

why it is the State's duty to provide the people unlimited access to the land but not to provide them unlimited wealth. The community has an inalienable right to the God-given land of the nation but has no right to the capital earned by the individuals composing the nation, nor to take in taxes their earnings to replace revenues from land that has been wrongfully diverted from public fund to private pocket.

Granting the foregoing, again the question arises, how is the land to be equitably redistributed? Consider the town of Westport. Under the Land Purchase Act, Lord Sligo repurchased all the park lands and retained the demesne proper which contains some 2,000 acres. The town is surrounded by these grass lands while the workers have no land on which to keep cows or to grow crops.

#### RICH HOLD LAND

In Galway holders of 20 or 30 acres backing on the bog are penned in by ranches of 900 acres let to grazers, the lowest form of agriculture, and that eliminates more than nine-tenths of farm labor. Obviously these lands should be adequately worked, also the vast areas held in complete idleness by rich owners. But on what basis? Under the present laws they are untaxed, or the landowner has been paying into the public treasury on a valuation of only five or ten per cent. of the real values.

Industries and the workingmen have been paying Ireland's taxes. It is argued that industry if relieved of this unjust burden could compete in the world markets, while if at the same time land were fairly taxed land would not be held out of use, or, if any land still remained idle, then an additional tax for the privilege of withholding land from use could be levied.

#### GRIFFITH FOR IT

Many patriots whose names are revered in Ireland, among them Bishop Nulty, Victor Lally and Michael Davitt, advocated the removal of the age-old burdens under which Irish industry suffered, and the bringing of all land into use—at the same time providing that those who work it should pay no more or less than its fair use value. The Irish National Party supported this plan up to its disbandment in 1918 when it was absorbed by the Sinn Fein. Arthur Griffith and many other influential Sinn Feiners favor it, as do books and pamphlets written by all classes of people of varying viewpoints, which are being circulated by the thousands.

Will Ireland do this? Will her leaders be big enough to seize the opportunity? From conversation with Sinn Feiners, Nationalists, Ulsterites and Home Rulers, I am convinced that the Irish of all camps are awake to the possibility and are keen for its realization. Certain it is that only through earnest consideration of the land problem and a careful working out of it can Ireland become the great nation her destiny seems to promise. If she devotes herself thus to the development of her natural resources and England leaves her, as the treaty provides, as unrestricted

in every way as is Canada, then may England hope for that conscious brotherhood of independent co-operative nations, drawn together at last by their common habit of thought.

#### LAND TAX ADVOCATES IN GREAT BRITAIN

Another large group, constantly growing, advocates shifting taxes from buildings and all other labor products to land, thus lowering—they claim—the selling price of both, which would increase consumption, increase employment and force vast areas of idle farming land into use. The idle land is there, rich, productive, untaxed. Put the tax where it belongs, on known values, and free industry.

In telegrams, in open meetings, and in the press, this group is constantly reminding Lloyd George of his public statements of some eight years ago in which he advocated the same thing. John Paul and other spokesmen of this militant group call on the government to heed the words of Lord Cavendish Bentinck, who said in parliamentary debate on unemployment:

"The best way of restoring our trade is to be true to the principles for which our sailors and soldiers fought in the war. We shall never get prosperity in this country unless we have the honesty and good faith to be true to our pledges and promises to the men who served us so well."

### Our Australian Letter

WE are in the throes of what is probably the most important election that has ever been held in New South Wales. Industries are collapsing on every side, the costs of production are so heavy that employers are in many cases unable to carry on at a profit, and they very naturally close down their works. Thousands of workers are thus thrown out of employment, and yet the demagogues and trades union officials who lead them by the nose persistently refuse to agree to a reduction in wages, although this would bring about a reduction in prices, and thus increase the purchasing power of wages. Of course, labor is only one of the factors to be considered, but it is a very important one, and the terms under which it is paid in New South Wales are essentially unsound.

General Smuts was quite right when, speaking in the Legislative Assembly at Cape Town the other day, he declared that compulsory arbitration in Australia and New Zealand, which were the only two countries where it was in operation, had proved a ghastly failure, and was one of the devices which were wrecking the whole industrial system of the countries named. I happened to be the Secretary of the Royal Commission on Strikes and Arbitration which was appointed to inquire into the whole industrial problem after the great maritime strike of 1891.

The commission was composed of half a dozen representatives of Capital and a similar number of representatives of Labor. We took a tremendous amount of evidence, and inquired into all the conciliation and arbitration schemes that had ever been put on trial or even conceived.

