sessment be determined upon until the amount of the valuation had been reported and considered.

Accordingly, a bill to provide for the ascertainment of land values in Scotland was introduced May 13, 1907, by the Government—was debated, read a first time, and July 10, 1907, ordered to be printed. This was opposed by Balfour and his party. The second reading carried by a majority of 218—for, 294; against, 76. There was then a debate of four days by Scottish standing committee, August 5, 6, 7, 8. On the 20th and 21st of August, 1907, it was debated for twelve hours, and ordered read a third time by a majority of 139—for, 172; against, 33. Having thus passed the House of Commons, the measure went to the House of Lords, where on second reading it was rejected, August 26, 1907, by 118 to 31—an adverse majority of 87.

So ended chapter one. February 19, 1908, the land values bill for Scotland was again introduced in the Commons, where it again passed through all the forms without a division, and was again sent to the House of Lords. March 25, 26, 1908, the Lords read the bill a second time and mauled and mangled and tore it to tatters. The Government repudiated their work.

A memorial was then signed by 250 members of the House of Commons, asking the Government to incorporate a scheme of land valuation and taxation of land values in the Budget or finance bill. This was done. The Budget was introduced on April 29, and debated till November 29, 1909, when it went to the Lords. For the first time in hundreds of years the Lords have now thrown out the Budget, and the battle-royal begins.

Land values taxation is well to the front. The people are aroused as they have never been before, and ere the battle ends all will be made familiar with the manner in which the Peers have cheated and bamboozled and robbed them of their God-given inheritance in the land. The Land song of the people of London is:

The Land, the Land—'twas God that gave the land!
The Land, the Land—the ground on which we stand.
Why should we be beggars with the ballot in our hand?
God gave the Land to the People.

EDWARD McHUGH.

INCIDENTAL SUGGESTIONS

THE GROUND OF ENGLAND.

Providence, R. I., Dec. 17, 1909.

Sixty-six years ago, in the days of Chartism, the Concord poet, William Ellery Channing, wrote a poem entitled "England in Affliction." In this poem occurs the following stanza, which rings with a startling pertinence at the present hour:

England!—the name hath bulwarks in the sound,
And bids her people own the state again;
Bids them to dispossess their native ground
From out the hands of titled noblemen;
Then shall the scholar freely wield his pen,
And shepherds dwell where lords keep castle now,
And peasants cut the overhanging bough.

H. L. KOOPMAN.

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, December 21, 1909.

The Cleveland Traction Settlement.

Subject to referendum, final settlement of the Cleveland traction question was made on the 18th, by the adoption by the City Council of the tentative ordinance (p. 1064) which has been awaiting the decision of Judge Tayler as arbitrator on certain questions reserved.

✤

This ordinance, with blanks for the insertion of the arbitral findings of Judge Tayler, which was agreed upon by the Council, the Mayor, the company and Judge Tayler early in November, left four questions open (pp. 1043, 1044), namely, (1) a dispute of only local interest over an East Cleveland connection; (2) a question of interurban connections, of no general interest; (3) the value of the existing property, and (4) the maximum rate of fare to be allowed. It had already been determined that the company should be allowed to earn only 6 per cent on its actual investment (inclusive of the arbitrated value of its existing property), and that it might increase fares to the maximum limit to be fixed by Judge Tayler in order to earn 6 per cent and must lower them if its earnings rose above that profit.

✤

After a hearing closed last week, in which Mr. Andrews, president of the company, represented its interests and Mayor Johnson represented the public interests, Judge Tayler decided the remaining questions in dispute on the 18th. He fixed the maximum fare at 4 cents for a single fare and seven tickets for a quarter, with one cent for transfers, thereby making 5 cents the utmost fare, inclusive of transfer. His valuation of the existing property was $22,932,749.53, inclusive of the formerly fixed valuation of $1,805,600 for the property of the low fare company, being $21,127,149.53 for the property of the old monopoly company. The latter sum is $6,166,665.47 lower than the company's claim, which was $27,293,815, and $9,045,736.53 higher than Mayor Johnson's concession, which was $12,087,413. But it is less than the Goff-Johnson compromise of two years ago (p. 1161) by more than $1,000,000. On the subject of the guaranteed stock the decision was

wholly in favor of Mayor Johnson's contention except as to one minor point, which Judge Tayler reserved. His decision in these respects was as follows:

