

Meantime the quiet unostentatious work of undermining the position of the strongly entrenched monopolists goes steadily on. For the moment this movement is nearly drowned in the noise of strife. Unfortunately the difficulties of valuation are still with us. The 1909 Budget of Lloyd George has not succeeded in bringing in a complete valuation of land yet. The Government are again in the position they were in about 1908. By-elections are producing decreased majorities, and lost seats. There is only one way that the Government can regain their position, and that is by the method they adopted in 1909. Another, and more drastic attack on landlordism is due—in fact overdue. It is a movement which would gain the support of people who are not enamoured of Insurance Bills, and promises of nine-pence worth for fourpence.

The municipalities are now taking a revived interest in the question of rating land values, and as before Glasgow leads the way. The Corporation of Glasgow is petitioning Parliament for powers to rate land values, and they are asking the assistance of other authorities in their petition. The position can be seen from the following resolution passed by the Council.

TWO IMPORTANT RESOLUTIONS.

1. At a meeting of the Glasgow Town Council held in the Council Chambers, January 25th, 1912:—

That, having regard to the facts (1) that the principle of the Taxation of Land Values has been consistently supported by the Corporation with the view of securing to the city and the ratepayers the benefit of such taxation, and (2) that the Government are at present collecting or are in contemplation of collecting, information and all relative data as to the true valuation of all lands situated in urban and suburban districts throughout the country for the purpose of such taxation, the Corporation, following out their recognised policy in regard to this matter, resolve to petition Parliament to the effect that powers be granted to all local rating authorities throughout the country—county, urban, and town councils—to impose and levy on the new valuation a

tax on the value of land for local purposes, distinct and separate from the increment duty to be imposed and levied under the provisions of the Finance (1909-10) Act, 1910. (*Adopted by 43 votes to 11.*)

2. At a meeting of the Glasgow Town Council held in Council Chambers, February 1st, 1912:—

That, the Corporation having approved of the resolution contained in the Parliamentary Bills Committee's minute, of date 25th January, 1912, relative to the levying of a tax for local purposes on the valuation of land under the Finance (1909-10) Act, 1910, the Town Clerk be instructed to communicate the said resolution to all rating authorities in Great Britain, requesting them to petition the Government in favor of the same at the earliest possible date. (*Adopted by 40 votes to 17.*)

So far the resolutions have not been before all the rating authorities, but they have been favorably received by a great number of important rating bodies.—WM REID, Leeds, England.

NEW ZEALAND.

DEFEAT OF HON. GEORGE FOWLDS—HE WILL NOW LEAD THE FIGHT FOR THE PEOPLE—COMPLEXION OF THE PRESENT GOVERNMENT DUE TO AN ABSURD ELECTORAL SYSTEM—A NEW ELECTION PREDICTED IN 12 TO 18 MONTHS.

In spite of an apparent set-back at the general elections in December last, our prospects here are very bright. It is true that the Liberal-Labor Government, headed by Sir Joseph Ward, lost a number of seats, and may not be able to retain power, but the defeat looks worse than it really is and the great growth of the Labor vote, which is very sympathetic with us, more than makes up for it. Owing to cross currents and a great expenditure of money by "our friends, the enemy," our leader, the Hon. George Fowlds, ex-minister for Education, failed to secure re-election in Grey Lynn, which he has represented since 1902, being first elected for Auckland City in 1899; but such a man cannot be kept out of Parliament long; and, unless

I am very much mistaken, he will make such effective use of his period of leisure from Parliamentary work as will result in his early return to the House with a following that will secure the speedy realization of his hopes and plans for the good of the people.

In all probability the new Parliament will be a very short-lived one. It may last a year, or, at the most, eighteen months, and in the meantime we shall have an opportunity to organize a live campaign on Mr. Fowlds's "New Evangel" programme that should put a very different face on matters.

A month or two before the elections Mr. Fowlds resigned from the Cabinet, because he felt that the Government "had failed to grasp the spirit of the times in which we live" and "had failed to take account of the economic factors which have been at work making the conditions of life for the mass of the people, even in years of prosperity, more precarious than they need to be." Mr. Fowlds wished to deal with the evil at once on Single Tax lines, increasing the land tax, reducing Customs Taxes and railing freights, (all New Zealand railways, with unimportant exceptions are State-owned), and abolishing all local taxes on the homes of the people and trade and industry. But Sir Joseph Ward proposed to set up a Royal Commission to inquire into the high cost of living! This means, of course, a great waste of time, much cry and little wool. "It amazes me," said Mr. Fowlds, in his opening campaign speech on Oct. 31st. last, "to find a government, or even a man seeking Parliamentary honors, confessing or professing that he does not know the causes of this evil, and is unable to suggest cures that would help towards removing it. I hope during my speech to lay bare some of the causes and suggest cures, and I shall be very much surprised if I am unable to convince the most of you that the causes are evident, and the remedy lying to our hand. It was mainly for the purpose of having a free hand to deal with such subjects, and thereby giving a fillip to the reform forces of the Dominion, that I resigned from the Ministry."

