

THE PEOPLE'S ADVOCATE

An Organ of Fundamental Democracy

Policy: FREE LAND, FREE TRADE, and PROPORTIONAL REPRESENTATION

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THE JUSTICE OF TAXING SITE VALUES FOR PUBLIC USE

To collect the site value of land is just in its final aspects because it calls upon men to pay in proportion to the pecuniary benefits which they receive from the public; instead of being tribute exacted by superior power, it is compensation justly apportioned to value received. But it is claimed by its supporters to rest upon a still broader foundation of justice, as the mode best adapted to the circumstances of our time of practically recognizing the radical difference between property in what men produce and property in the planet upon which they live.

Production the Primary Title to Property.

It is fundamental that a man's right to property flows from his right to himself. That entitled him to exercise his powers, and to own whatever the exercise of his powers produces from the inexhaustible fountains of matter and force from which all material things come and to which they return. The only limitation is that he shall not so exercise his powers as to interfere with the equal rights of others to the exercise of theirs. If he fishes alone, the fish he catches are his. If he plants and digs alone, the product is his. Whatever he does unaided belongs entirely to him, provided he does not thereby trespass upon the equal right of others to do to the extent of their powers what he does to the extent of his. And if for mutual benefit he unites his powers with the powers of others, as in the construction of a house, the construction and management of a machine, the working of a mine or factory, or whatever else may be the nature of the employment, he justly owns all the products of human labor, whatsoever their character, that are freely yielded to him in consideration of his assistance. This principle is the foundation of all just property rights.

Confiscation the Essence of Slavery.

To take from any man otherwise than in the process of free exchanges, in which he is to the fullest degree a voluntary participant, anything that he has produced or any product that has been freely given him, is to assail just rights of property.

It is in precisely this way that chattel slavery assails just rights of property; and for this reason its instant and unconditional abolition is a recognition instead of a denial of just property rights. What the master received over and above the value of his services as manager, is confiscated from the slave; it is the slave's property by the natural test. And what part of the master's income is over and above his own earnings, if he works at all, no one can tell, because those from whom he receives it do not freely yield it to him. Their wishes are subject to his commands. It is not what they would allow him rather than dispense with his services of management, but his own despotic will that fixes the share he receives. Chattel slavery, therefore, is in its very essence a continuing denial by the community of just property rights.

Land Monopoly Is Confiscation.

But chattel slavery is not the only mode of invading just rights of property. Primarily there are two ways in which they may be practically denied, even when by lip-service they are exalted. One is by coercing producers through ownership of their persons, forcing them to work, and to leave the products of their work with the master. That is chattel slavery. The other is less barbaric, and to the thoughtless more like a return for actual participation in production. It consists in monopolizing ground rents.

Difference in ground rents must exist. They naturally measure the advantages of different locations, different social and industrial opportunities, and different governmental benefits, and are consequently the natural sources of public revenues. If they were paid into the public treasury each citizen would be compensating the public in proportion to the pecuniary benefits he received from the public. He who

lived in a better location than others, or did business from a more productive site, would pay more than others. Rights would thus be equalized. But when ground rents go to owners of locations, users are compelled to pay for public benefits, not to the community of which they are themselves a part, and from which they derive them, but to private persons.

This in itself is essentially an enslavement of those who pay by those who receive. In freedom the owner of a location can have no better right than the user to appropriate its ground rent. Yet he receives ground rent in the form of desirable things which embody the brain, the muscle, the sweat of fellow men, but into which none of his brain, or muscle, or sweat has entered. Nor has he put his brain or muscle or sweat into what he gives in exchange for them. He gives what he calls "his land"—an opportunity for utilizing public benefits of greater or less value; but he did not make the land, nor does he produce the public benefits which maintain its value. So far as he is individually concerned it is the same land that it was when Noah's flood subsided; and though it now offers great advantages to the user as a site for his office, his store, his factory, his work-place, his home, that is not on account of anything the owner does or has done, but on account of what the community has done, and much more important, what it continues to do. Private ownership of ground rents, therefore, is hostile to just rights of property; to the extent that the one is allowed the other is denied.

Wheat Bounty

For the information of their viewers, readers we desire to state that in connection with the forthcoming wheat bounty, the Government have decided that the £69,000 to be paid as a Hardship Grant will be paid direct to the wheat growers, irrespective as to whether they are working under the Farmers' Assistance Act or otherwise. It has not yet been determined whether the payment will be to those who reaped only three or five bushels. With regard to the general bounty of £362,000 this will be paid on a 50-50 basis, one half on acreage, and one half on a bushel basis. Those who are working under the Act will not receive the cash direct in regard to this payment, but it will be controlled by the Farmers' Assistance Board.

