

ing to strike at it. So Mr. Law introduced a set of resolutions which recited that the present condition of the people, the degradation of labor, the herding in unsanitary, disease breeding tenements are directly due to our present land system, and called upon the convention to resolve that it recognize the supreme importance of the land question and place itself on record as favoring the taxation of land values. Perhaps the resolutions were a little extreme for a non-Single Tax convention, but they were designedly so. The convention did not have to favor so radical a set of resolutions, but no milder declaration would have stood any better chance of adoption by such a conference. It was rejected on the ground that it was "outside the scope of the convention." Think of it—a convention for the advancement of labor! Outside the scope of the convention to consider labor's relation to the land! If the Association may not consider the land question what in the name of heaven is it organized for? Does it propose to advance the condition of labor without touching the land? Suppose it were possible to give all the laws to labor and all the land to those who do not labor—does this remarkable association imagine that any of its laws could be made effective? Did this association ever consider that but few of the tenement house laws of this city are observed, that, as a matter of fact, many of them *could not* be observed. They cannot be observed for this reason, among others. Take many of the sanitary regulations, the law seeking to compel the lighting of dark tenement hallways, and other regulations that might be mentioned? In so far as these laws are observed at all the poor—Labor, for which this Church Association evidences such tenderness—must pay for them. Because the poor cannot afford to pay for them they are mostly dead letters. Does Bishop Potter know this? Does the C. A. I. L. know it? They are curiously incompetent if they do not. But any real analysis of the situation, any method other than the silly one of coddling labor with rummage sales and smooth words would disclose the heart of the problem—would reveal the grinning figure of special privilege, which is the skeleton in every official closet of these ultra respectable organizations, and which must therefore be kept carefully padlocked, and always "outside the scope" of their conventions.

Mr. Louis F. Post, who has occupied the position of member of the Board of Education in the city of Chicago, by appointment of Mayor Dunne, is among the dozen members of the board whose resignations are demanded by Mayor-elect Busse. It is not often that a public man is so signally honored by two administrations.

AN INTERESTING DOCUMENT.

THE STEVENS REPORT ON GAS AND ELECTRIC LIGHTING—GOVERNOR HUGHES, COUNSEL OF THE STEVENS COMMITTEE, SHOWN TO BE SOUND ON THE QUESTION OF THE CAPITALIZATION OF ACTUAL PROPERTY, VERSUS THE CAPITALIZATION OF FRANCHISES OR PRIVILEGE—HAS GOVERNOR HUGHES SELECTED HIS MEMBERS OF THE PUBLIC UTILITIES COMMISSION IN ACCORDANCE WITH THE TEST HE LAYS DOWN?

A most interesting document is the report of the Stevens Committee, which appeared in May, 1905. That during all the stir that has been made over the attempt of the Consolidated Gas Company of this city to defeat the law making power that would be willing to accord some relief to the consumer, no reference has been made to it by the public press of the metropolis, is a peculiar circumstance—and a suspicious one.

The committee which presented this report were authorized "To proceed to investigate and examine into the organization and operation of the gas and electric lighting companies; the reasonableness of the charges maintained by the gas and electric lighting companies operating in the City of New York for services rendered by the city and its inhabitants with reference to the cost of service and the capital actually employed therein; the conditions under which the business of the companies is conducted with reference to competition; the quality of the service; the circumstances connected with the negotiation and execution of the city light contracts of 1904; and any other phase of the gas and electric lighting business as conducted in the City of New York, deemed by the committee to be germane to the purpose of such investigation," and to report "the result of their investigation with such remedial measures as it may deem proper."

This committee which brought in this admirable report consisted of Frederick G. Stevens, chairman, Alfred R. Page, James K. Apgar, George B. Agnew, Edwin A. Merritt, Thos. F. Grady and G. M. Palmer. The last two named brought in a minority report, as was to be expected from a friend of the common people of such stalwart steadfastness as Tom Grady. The present governor of the State of New York was counsel for that committee.

