

Interest is reported to be centering now on the income tax proposals upon which Senators Cummins and Bailey have come to an agreement.

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The British Budget.

In committee of the whole in the House of Commons the budget (p. 561) was adopted on the 10th by a vote of 366 to 209. The Irish members voted against it on account of the increased tax proposed on whiskey, thereby cutting down the Liberal majority about half but leaving nevertheless as large a majority margin as 157. By the same vote the finance bill was passed to second reading.

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From the official copy of the Finance Bill, now before us, we are able to state exactly what is the land values taxation plan of the Ministry. It varies from previous newspaper reports. Three kinds of land value are defined, namely, "increment value," "site value of undeveloped land," and "mineral rights," and in respect of these the following provisions are made:

"Increment Value" is "the amount (if any) by which the site value of the land . . . exceeds the original site value of the land," upon its (1) transfer, (2) lease, or (3) passing at death of owner, and (4), in "respect only of land held by a body corporate or unincorporate," also upon its periodical revaluations, in 1914 and every 15 years thereafter. In arriving at the "increment value," there is to be deducted so much value as the Commissioners attribute to (a) structures, (b) personal good will, or (c) other personal consideration, and (d), in the case of agricultural land, so much as "is due solely to its capacity for agricultural purposes." Upon the "increment value" thus ascertained, being the excess over original site value, an "increment value duty" of £1 in £5 (20 per cent) is to be imposed by a stamp tax.

"Site Value of Undeveloped Land," is the original site value of land which (1) "has not been developed by being built upon, or (2) by being used bona fide for any business, trade, or industry other than agriculture," or which (3), "having been so developed becomes vacant or unoccupied, or ceases to be used for the purposes for which it has been developed," for one year. In arriving at the "site value of undeveloped land," there is to be deducted the value (a) of mineral deposits, (b) of land the site value of which does not exceed £50 an acre, (c) of so much of the site value as is "value of the land for agricultural purposes," (d) of spaces "open to the public as of right" or of "benefit to the public as contributing to the amenity of the locality," or for games, and (e) of land "not exceeding an acre in extent valued together with a dwelling-house for the purpose of inhabited house duty." Upon the "site value of undeveloped land," thus ascertained, an "undeveloped land duty" of "one-half penny for every twenty shillings of that site value" (about 2 mills to the dollar) is to "be charged, levied and paid for every financial year."

"Mineral Rights" are the "capital value of minerals," which "shall be taken to be the value adopted as

the original capital value of those minerals, or, where the capital value of those minerals has been ascertained under any subsequent periodical valuation thereof for the time being in force, the value as so ascertained." In arriving at the capital value of "mineral rights" there is to be deducted (a) sums spent "on boring or other operations carried out by the owner or his predecessor in title for the purpose of bringing the minerals into working;" or (b) where the minerals have been partly worked, "such part of those sums as is . . . proportionate to the amount of minerals ungoten." Upon the "capital value of minerals," thus ascertained, a "mineral rights duty" of a half penny for every twenty shillings of that capital value" (about 2 mills to the dollar) is to be "charged, levied and paid for every financial year."

Methods of Valuation. For purposes of valuation (except of "mineral rights") "the total value of land means the amount which the fee simple of the land, if sold at the time in the open market by a willing seller in its then condition, might be expected to realize;" and "the site value of land means the amount which the fee simple of the land, if sold at the time in the open market by a willing seller, might be expected to realize, if the land were divested of any buildings and of any other structures (including fixed or attached machinery) on, in, or under the surface, which are appurtenant to or used in connection with any such buildings, and of all growing timber, fruit trees, fruit bushes, and other things growing thereon." In making this estimate the land is to "be deemed to be sold free from incumbrances, but subject to" any restrictive easements or covenants antedating April 30, 1909, which are necessary in the public interest "or in view of the character and surroundings of the neighborhood;" and there is to be deducted (a) the value of permanent improvements and (b) the cost of divesting it of the improvements necessary "for the purpose of realizing the full site value." For purposes of "mineral rights" valuation, "the total value of minerals means the amount which the fee simple of the minerals if sold in the open market by a willing seller in their then condition, might be expected to realize; and the capital value of minerals means the total value," after allowing deductions, noted as *a* and *b* in the paragraph above defining "mineral rights." In respect of all valuations—(1) "increment value," (2) "site value of undeveloped land," and (3) "mineral rights"—the Commissioners are immediately to require returns "from all owners of land," except of agricultural land in Ireland, "declaring the total value and the site value respectively of their land as estimated in each case by the owners, that value being declared separately as respects each piece of the land which is under separate occupation, and, if the owner thinks fit, as respects any part of any land which is under separate occupation, and being estimated as on the 30th day of April, 1909." For mineral land a separate return must be made. If in any case the owner fails to make a return, the Commissioners make it for him without appeal. If he refuses to amend his return satisfactorily to the Commissioners upon their demand, they amend it for him subject to appeal to a referee appointed by the government, who may if he thinks fit, submit questions of law to the High Court for an opinion. For the purpose of obtaining periodical valuations the Commissioners are required "in the year 1914, and in every subsequent fifth year" to

"cause returns to be obtained" in the same manner as before, "from all owners of undeveloped land and minerals, declaring the site value of the land or the capital value of the minerals as on the 30th day of April in that year." All tenants and landlords' agents are required to disclose the names and addresses of the persons receiving rents from or through them.