Mr. Fowlds traced the high cost of living to land monopoly and inflated land

values. He showed that the 1,000,000 people of New Zealand add over £6,000,000 a year to the land values or "unearned increment" of the Dominion—the "community created increment," as he rightly prefers to call it—and that the annual rent tribute is no less than £9,700,000, making a total landlord tribute of £16,300,000 a year, upwards of £16 per head, or over £80 per year for every family of five! As remedies, he proposed (1) to Increase the Land Tax by 1d. in the £, estimating that this would yield some £6,000,000 a year additional revenue; (2) to remit Customs taxes on the necessities of life to the extent of half the revenue so raised; (3) to reduce railway freights by a similar amount; and (4) to reduce house rents and raise wages by abolishing the rates (local taxes) now levied on the homes of the people and on their trade and industry. Proposals (1, 2 and 3) would mean a gain to the workers of 18s. 9d. per head, or 93s. 9d. (4. 13s. 9d.) for every family of five, and (4) means that they will be relieved from the whole of the present rate burden.

On the face of them the election results seem to mean a big set-back to the true reform forces of the Dominion. But this is more apparent than real. The opposition—the Landlord Party, who masqueraded as a "Reform Party!"—secured 37 seats out of 80, the Government only 35; Labor and Socialists, 4; and an Independent Liberal, 1. But, in proportion to the votes cast for the several parties, the results should have been.—Government, 37; Opposition, 27; Labor and Socialist, 10; and Independent, 2. The 4 Maori members, who complete the 80, support the Government. Since 1908 the Labor vote has increased from 14,000 to 56,000; and this goes to show that, while owing to the fluky working of our electoral system the seats lost to the Government have gone to the Opposition, the Transfer of votes has been from the Government, not to the reactionaries, but to a more advanced section. As you will see from the report of his speech, Mr. Fowlds had a presentiment that "our faulty and absurd electoral system" might bring about just such contradictory results. As a whole the elections very strikingly illustrate the need for

the proportional representation system which Mr. Fowlds puts in the forefront of the constitutional reforms required; and if a movement already under way progresses, as we have every reason to believe it will, we shall soon have a powerful Labor-Liberal Party in the field with the "New Evangel" as its fighting platform. Then we shall see what we shall see. Neither party can command a really stable majority, so we may have another general election in 12 or 18 months, or even sooner. A good stiff Land Tax is the only thing that can save the present Government, just as Lloyd George's Land Tax Budget was the only thing that saved the Liberal Party at Home. And I am inclined to think that Sir Joseph Ward is now very sorry that he did not do as Mr. Fowlds desired and bring in such a Budget last year. Surely the Liberals the world over will soon realize that their only safety lies in coming our way. Sir Wilfred Laurier failed to do so and was "snowed under," Mr. Wade, Premier of New South Wales, failed to do so, and met a similar fate; it was its land tax proposals that put the Commonwealth Labor Government in power, the same applies to the South Australian Government; the present Victoria and Tasmanian Government have carried land taxes and the land taxes "carry" them; and only the other day a West Australian Government that proposed to substitute an Income Tax for the Land Tax was defeated by a Land Tax Labor Party by more than two to one.

We have everywhere great cause for hope, and the news from your part of the world is also very encouraging.—ARTHUR WITHEY, Wellington, New Zealand.

We have received the report of the proceedings of the Sagamore Sociological Conference of June 28-30, 1911. Its 144 pages contain much that is valuable in the honest thought of those who took part in the Conference.

THE *Morning Press* of Santa Barbara is made interesting by long Single Tax communications from John K. Lewis.

NEW ZEALAND.

SECOND LETTER.

RESULTS OF THE ELECTION BY NO MEANS DISHEARTENING—GREAT HOPES FOR THE NEW EVANGEL—THE LABOR PARTY GROWING.

The results of the elections here must, on the face of them, have been a great disappointment to readers of the REVIEW. And you would especially be disappointed and surprised at the defeat of the Hon. Geo. Fowlds in Grey Lynn. But, happily, the results are not so bad as they look. Mr. Fowlds is by no means downhearted. He is as full of fight as ever, if not more so, and he is determined to make a strenuous three years' campaign; with a view to getting at least a compact Land Values' party, if not a land values' majority, in the House next time.

Sir Joseph Ward, Bart, was clearly much more unpopular than we had realized. And, as things turned out it would have been better for Mr. Fowlds to cut adrift completely from the Ward Party, and make a strong campaign against it. But it is easy to be wise after the event, and I think the result of the elections was a surprise to practically everybody here, and to none more so than to the Opposition itself. Sir Joseph's acceptance of an hereditary title, and his advocacy of compulsory service, are generally accepted as the chief ingredients in his unpopularity, but I feel convinced that what really settled his chances was the lack of "the Lloyd George touch." Only that saved the Liberals at Home, and only that could have saved them here. The high cost of living is making itself severely felt. The tariff is equal to a working man's income—tax of 3s. 6d. in the £ on the wage average of £120 a year, while equal to only 1½d. in the £ on £10,000 a year. House rents are one-third higher than they ought to be because of the taxes on timber, builders' ironmongery, corrugated iron, lead-piping, paints and varnishes, etc.; and speaking generally 1s. is worth in purchasing power only 8d. or 9d., if as much, as compared with what it would be under Free Trade conditions. The people feel this in their bones, though, of course, very few indeed know what is hurting them, and how to put things right. But Ward, instead of