Finally the President (the late Dr. Andrew Garran, formerly editor of the *Sydney Morning Herald*) whipped a report out of his pocket which he read to the Commissioners and which they unanimously endorsed. It was short but comprehensive, and denounced compulsory arbitration, recommending a compulsory bringing of the parties together, to be followed by a conference, and an agreement between the parties to be voluntarily carried out, leaving the public, who had read or heard the evidence, to exert the pressure of their opinion on the party or parties who refused to abide by the result. However, the people of New South Wales preferred compulsory arbitration to the brand recommended by Dr. Garran, and it has been tried for many years with a complete lack of success.

### BRIBING THE ELECTORS

Matters have been rendered worse in the Mother State by the creation of the Board of Trade empowered to take evidence and declare periodically what should be the basic wage, on the supposition that every working man had a wife and two children. The supposition, of course, is purely imaginary. As a matter of fact 40 per cent. of the adult males are bachelors, and only 29 per cent. have two or more dependent children. As a result young men with no responsibilities get more than their share, fathers with more than two children get less than they require, and marriage is discouraged. So long as the Board of Trade kept raising the basic wage as prices went up the workers were fairly content, and the employers had to grumble and submit, but so soon as prices began to decline and the Board of Trade lowered the basic wage the trouble began.

Urged on by the Unions, which are all-powerful in Australia and dictate to Labor Governments not only what policy they shall follow but who shall carry that policy out, the Premier is contesting the present election on the slogan that wages shall not be reduced, that farmers as well as manufacturers shall pay their employees £4, 5 shillings a week and that mothers shall be endowed. This is a distinct attempt at bribing the electors, as no government can stop the downward trend of prices and wages, which are regulated in the long run not by Acts of Parliament but by the laws of supply and demand. The Motherhood Endowment scheme, which has been fathered by "Fighting McGirr," as Mr. Dooley's rival for the Labor Premiership has been styled, is a plausible attempt to transfer the basis of wages from the value of the services rendered to the amount necessary to support a man and his wife in reasonable comfort, an extra amount to be paid him according to the number of his children. This is to be raised either from the employers as a body or by general taxation.

### PIECE WORK VERSUS THE BASIC WAGE

The anti-Labor candidates—who are mostly Nationalists, Progressives (representing the country), or a Coalition which has been formed between the two, have little to

offer except a strong opposition to everything for which Labor stands, including price-fixing, government interference with private enterprise, a 44-hour week, the "Koo-tooing" to Labor Unions, and the extravagance which has resulted in a deficit of over £2,000,000. The Progressives recognize the folly of compulsory arbitration and favor the establishment of conciliatory committees without compulsory powers for the settlement of industrial disputes to take the place of Arbitration Courts and the Board of Trade.

But so far as the wages system is concerned the only economically sound suggestion comes from a Mosman manufacturer, who is standing as an independent candidate for the Northern Suburbs. He runs his enterprise on piece work, under which his employees only work about 41 hours a week, and instead of all hands earning one dead level of £4, 5 shillings a week, the good equally with the bad, and the former perhaps going slow or scamping their work, a score or more of the girls he employs, who have had two years training and are therefore comparatively skilled, earn more than double the basic wage.

If a worker has a complaint to make he sees the Principal at once, and if the complaint is just it is immediately rectified. Under these conditions there has never been a suspicion of a strike, the work is well done, and the greatest good fellowship prevails. But piece work is anathema to the workers generally, or at any rate to the Unions which officially represent the workers; and the great railway strike of 1917, which paralyzed industry in New South Wales while it lasted, and even spread to the other States, originated simply through the introduction of the card system enabling the Commissioners to see that the work given out was properly done.

### THE GREAT RAILWAY STRIKE

The strike, which came very nearly being a revolution, failed because sufficient volunteers responded to the call to enable the Commissioners to carry on. A Nationalist Government was in power at the time and undertook that the volunteers, if efficient, should be retained, and a large number of strikers accordingly found their occupation gone. They raised a cry of victimization, and one of the promises made by the late John Storey at the elections two years ago was that the victimization would not be allowed, and that wherever possible the strikers should be reinstated. A Royal Commission was accordingly appointed which cost the country £25,000, and a tremendous amount of evidence was taken. The report, which has only just been handed in, upholds the action of the Commissioners in almost every particular, and declares that the complaints of victimization are generally devoid of truth. The railway unions were furious and implored the government to ignore the report.

