

service employees: 8,356 for, and 6,077 against. Affirmative majority 2,279.

Among the 22 that were defeated, were the following of general interest:

Vehicle tax ordinance: 7,345 for, and 7,919 against. Negative majority, 574.

Prohibiting use of patented article or process in street improvement: 2,828 for, and 12,036 against. Negative majority, 9,208.

Payment for water mains by benefited property: 3,848 for, and 10,738 against. Negative majority, 6,890.

Des Moines plan of city charter: 4,936 for, and 10,676 against. Negative majority, 5,740.

The aggregate vote on these questions was quite constant at approximately 15,000, while the aggregate vote for mayor was approximately 18,000.

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Regarding the defeat of the Des Moines charter proposal, an editorial correspondent advises us that—

all the interests, or strong property "vested rights" and franchise holders, were opposed to it. The Oregonian was bitterly opposed, and maligned it. The politicians who fatten on ward councilmen, and their adherents were opposed to it. The "Uncertains," the "Don't Understands," and the conservatively-minded were opposed to it. I therefore think that on the whole the favorable vote, though small, is a pretty hopeful sign of what can be done with more time for educational work. The masses of the people themselves were easily frightened with the cry, "What! Will you give despotic power over this city and millions of property to six men?" It takes time to get the masses to understand the safety in a responsible few. On the whole, it is a remarkable showing, I think, for the Initiative, because most questions were decided sanely. Both extremes say so. The result scarcely justifies the conclusion of the Oregonian's editorial syllogism: The people have sanely decided on 35 complicated questions; ergo, the Initiative should be revoked!

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The Tariff in Congress.

By a yea and nay vote of 40 to 30 on the 9th, the Senate adopted the finance committee's amendment to the House tariff bill (p. 563), and thereby restored the Dingley wool tariff. The adverse Republican vote was 9—Beveridge, Bristow, Brown, Burkett, Clapp, Cummins, Dolliver, La Follette and Nelson. In one of the controversies over this question, Senator Warren of Wyoming sarcastically asked Senator La Follette what had been the net result of his enlightening Congress on "the interests they were serving," to which Senator La Follette replied: "The result has been pretty good," for "when I came here I stood alone, and now there are a dozen who stand with me." He added: "And the results will be better, let me tell the Senator from Wyoming. The lines will be broken not only in the Middle and extreme West, but in the East as well. I think I know what I

am talking about." In the course of his speech following this controversy, Senator La Follette declared that President Taft could not have carried the last election if the voters had not interpreted the Chicago platform to mean that the Republican party was pledged to tariff revision downward. Amendments proposed by Senator La Follette, looking to a reduction of the tariff on woolen goods, were voted down on the 11th by 44 to 32. When the vote disposing of the woolen schedules had been taken, Senator Aldrich provoked a stinging reply from Senator La Follette by inquiring how Republican protectionists could explain their votes against the protection principle to their constituents, saying: "It is easy to carry this revision downward to an extreme that will destroy the confidence of the people of the United States that we intend to maintain the protective policy at all," and concluding that his own position would need no defense. Said Senator La Follette in reply:

Assuming that the Senator from Rhode Island is right, it is an impeachment of his leadership of the Republican side of this body. The want of confidence which has come to some Republican members of this body of that leadership would find justification in his course here today if it never had before. He knows well the position in which the Republican side has been placed in attempting to find their way along the path of duty in the consideration of this great measure. What aid, what assistance has been given it by the chairman of this great committee? Reserving his information upon this bill until he has compelled everybody to vote upon it paragraph by paragraph, does he expect to instill Republican confidence in Republican leadership of this body? Suppose we have blundered, and he as leader of the Republican side has aided in bringing us into a position of embarrassment before the Republican constituencies of our various States. The Senator from Rhode Island, with all his craftiness has placed nothing before the Senate that will embarrass us who voted for this amendment. I say to that Senator that I come from a State where by long training the people demand reasons for what their representatives do. The Senator says his vote will not need any defense. That is true. He has built up a system in the State of Rhode Island under which 11 per cent of the voting population can control the election of a United States Senator. He comes from a State where it is possible for a man to maintain political supremacy and put through franchises for 999 years to public service corporations. He can vote as he will. He does not have to explain. It is just as well that the Senator from Rhode Island should attempt to put this bill through without explanation. He cannot by any legislative trick, arguing amendments after they have been voted upon, confuse the minds of Senators here who have been exercising some independence, by inciting terror or timidity.

In an all-Sunday session on the 13th, the Senate finance committee decided to recommend reduction of the duty on coal but to strike out the provision for reciprocal trade in coal with Canada.

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