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Australian Politics.

The Labor party ministry, which has had six months of nominal power in the Commonwealth (vol. xi, pp. 805, 918), has been driven from office by a hostile coalition. This ministry was without real power, for it had only 27 out of the total membership of 74; but Mr. Deakin, the Protectionist ex-Prime Minister (whom it had defeated on an unimportant point and who had consequently resigned), gave it his support, pending a reconstruction of his political fences. Having accomplished this by means of a coalition with the Free Trade leader, Mr. Cook, he has turned the labor ministry out. The situation is editorially summarized by the Labour Leader of London in its issue of June 4th. Alluding to the Labor party of the Commonwealth, it says:

They were conscious that they were only in office on sufferance, either so long as their policy was sufficiently moderate to suit Mr. Deakin, or until the other two parties could settle their differences and unite on the common ground of their antagonism to the Labor party. The retiring ministry has been in no sense a distinctively Labor government. Mr. Fisher, the premier, has simply followed on the lines of his predecessor, Mr. Deakin. No difference between the two has become apparent, except perhaps that Mr. Fisher has advocated a Federal land tax, which Mr. Deakin considered premature until the States had shown they were not prepared to act. The Government has devoted itself mainly to furthering the two main items in the Deakin programme, namely, the "new Protection" and the foundation of an Australian navy. This latter desire is the real explanation of Mr. Fisher's unwillingness to follow the example of New Zealand in presenting a Dreadnought to the Imperial navy. The "new Protection" is a proposal for the establishment of excise duties on home manufactures, with the object of ensuring that some part of the benefits of Protection shall go to the work people. There has been nothing in the policy or the actions of this Labor ministry to excite the admiration of Labor parties in other parts of the world, except that these workingmen ministers have shown at least equal capacity for statesmanship and government. The absence of a distinctive Labor policy is of course accounted for by the conditions under which they held office. They were not in a position to command a majority; they were permitted to act only with the consent of a more moderate party.

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"Dat Darwinian theory," said Uncle Eben, "wouldn't worry me none if I could be good an' sure dat some of us weren't doublin' on de trail."—Washington Star.

NEWS NOTES

—Edward Everett Hale died at Roxbury, Mass., on the 10th. at the age of 87.

—Governor Deneen has signed the Illinois legislative bill (p. 538) forbidding cruel experiments on living animals in the public schools and requiring the teaching of kindness.

—Part of a native constabulary company at Davao, Mindanao, Philippine Islands, (pp. 351, 542), was reported from Manila on the 13th as having mutinied on June 6, and attacked the American officers and others, many being killed or wounded on each side.

—The 69th National Conference of Charities and Corrections opened at Buffalo on the 9th. On the 14th Jane Addams was unanimously elected president for the ensuing year. It is the first time in the history of the organization that a woman has been elected to this office.

—The report of the board of engineers of the War Department relative to a 14-foot ship canal from the Lakes to the Gulf (p. 565) reached Congress on the 10th. It is in effect that the work would require 18 years, and cost \$159,000,000. The cost from St. Louis to the Gulf would alone cost \$128,000,000.

—The arbitration commission in the Georgia Railroad case (p. 539) met at Washington on the 9th. It consists of Hilary A. Herbert of Alabama for the railway, Thomas W. Hardwick of Georgia for its white employes, and a third to be selected by these two, but whose selection has not yet been reported.

—The home rule charter for Milwaukee (p. 565) appears after all to have been defeated in the Legislature of Wisconsin. For this result the Milwaukee Merchants' and Manufacturers' Association are held responsible, their opposition having been due to the referendum provisions and their fear of the Socialist vote.

—A grant for subways was adopted by the city council of Cleveland on the 7th. It gives to the Cleveland Underground Rapid Transit Co. the right to operate both high and low level underground railways connecting all the important transportation centers of the city, and is to be submitted to referendum at the general municipal election in November.

—Single tax speakers who think of taking vacations this summer on or near the shores of Narragansett Bay, which are much patronized for summer outings, are notified by George D. Liddell (62 Meeting street, Providence) that they will be welcomed by the Rhode Island Tax Reform Association for speeches at open air meetings in Providence and vicinity.

—After a hard fight to head off a progressive charter under the Colorado law, and to that end to defeat James W. Bucklin, the head of the progressive ticket for members of the charter convention at Grand Junction, Colo. (p. 373), a so-called "independent," but reactionary movement, withdrew from the contest and on the 8th the Bucklin ticket was elected without opposition.

—A charter bill for the complete reconstruction of municipal government in Boston has been signed