Obedient to the power behind the throne, Mr. Dooley has promised that, if his party is returned to power, one of his first acts will be to restore all the men alleged to have

been victimized on account of the strike, which means that he will turn out all the volunteers who joined the service in the hour of peril, and reinstate those who tried to do the country the greatest possible harm. As another instance of the reckless promises made by Laborites during the present campaign, take the statement made by Mr. McGirr at Cootamundra the other night when he told the electors that "the basic wage could easily be maintained, if necessary, by the government selling stock at Homebush (where the central yards are located), and thus cutting the agents out of millions a year, which would pay for the basic wage fifteen times over!" Besides promising to keep up the basic wage and to reintroduce the Motherhood Endowment scheme he further undertook, if returned, to force the government to reinstate the victimized men!

### THE PROBLEM OF THE UNEMPLOYED

Another vital problem which is not being faced, or which is being faced in the wrong way, during the present election, is that of the unemployed. Every fresh industrial collapse swells their number till now there are many thousands of them wandering over the country or tramping the city streets. A startling commentary on the present state of affairs is afforded by the fact that in the first half of 1921 New South Wales lost over 5,000 in population by excess of departures over arrivals. The recent Ministerial admission that 30,000 applications, 20,000 of which were from returned soldiers, had been received for land, but little of which was to be had. The continual land ballots in different parts of the country, at which hundreds of applications are sent in for every chance of a block or homestead farm, shows that veritable earth hunger exists. The Labor Government, by means of the Large Holdings Subdivision Bill, proposes to compel owners of over £20,000 worth of land, exclusive of buildings, to make effective use of the remainder, sell it to those who will, or pay a heavy tax.

Sir George Fuller, the leader of the Coalitionists, while favoring Federal action in support of the Million Farms Scheme, which means borrowing several millions to construct railways for the settlement of distant Crown lands, declared that such action would be useless unless energetic action were taken by the State Government to deal with large areas of good land that at present were not properly used. Large landholders, he said, must either be prepared to bring their estates into productive use and occupation, or subdivide and sell on equitable terms within the means of land seekers. These methods of dealing with large estates are practically the same and are equally unsound. The only sound and scientific way of dealing with the question of idle land is that put forward by the Independent candidate for the Western Suburbs, Mr. A. G. Huie, the Secretary of the Free Trade and Land Values League, who advocates the appropriation of a portion of the unimproved value attaching to almost all land, whether in large or small areas, without exemptions and without graduations. This would force unused or partially used land into

the market, give labor access to natural resources, and greatly relieve, as it would ultimately solve, the problem of the unemployed.

Railway and tramway construction enhance land values, which values are now appropriated by the landowners who have done nothing to create them, while the people have to pay for the cost of construction by increased freights and fares. The proper course, said Mr. Huie, was for the government to charge the interest on the cost of railway construction to land values instead of to traffic, which would be the only equitable way, and would enable freights and fares to be proportionately reduced. At present something like £750,000 is lost each year on lines built to develop country districts, which do not pay their way simply because a lot of the land is held out of use, frequently for speculative purposes. Sir George Fuller realizes this, but, instead of meeting the difficulty in the way suggested above, he proposes to reduce freights and fares and make up the loss out of the general revenue, by which he apparently means adding to our income taxation.

### A STARTLING CONTRAST

Before Federation when Free Trade prevailed in New South Wales we were easily outdistancing Victoria in population and production of every kind. Now that Protection has been adopted throughout Australia we are all being ruined, but it is less noticeable in Victoria where they have no basic wage of £4, no 44 hour week. There prices are lower, and the income tax paid by companies is only one shilling in the £ as compared with 2 shillings and 6 pence in the £ for New South Wales. Furthermore, they have no Fair Rents Court which limits profit to 6½ per cent., with the result that would-be builders in Sydney prefer investing in government loans which bring in 6½ and sometimes as high as 7½ per cent. without any of the bother, risk, or loss of time which housebuilding involves. Also, as the Victorian Treasurer recently pointed out, State taxation in New South Wales is five times higher than there, a man with a taxable income of £500 paying £31, 5 shillings in New South Wales, £21, 15 shillings in Queensland, and only £6, 15 shillings in Victoria.

These are all disadvantages which act to the detriment of New South Wales, and which result in her having a large number of unemployed, while Victoria has scarcely any. Sydney, however, has one advantage, that of rating on unimproved values for municipal purposes, whereas Melbourne has so far rated on the improvements, with the result that several business firms have transferred their headquarters from Melbourne to Sydney in order to benefit by the lower rates. With that exception, however, the disadvantages have been on our side, and instead of gaining we have suffered a loss.

