

consent of the Council be authorized to appoint a commission of five persons, citizens of the Commonwealth, one of whom shall be designated as chairman, for the purpose of investigating the present laws relating to taxation of real estate with a view of changing them so as to permit the taxation of the unearned increment of real estate. The commission shall investigate the laws and systems in regard to such taxation in operation in other States and countries, shall correspond or confer with committees and commissions in other countries considering the same subject, and shall draft an act for the taxation of such unearned increment. The commission shall be provided with suitable quarters in the State House or elsewhere. It may employ all necessary clerical or other assistance and may incur other reasonable expense and shall receive such remuneration as may be approved by the Governor and Council. The commission shall report in print the draft of the act and the compilation of the data and statistics and such other information as the commission may be possessed of as a result of its investigation and study on or before the second Wednesday in January in the year nineteen hundred and twelve, and the powers of said commission shall terminate on that date. The total expense to be incurred under this resolve shall not exceed the sum of ten thousand dollars.

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In transmitting the above resolution to the Governor, Mayor Fitzgerald explained it with a letter of transmittal in which he said:

I desire to call your attention to the pressing necessity of adjusting our tax system so as to permit the taxation of the unearned increment of real estate in our cities and large manufacturing towns.

In many places farms and uncultivated areas of comparatively valueless land have increased in value a thousand-fold during the last 50 years, and the former owners or their descendants have become immensely wealthy without any exertion on their part.

I do not allude to land speculation where not infrequently it happens that great stretches of land are opened by such speculation and the promoter must be admitted to have contributed greatly toward the rise in value, but in the cases I have in mind, the great rise in value of land, especially in cities, is not brought about by the owner and is quite unearned by him. It is society which brings it about through its activity and at its cost whereas the existing land system causes the gain to inure entirely to the owners and not to the community.

Not only would the taxation of this unearned increment add considerably to the revenue of our growing cities and towns, but it would be a step toward the attainment of justice in taxation. Almost every one admits the justice and desirability of so taxing this unearned increment that a portion, at least, of it shall go to the community whose industry, skill and labor have caused the increase.

Noting then in his letter the Constitutional difficulties in the way of making such taxes proportional, Mayor Fitzgerald enumerates suggested plans as follows, in substance:

1. Deduct from the price of actual sales the cost of improvements and of public betterments paid for since the previous sale, also the price of previous sale, and if the remainder exceeds 5 per cent of the former price impose upon it a special transfer tax.

2. Value real estate decennially, and after deducting cost of improvements and betterments, levy a tax upon so much of the increase as exceeds 10 per cent of the previous valuation.

3. If the rent increases in the decennial period more than 10 per cent above a fair return on cost of improvements, tax the increase.

Mayor Fitzgerald notes as follows the objections to each of those three plans:

The tax on transfers or sales would not affect the estates which are not sold and which have been held by the same family or by land trusts for many years and are not in the market; as far as the valuations are concerned, the judgment of the valuers like that of the board of assessors would be fallible; and as to the third, it would not apply to unimproved real estate.

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The Fels Single Tax Tour.

Pursuing his journey with Daniel Kiefer in behalf of the Henry George movement for the taxation of land values, Joseph Fels (p. 153) has spoken at Stanford University and at latest reports in southern California. He arrived in Pasadena on the 9th, speaking that evening at Throop Institute, and the next evening at the Hebrew Temple. He spoke to a large audience at the City Club in Los Angeles on the 11th. It was here that in direct answer to a question Mr. Fels is reported by the Los Angeles Herald as saying—

No man of wealth can use his wealth to better advantage than by helping to wipe out all taxation on industry and everything created by labor and placing taxation where it rightly belongs—on land values entirely separate from personal property and buildings created by labor.

Going to San Diego on the 12th, Mr. Fels got mixed up in highly sensational but wholly creditable fashion there with a local referendum over a traction question, which came to a vote on the 14th. The referendum was for an alteration in the city charter so as to take away the people's power over the traction company for 50 years. It had been urged in behalf of the company that a 50 years' franchise was necessary in order to finance extensions; whereupon Mr. Fels offered to buy it at its physical value on a 25-year franchise and on the same terms as the franchises are held by the company, and to pay the city 2 per cent of gross receipts; also that the city of San Diego may at any time take over all the lines and property for municipal operation, on paying the value of the physical property then in use. This offer was exploited by the San Diego Sun, a Scripps paper, and the last day preceding the election was a live day in San Diego. It was a single tax speaking cam-

paign throughout. But the traction company won at the election on the 14th by 4,056 to 1,756.