But here is the paragraph of that report that will most interest the readers of the REVIEW, since whether written or approved by the present governor at least had his endorsement, and is a very clear statement of what a public service corporation is entitled to. Its capitalization should be only such as may fairly represent the actual capital in-

vested, not the franchise or privilege value. Inferentially this is an assertion of the people's rights in the streets. But we will let the paragraph speak for itself:

"The fact that the company, by rendering competition impossible, has been able to earn large dividends, does not justify it in adding to the value of its plant an additional amount for good will or earning capacity and thereby justify a continuance of excessive charges. If this were permitted it would be able to secure in perpetuity the maintenance of exorbitant rates. Extortion for a series of years would be sufficient excuse for further extortion. Indeed, there would seem to be no escape from the conclusion that successful imposition upon the public would warrant increased charges upon the ground of enhanced good will. The company is entitled to a fair return upon its capital actually invested, but it is not entitled to capitalize its grip upon the public. The fact that it may be proper to value good will due to efficient organization and to the securing of public esteem through good service under ordinary conditions of competition furnishes no reason for an addition to capital to maintain high charges of an amount which while termed good will, is really an estimate of an earning capacity due to a monopolization of a public service."

This is the significant paragraph of the Report which should be given wide publicity, since it shows the manner in which the governor regards the matter of public franchises, and is of immense importance at this time. Will he, now that the law which he has forced the two parties to put through the legislature is finally enacted, appoint as his commissioners to carry out the provisions of that law only such men as are able to stand the test of the distinction between franchise value—land value—and improvement value which he has laid down?

Now why during all this talk of the gas company and of its defiance of the people have we not heard of this report, known as the Stevens Report? Why have we not heard of the assertion made from this high official source that the Consolidated Gas Company has no right in the street—that no franchise was granted to the company save the franchise to be a corporation? And to the statement also made in this report that "it is a serious question to what extent the Brooklyn Union Gas Company is lawfully exercising rights in the streets of that borough?"—in other words, conveying the intimation that it is unlawfully exercising some of its rights, at least.

No wonder that this Report seems to have well nigh disappeared. So scarce has it become that several well known officials of this city have been unable to secure copies either from the Gas Commission or the Senate document clerk at Albany, though finally an inquiry addressed to the latter

has resulted in the REVIEW securing a copy, though earlier inquiries for the pamphlet had brought the answer that it could not be obtained. But whether the scarcity of this document has been brought about by design or not it is easy to understand how the friends and organs of privilege would wish to suppress these radical utterances of the man now occupying the office of Governor. For to somebody's discomfort someday these radical utterances like chickens will come home to roost.

There are many matters of importance in this report. But it is chiefly of significance in that it reveals the fact that if the chief counsel of that committee who made the report will in the office of governor adhere to the very vital economic distinction that appears in the paragraph quoted, and which is of general application, we may have more than one reason to thank ourselves for the defeat of Mr. Hearst.

J. D. M.

SPEECH OF WINSTON CHURCHILL,
M. P., AT DRURY LANE THEATRE,
LONDON.

(As Reported in Glasgow (Scotland) Land Values.)

Mr. Winston Churchill, who was received with loud and prolonged cheers, said that he saw upon the platform a great number of gentlemen who had devoted their lives to the study of the land problem. He did not suppose there ever was a moment in the whole of their lives when the prospects of land reform looked brighter or rosier than they did to-day. (Cheers.) It was not a light thing they were going to do. They had pulled the curtain up on a piece that was going to have a good long run. (Cheers.)

"We have," he continued, "to face all the resources of a great monopoly so ancient that it has become almost venerable. (Laughter.) We have against us all the modern money power. We have to deal with the apathy and levity of all sections of the public. We have against us the political machinery of class and privilege, represented by the Second Chamber in the State. We have the innate difficulties and perplexities of this subject itself."

This island alone amongst civilized States presented the melancholy spectacle of a landless peasantry. Side by side with, and arising directly out of it, they saw a blighted agriculture. No one could doubt that there was great cause for alarm at the great physical deterioration that was taking place in the great cities. Whereas in France one-sixth of the population were employed in agriculture, and in Denmark—a Free Trade country—one-fifth were so working, in England only one-fortieth were employed in agriculture. (Ories of "Shame.")