I am of opinion that there is a moral, and, perhaps, a legal obligation on the community in connection with the guarantee by the Municipal Traction Co. of stock of the Forest City Railway Co. and of stock of the Cleveland Railway Co. sold by the Municipal Traction Co. In view of the fact that the settlement recommended by me, should it become operative, will make the stock of the Cleve'and Railway Co., in my opinion, intrinsically worth par, I recommend that the obligation created by the guarantee be adjusted by the payment, to the persons who originally purchased the same on the faith of the guarantee, of an amount equal to 7½ per cent of the par value of such guaranteed stock so owned, and that the principal be applied to fractional shares according to the actual amounts paid thereon; such payments to be in full satisfaction of all liability under the guarantee. I fix the amount at 7½ per cent, because, prior to October 1, 1908, all such stockholders had received interest or dividends at the rate of 6 per cent per annum. Something less than 10 per cent of the guaranteed stock has been sold by the original purchasers. To what extent, if any, these former owners of such stock may be entitled to any reimbursement under the guarantee I am willing to consider hereafter. The amount involved can in no event be a very large sum, as less than 10 per cent of all the guaranteed stock has changed hands. The practical result of the reduction in the value of the Cleveland Railway Co. property will be to make the stock of that company not having an origin in the Municipal Traction Co.'s guarantee worth, as of January 1, 1910, par and 1½ per cent, being the amount accruing to such stockholders, for the quarter ending October 1, 1908, thus equalizing for that period these stockholders with the stockholders whose stock came under the guarantee. As to the guaranteed stock still in the hands of the original purchasers, it will be worth, as of January 1, 1910, par and 7½ per cent.

✣

Upon receiving Judge Tayler's findings on the arbitrated questions, the City Council filled in the blanks of the ordinance already agreed upon and adopted it on the 18th. The ordinance so adopted grants (p. 967): (1) a franchise for twenty-five years, with (a) a maximum rate of fare of 4 cents with 1 cent for transfers, or seven tickets for a quarter with 1 cent for transfers, and an (b) immediate or initial rate of fare of 3 cents with 1 cent for transfers; (2) the profits are limited to 6 per cent on actual capital (including $22,932,749.53 for all existing property); (3) rates of fare are to be increased within the maximum, if necessary to realize this profit, and to be reduced if not necessary; (4) the city is to have complete and continuous supervisory control of operation; (5) after eight years the city may name a purchaser to take over the system; (6) questions of rates of fare under the 6 per cent proviso are to be arbitrated, and (7) there is a "safety clause" providing that—

in the event that the section of the ordinance dealing with rates of fare shall fail in the courts, including the submission of the rates to arbitration, then the Council shall have power from time to time to fix the rates, not exceeding the maximum; but, on the other hand, not to decrease it unless there shall be a sum exceeding $500,000 in the interest fund. This rate must not impair the ability of the company to earn sufficient money to meet all expenses and pay 6 per cent dividends; and if the company refuses to turn its property over to a purchaser, when the city so decides, after the eight years, then the Council is given power to forfeit the franchise. But the old company is not required to relinquish its lines to a purchaser who does not agree to accept a smaller return by at least one-quarter of one per cent upon the capital stock of the old company. In effect this would mean the new company would earn but 5¾ per cent annual dividends instead of 6. The purchaser is further handicapped by the fact that in bidding he is compelled to post a forfeit of $50,000 and to agree to buy the property of the old company at 10 per cent premium upon the agreed capital value, while the old company need not post a forfeit in bidding to retain its lines.

The "safety clause" was fixed by an arbitration committee (p. 1044) of lawyers, which included Newton D. Baker.

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Referendum petitions are now in circulation, pursuant to the understanding demanded by Mayor Johnson throughout, that no compromise ordinance should go into effect with his consent without an opportunity for referendum.

✣ ✣

Defeat of the Kansas City Traction Grant.

At a referendum election in Kansas City, Missouri, on the 16th a traction ordinance sought by the present company was defeated. The contest was a heated one.

✣

The existing traction franchises in Kansas City will expire in 1925. Taking time by the forelock, the existing companies sought an extension to a consolidated company of 26 years, carrying their monopoly down to 1951. This was granted by the Council and approved by the Mayor, but checked by the referendum. The ordinance made little or no provision for public protection, and it reenacted all legal rights as to fares which the companies now have. It was supported by the city administration (Democratic) and by all the Democratic vote the city administration could influence; but was opposed by the independent Democrats, the radical Democrats, and a large contingent of Republicans under the leaderhip of ex-Mayor Beardsley, E. C. Meservey and Gov. Hadley. The Kansas City Post (understood to be finan-