extreme to another. Your readers, generally, may be so convinced of the justice of Single Tax principles as to think that a tax reform on right lines provides

the exception that is said to prove the soundness of a rule. If they do lay such flattering unction to their souls, let them beware lest they should have cause to regret it. This is not a preface to an account of any serious step backward, but I want to refer to efforts made in that direction. The success of rating on land values early last year, moved a few monopolists to form what they styled a "Property Owners' Defence Association." I attended the first two meetings as I am a property owner and all property owners were invited. My presence at the first meeting, which was very small, a dozen apart from reporters and the caretaker—was allowed to pass without remark, and I said nothing. At the second meeting it was decided to eject me. Of course, I had something to say on the subject, and the best part of an hour was consumed before I finally walked out and left them to it. The press gave it considerable prominence, and our members were satisfied, so that was all right. Now this Property Owners' Defence Association got to work to try and promote a re-action against land value rating. Money was no object with them and they could exert influence of a potent character quite unknown to the man in the street. The government towards the end of the year introduced a bill to amend the Local Government Act in certain respects. Here was a chance for the P. O. D. A. and they used it. They sought to secure amendments and to make additions to the Bill. They did not do much fortunately, but that was not their fault. The amendment Act weakens the principal Act in some respects. Leading feature of the principal Act were that councils could have one vote on land values for everything and the owner of the land was primarily responsible for the payment of the rates. The amending bill proposed to make it compulsory instead of optional with councils to make a charge upon the operation, and then it must look for payment in the first instance by the occupying lessee, the proportions the parties have to pay to be adjusted later.

The above shows the unsatisfactory side of the picture. While it is not expected that the changes will do much harm, still

the Act is not quite so good as it was. On the other hand Mr. Wade, who succeeded Sir Joseph Carruthers, has carried a Bill giving the City of Sydney power to rate on land values only. This is an important step in advance. In two particulars the city's new powers differ from the powers of council under the local government act. The council must impose not less than one penny in the pound on land values in addition to any rate or rates on the annual value—not the improved capital value, as in the Local Government Act. If it likes, it may have one rate on land values for everything. It is optional with the council; there is no provision for a poll of the rate-payers if the council does not rate on land values. Whether the council will rate on land values only this year is uncertain. There is an impression abroad that they will not. That of course will mean a row, and as there will be an election towards the end of the year their action will be reviewed in due course if necessary. Much of the credit for securing to the city council power to occupier for the removal of garbage, and for sanitary services, where there is no sewerage system, instead of paying for such services out of the proceeds of the general rate on land values. This was modified so that the Governor could exempt municipalities from the operation of this section by proclamation. Then outside a radius of 20 miles from the G. P. O. a separate rate was suggested for lighting. This was altered so that any council could still have one rate to include the lighting, providing the service benefited the whole area. The principal Act made the rate a charge upon the owner. Where land was leased under agreement that the lessee was to pay rates, the owner had to pay notwithstanding, and then adjust his relations with his lessees on certain lines. This did not suit monopolists. The whole question is full of difficulties owing to the many ways that land is leased and sub-leased. Sir Joseph Carruthers undoubtedly took the right course in dealing with the problem, but its details were not fully worked out and it was only partially successful. The Amending Act reverses the position and makes the occupier responsible in the first instance. Owners where land

is leased have now to show the council a copy of the agreement, which must have been made before the Act came to rate land values, is due to the late Lord Mayor, Thomas Hughes. He fought hard for it. The present Lord Mayor, old Allen Taylor, was elected as an advocate of the principle, but the attitude of the aldermen generally is uncertain at the present time.

The prime mover in the P. O. D. A. is a man named C. R. Staples, a protectionist from Victoria. He had visions of a mighty political combination to fight the Single Tax. With that object in view his coterie of monopolists addressed a circular to other bodies asking them to join hands for the purpose of "forming a joint council of representatives in whose hands should be left the entire control of parliamentary (both State and Federal) elections. The Employers' Federation has unanimously refused to have anything to do with the P. O. D. A. in the matter. Now it cannot be said that employers as a class are Single Taxers, but they can at least see that they and the interests of those who are purely land monopolists, are not identical. The Employers Federation is an important body and its action is significant.

The municipal councils generally are now dealing with the estimates for 1909. So far all that come under my notice have stuck to rating on the land value only. There are several increases in the amount levied, but no effort so far, to go back in any way. One instance is interesting. Woollahra Council last year tried to rate partly on improved values. We demanded a poll and won. This year the adoption of the estimates was moved by one of the other side and carried unanimously. Old Robinson said that he was glad to see that they were all on his side now. Last year he was almost alone. Then he said to Old Dyson. "Where's your P. O. D. A?" Dyson, who is on the P. O. D. A. Executive, growled that they did not believe in bumping their heads against a stone wall." "But," said the irrepressible Robinson, "I thought you said that your crowd neglected to vote last time, and that they were to have another chance." It is quite possible that there may be trouble in a few cases. I have addressed a letter to the

papers published in the few towns where the rates are partly on improved values urging that reformers take the matter up so as to fall into line with the rest of the State.