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Ohio Constitutional Convention.

Delegates to a Constitutional convention for Ohio are to be elected on the 7th of next November. The convention is to assemble January 9, 1912. In order to secure delegates pledged to the Initiative and Referendum the Direct Legislation League of Ohio (p. 130) has begun a canvass of the State for the purpose of holding public meetings to be addressed by Herbert S. Bigelow and other advocates of direct legislation; publishing articles in local newspapers favoring the Initiative and Referendum; obtaining signatures to a voters' pledge agreeing to support only those candidates for delegates who shall have publicly pledged themselves to support the Initiative and Referendum in the convention, and creating a fund to provide for the necessary expenses of this work. A women's auxiliary league is being organized. The People's Church of Cincinnati has formed a "Town Meeting Society" in connection with the direct legislation movement.

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Reciprocity with Canada.

The reciprocity agreement (p. 156) is pending in the Senate Committee on Finance.

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To express his idea that reciprocity with Canada means annexation, Congressman Bennet of New York, who was defeated for re-election last fall by Henry George, Jr. (vol. xiii, pp. 1092, 1095), introduced in the House on the 16th, a resolution requesting the President to enter into negotiation with the British government looking to the annexation of Canada by the United States. The resolution was referred to the Committee on Foreign Affairs, of which Mr. Bennet is a member, and on the 17th this committee agreed by 9 to 1 to report it adversely. Mr. Bennet's was the only vote the resolution got in committee.

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The British Parliament.

In the British Commons on the 16th, Prime Minister Asquith announced the purpose of the Ministry to take up the Irish question as soon as the question of the Lords' veto is disposed of. In making this announcement he said:

We can only arrive at a satisfactory solution of the problem of congestion of business in this House by creating an Irish parliament with an Irish executive. They shall deal with purely Irish affairs, while the supremacy of this Parliament must be maintained.

Augustine Birrell, Chief Secretary for Ireland, in summing up the debate in which Mr. Asquith made

the foregoing announcement, said that Ireland alone could deal adequately with her own affairs. He promised that the government's home rule scheme would be placed before the Commons as soon as the Lords' veto bill had passed.

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The motion of the Ministry appropriating all the time of the Commons until Easter to the Lords' veto bill was carried by 196 to 188. Mr. Asquith stated that he expected the veto bill to be sent to the House of Lords early in May. He introduced it in the Commons on the 21st with an uncompromising speech.

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Russia Menacing China.

Russian troops were ordered to the Russo-Chinese frontier, Province of Ili, on the 16th, as a military demonstration in aid of the treaty of 1881, which Russia charges China with persistently violating. On the same day Russia notified Great Britain, France and Germany of her intention to force China to fulfill the provisions of the treaty and of the fact that troops had been ordered to the Chinese frontier. The Province of Ili, which had been occupied by Russian troops since 1871, was restored to the Chinese by the treaty of 1881. This treaty will expire in August. The demands of Russia as reported in the news dispatches are not very intelligible.

NEWS NOTES

—The commission form of government for Danville, Ill., was defeated on the 16th by a vote of 930 to 2,054.

—Andrew P. Canning will debate the Single Tax with Samuel Block on the 26th at 10 a. m., at the Crown Theater, Division street and Ashland avenue, Chicago.

—President Taft signed the bill on the 15th, designating San Francisco as the city in which will be held in 1915 the exposition celebrating the opening of the Panama canal.

—Gen. Navarro, commanding Diaz troops in Mexico (p. 157) placed Juarez under martial law on the 16th, closing every business place and taking possession of the Mexican Northwestern Railway.

—The third National Peace Congress has been actively initiated by the directors of the American Peace Society, to be held at Baltimore on the 3d, 4th and 5th of May, in McCoy Hall, Johns Hopkins University.

—Bank accounts for every school child in Middleboro, Ky., were started on the 18th by J. H. Bartlett of that city, in the recently established postal savings bank. Not one of the 1,425 children enrolled in the schools, white or black, was forgotten.

—A conference on factory inspection will be held on the 25th at 2 p. m., in the directors' room of the