### LABOR AND THE RED FLAG

What lends exceptional significance to this election is that behind the standard of the Labor Party waves the red

flag. Only a week or two before the election campaign began the Sydney Trades and Labor Council, which is the outspoken champion of Mr. McGirr, decided to affiliate with the Third (Moscow) International, which was especially established for "the overthrow of Capitalism, the establishment of the dictatorship of the proletariat and of the International Soviet Republic, and the realization of Socialism, as the first step to Communist society."

One obstacle to the carrying out of the Communist ideal in New South Wales is the Legislative Council, and this obstacle will almost certainly be removed should the Labor Party be returned. It has opposed extreme legislation of all kinds, sometimes to the benefit and sometimes to the injury of the community, but the members being appointed for life it is out of touch with current politics, and the pernicious habit of overcoming its opposition by swamping it with party members has made it almost a farce. Its constitution will have to be very seriously amended to make it of any practical use. The Labor Government favors the substitution of a revisionary committee to review legislation before it is finally passed by the Legislative Assembly. This is mere camouflage. What is wanted is a real live second Chamber, composed of men experienced in affairs who would act as a check to the revolutionary tendencies of the times.

Meanwhile an important conference is being held in Sydney, attended by leading representatives of Capital and Labor from all over Australia, presided over by Mr. Hughes, but as it has hardly got beyond the opening stage, it would be premature to deal with it till something definite has been done. A conference between employers and the employed can hardly fail to do good, but it is useless to expect much from a body, one half of which regards the other half as its bitterest foe. The Labor Party in Australia lacks the sanity of the Labor Party in England which recognizes Capital as a natural adjunct of Labor, and which has just declared that the whole of the land value apart from improvements should be taken for public revenue.

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#### CATCHING UP

County Auditor John A. Zangerle says England has a worse tax system than the United States. But remember, John, England is much older than the United States. Give us time. We'll catch up. *Cleveland Press.*

SIX days shalt thou labor, on the seventh turn over the proceeds to the landlord.—H. M. H.

ORATOR—And speaking of work. . . .

VOICE FROM REAR—Landlords do the leased!

—*Wayside Tales.*

## A Town That Takes Rent for Public Purposes

SINCE many otherwise observant people are constantly confronted with the phenomenon of ever-increasing land values with little or no idea of its importance as a factor in our social and economic problems, it may be of interest to your readers to tell something of the history and growth of the village of Arden, Del.

In 1900 a tract of some 160 acres of farm land was acquired in a naturally attractive and favorably located section of northern Delaware, within easy commuting distance of Wilmington and Philadelphia.

After taking the necessary legal steps to guarantee the security of tenure the building and garden plots were thrown open to anyone willing to sign the lease, the terms of which extended for a period of 99 years, with privilege of renewal annually, thus effecting the equivalent of perpetual possession.

The conditions of the lease require the payment of an annual rental into the village treasury, the same to be determined by a board of assessors appointed by the town meeting in which every adult resident has a vote whether a leaseholder or not.

All rents are used exclusively for public purposes, among which are the payment of such taxes (except personal taxes) as are levied by the State and county.

The only salaried officer is the town clerk, whose fee is hardly of sufficient importance to cause a scramble for the place. The services of three Trustees, who handle all transactions regarding the collection of rents and transfer of plots; three Townsmen, who carry out the mandates of the town meeting and seven Assessors, who adjust rents annually, are rendered without charge.

The last report of the Assessors, made on March 25th, 1922, shows a total of 141 plots under lease, averaging about 25,000 square feet each, and producing an annual aggregate rental of \$6,341.48, which sum capitalized at five per cent. would make the leased land alone worth \$126,833.60, or showing an increase of about 1400 per cent. over the original purchase price of what was a badly run down farm. The town also includes two large pieces of forest land with streams and a large tract of commons, all for public uses and which are not subject to private possession.

One of the most interesting effects of this process of constantly absorbing the increased land values is shown by the alacrity with which the tenants, who have taken up more land than they can make proper use of, have given up their excess holdings, making way for others who will put them to their best use, building homes and cultivating gardens.

A recent article by "special correspondence" in the *Sunday World* pronounced the experiment of the Single Tax in Arden a failure. The writer does not claim that we have made a 100 per cent. test of our principles, since