At present we have a serious industrial disturbance at Broken Hill. It is a mining centre and is the third city of the State in the number of its inhabitants. The principal mining company employs nearly 3,000 men, and it wants to reduce wages. Of course there are pickets, police, speeches, and subscriptions from sympathetic bodies and individuals, all the usual paraphernalia of an industrial trouble. The men have a hard time. They live in a place where climatic conditions are severe, and the means of communication with the rest of the State are inadequate. Apart from mining there is nothing. The strike shows up our Federal Tariff. It has reduced the purchasing power of the people by twenty-five per cent. We cannot control the prices of metals to any extent, but we can avoid taxing labor products. The real test of the value of wages is not in the amount, but in their purchasing power. We have a Labor Party in all the states and in the Commonwealth. The present Commonwealth Government is a Labor Government, and the Prime Minister was a working miner sixteen years ago. Strange to say, he is a protectionist. If the Labor Party had opposed customs taxation, which after all is purely the taxation of labor, the purchasing power of the workers wages would be twenty-five per cent. more than it is now. Abolition of these taxes on labor products would be equal to a rise in wages of twenty-five per cent. not only for the Broken Hill miners, but for all the workers of Australia. But that is not all. A great deal of mining and other land is now held for speculative purposes. The worker is between the devil and the deep sea. Labor taxes on one side, monopolized natural forces on the other. The Labor Party in this contry has great power and is certain to have potent influence in making history in Australia. But it should be understood that it is scarcely more than an ordinary political party. Its leaders, and the rank and file have yet to learn that true principles, and not mere expediency are

necessary to raise the economic and social position of the workers, that it is monopoly and not labor that should furnish the revenues for public services.

Single Taxers and their friends seem peculiarly liable to serious misrepresentation in a way that should be avoided. It is partly their own fault. I have lately read a little book, "Henry George and his Gospel," by D. C. Pedder. He says that Henry George's views, as advocated by Single Tax Leagues, mean progressive taxation of land values without compensation. The word "progressive" is used in the sense that the tax on land values will be increased from time to time until it equals the rental value of the land. But why say "without compensation?" It is entirely untrue. I have constantly to answer the objection that we are seeking to tax away the value of the land without compensating the owner. We propose to compensate by remitting present taxes. Unless ownership of the land has degenerated into monopoly the compensation will be ample. A majority of landowners hold land for purposes of use. It is from their use of it that they expect their income. It is the minority who are monopolists looking for incomes drawn from the labor of others. The fact however remains that in most if not all cases, there is remission of existing taxes, and that is compensation. It will satisfy effective land users; it will be regarded as inadequate by land monopolists. Under our Local Government Act the whole thing is clearly shown. The former rates on the rental values of properties, gave council a revenue which chiefly came from improvements. But we have now imposed the rates on land values only throughout the greater part of the State. It is not additional. It is a substitute. We rate an owner's land value and we compensate him by remitting his former rates. In a substantial majority of instances, generally in spite of larger revenues being collected, the remitted rates, or compensation, exceeds the new impost. Of course the P. O. D. A. does not appreciate such compensation. Its members are monopolists and must pay more than formerly.

A. G. HUIE.

SYDNEY, N. S. W.

NEW SOUTH WALES.

Probably we will soon witness an interesting time here, especially in the Sydney suburban municipalities, where the taxes are high and are wholly on land values.

The valuations of property are made triennially, but Councils may alter the amount and the incidence of the tax each year, except that not less than one penny in the pound must be imposed on the unimproved capital value.

Whether the Council alters the tax or not, a poll of taxpayers may be demanded and held to decide on the basis of taxation beyond the first penny.

In the suburbs of Sydney the large landowners will make great efforts to have part of the revenue raised next year by the taxation of the improved value.

They will have the support of all the principal Sydney, newspapers which have all along strongly opposed land value taxation, a fact which made our success last year all the more surprising.

On the other hand, land owners who are putting their land to full use have been relieved by the new system, and may be looked to to uphold it.

ERNEST BRAY

COROWA, N. S. W.

VICTORIA.

Victoria is far behind New South Wales in advancing to the adoption of Henry George's principles—perhaps because prior to Federation Victoria was a Protectionist and N. S. W. a Free Trade Colony. The Bent Government recently introduced a Land Valuation Bill for a revaluation of the lands of the State, with separate columns for the entire capital value of the whole property, and for the unimproved value of the land, with an option for municipalities to rate the latter. There were also provisions for the creation of the office of a valuer general for resuming properties. Considerable opposition, largely whipped up by the Melbourne *Argus*, was threatened with a possible desertion of some ministerial supporters. As a result the Premier withdrew the Bill, and introduced the new