

ment of railway news in the Chicago Tribune of the 14th. This report furnishes figures, to quote from the Tribune, "showing that on the average railway wages at present are lower than they were in 1892 and 1893." "These statements are interesting," continues the Tribune, "in the face of what the railroads of the country have done since the first of the year in the way of revising pay rolls and raising the pay of employes generally." Interesting indeed! And the interest is heightened by a study of the figures as the report presents them:

General officers have steadily received higher pay, the average rising from \$7.83 to \$10.97. Officers other than general officers receive \$5.56 instead of \$7.83. General clerks' wages have decreased from \$2.25 to \$2.19, and station agents from \$1.85 to \$1.77. Other station men have advanced to \$1.69 from \$1.65. Switchmen, flagmen and watchmen have been decreased to \$1.75 from \$1.82, section foremen from \$1.75 to \$1.71, and laborers from \$1.70 to \$1.69. Engineers have been advanced from \$3.60 to \$3.78, firemen from \$2.06 to \$2.16, conductors from \$3.10 to \$3.17, other trainmen from \$1.92 to \$2, machinists from \$2.31 to \$2.32, trackmen from \$1.22 to \$1.23, and telegraph operators and dispatchers from \$1.96 to \$1.98. The advance of ten per cent. being made by some of the roads is not included.

What marvelous prosperity this very marvelous prosperity of the Republican party is, to be sure! And a continuance of this Republican prosperity is promised by Senator Hanna in an interview, let loose at Syracuse, N. Y., on the 13th, "if the people give the present administration a vote of confidence." That is all that is needed—confidence. "Confidence," says Mr. Hanna, "confidence is what is needed above all other things." What a confidence game it all is!

At a dinner given on the 13th at Boston by the Massachusetts Single Tax league to "some of the landlords of Boston," the president of the league, Mr. C. B. Fillebrown, a prominent merchant of that city, delivered a unique address on the subject of ground rents. While dealing effectively with his subject in the argumentative parts, Mr. Fillebrown presented

also an array of illustrative statistics which are both instructive and new. They make a significant comparison of the assessed valuations in Boston of land and buildings, with the incomes therefrom. One illustration which Mr. Fillebrown uses in the elucidation of the single tax method of raising public revenues is very striking. He puts it in this form:

If Smith owns \$1,000 worth of Ames building upon \$1,000 worth of land, he will pay taxes on \$2,000

If Jones owns a worthless building, or none at all, on \$1,000 worth of land, he will pay taxes on 1,000

If Brown owns \$3,000 worth of his own house upon \$1,000 worth of land, he will pay a tax on 4,000

Smith will pay twice as much, and Brown four times as much tax as Jones, and neither get any more for his money. Under the equalization of the single tax each would pay only on his \$1,000 of land value.

This assertion is quite true. Though the Smith and the Brown of the illustration would pay in taxes more than Jones, neither would be getting any more than he from society, namely, \$1,000 worth of land. The value of improvements is not derived from society; it is the market measure of things produced by the owner or purchased by him of the producer. The value of land is derived from society; it is the market measure of natural opportunities secured by society to the owner.

An able and discriminating document has been presented to the Illinois legislature by leading merchants of the State,—including John V. Farwell Co., Hibbard, Spencer, Bartlett & Co., and Sprague, Warner & Co., of Chicago—in support of a pending bill proposing to exempt the capital stock of mercantile corporations from taxation. Under the tax laws of Illinois the taxable property of corporations is assessed locally along with the tangible property of individuals; but the State assesses the value of corporate stock in addition. From the latter assessment manufacturing, newspaper and mining corporations are exempt; and it was long

the custom of the State board of Equalization virtually to exempt all other corporations. But when the Chicago school teachers forced the assessment of the stock of public service corporations, these parasites sought sympathy from mercantile corporations. The mercantile corporations appear, however, to have been too shrewd to identify their interests with franchise interests. They have memorialized the legislature for exemption in a petition which clearly argues that their stock is analogous to that of manufacturing corporations, since it represents simply the value of tangible property and good will, and that it is different from the stock of franchise corporations, since that represents especially the value of public franchises.

The petition urges this point with convincing force. We quote:

There is an essential difference between quasi-public franchise holding corporations and mercantile corporations. When individuals organize to perform a public function, such as operating street cars or manufacturing and distributing gas, and procure a certificate of incorporation from the State, such corporation cannot proceed to operate until it first obtains from the public, through a municipality, a special franchise giving to such corporation exclusive rights and privileges, such as the use of streets, right of way, or other public property. The law which empowers the State Board of Equalization to assess the capital stock of such a corporation, after deducting the assessed value of its tangible assets, merely levies upon the value of the privilege granted by the public in proportion to the benefits received by the corporation from the public. When persons organize to engage in a mercantile or other private business and procure a certificate of incorporation from the State, such corporation may then proceed to engage in business without obtaining any privilege or franchise from the public. It acquires no right, nor does it obtain any valuable privilege which others may not enjoy. It will thus be seen that there is a fundamental difference between franchise holding corporations and mercantile and other private corporations; and the present tax law which ignores this difference, is therefore fundamentally erroneous, and Senate Bill No. 49 seeks only to correct this error. Whatever may be the merits of the arguments for or against the taxing of the capital stock of public service corporations, the most po-