Obituary

It is with sincere regret we record the death of Mr. Sidney Benlow, late of Prospect and Waikerie. Mr. Benlow was for many years engaged as an orchardist at Waikerie, on the River Murray. Recently he disposed of all his interests in this State and decided to settle at Cowra in New South Wales. He was motoring from that town to Melbourne, on January 20, when his motor car appears to have got out of control and overturned twice, causing injuries which were responsible for Mr. Benlow's death almost immediately. Our late co-worker was very enthusiastic in his advocacy of Henry George principles. He usually carried literature with him, which he distributed freely, never missing an opportunity for propaganda. He will be much missed by his many friends. We extend our sympathy to the relatives in the hour of their sudden bereavement.

WAS THERE AN HONORABLE UNDERSTANDING?

In October the L.C.C. asked for tenders for steel work for a new fire station. Twelve firms tendered. One tender was for £20,765; seven for £20,698; three for £20,688 10/6; one, greatly daring, for £20,988 10/4. Three tenders for steel wire ropes for the new Chelsea Bridge showed unanimity at £37,768 8/-. What marvellous accuracy has been obtained in the always difficult task of working out costs! But who can say on this evidence that there is a Steel Ring

West Coast Tour

Mr. E. J. Craigie, M.P., accompanied by Mrs. Craigie, will leave Adelaide on Monday, March 2, for a tour of the West Coast, addressing 18 meetings during the visit. The list of meetings is as under:

Kimba	Tuesday, March 3
Pascoe	Wednesday, March 4
Wudiana	Thursday, March 5
Kyanetta	Friday, March 6
Tanmoe	Saturday, March 7
Manning	Monday, March 9
Pocheera	Tuesday, March 10
Cungena	Wednesday, March 11
Wirrulla	Thursday, March 12
Mudamuckia	Friday, March 13
Ceduna	Saturday, March 14 (3 p.m.)
Therensard	Saturday, March 14
Streaky Bay	Monday, March 16
Collie	Tuesday, March 17
Eliston	Wednesday, March 18
Lock	Thursday, March 19
Yeelama	Friday, March 20
Cummins	Saturday, March 21

All meetings, with the exception of Ceduna, will commence at 8 p.m. Mr. Craigie will deal with Federal and State politics, and will be pleased to answer questions. He will also be pleased to have brought under his notice any matter affecting the welfare of the district. It is regretted that time will not permit other centres being visited on this trip. The above list of meetings will mean an absence from Adelaide for nearly one month, and as a great deal of the correspondence from the District needs personal attention, Mr. Craigie is reluctantly forced to leave other places for a later visit. Friends in the various centres are asked to kindly co-operate to ensure successful meetings. Literature will be on sale at these meetings.

Prize Essay Competition

We again direct the attention of our readers to the closing date of the Essay Competition promoted by the Henry George Foundation of Australia. The sum of £100 is offered in cash awards, as follows:—Senior Group—Awards of £25, £15 and £10 (one each); and six awards of £5 each. Junior Group—One award of £10 and two awards of £5 each. The subject of the Essay is:

"The Philosophy of Henry George in Relation to the Existing World Crisis."

All essays must be lodged with the Secretary of the Essay Competition, Henry George Foundation, 17-19 Elizabeth Street, Melbourne, C1, Victoria, not later than March 31, 1936.

Printed matter giving full particulars can be obtained from the Henry George League office, George Parade, Adelaide, or from the Secretary of the Essay Competition at the above address.

HENRY GEORGE

"Mankind's Guide, Philosopher and Friend"

We have received for free distribution a generous supply of an 8-page booklet with the above heading. It comprises quotations from Henry George, and over a score of other writers honoring Henry George and his teachings, is well printed on good paper, and is a useful compilation. The booklet has been prepared by Dr. E. W. Culley, of Melbourne, and is just one of those methods used by him to give expression to his admiration for Henry George, his illustrious countryman, and the principles for which he stood. A few years ago he prepared and distributed some thousands of a wall card with similar quotations. These being exhausted, he has now provided 10,000 copies of this booklet, which will do much to call attention to Henry George and his writings. If not in the actual fighting line, Dr. Culley is right on hand with the ammunition, and the cause owes much to him. We express our appreciation and thanks for this useful new year gift.

Proportional Representation

The proportional representation pages in the "National Municipal Review, edited by Mr. George H. Hallett, Jr., intimates that on November 3, Cuyahoga County, Ohio, which includes the City of Cleveland and has a population according to the 1930 census of over 1,200,000, adopted the proportional representation-county manager charter by a vote of 166,181 to 143,306. Cuyahoga thus becomes the first American county to adopt Proportional Representation for its elections. Professor Earl L. Shoup, head of the political science department at Western Reserve University and secretary of the Cuyahoga County Charter Commission, explained that the commission was not wedded to Proportional Representation in advance, but had been unable to find any other method of election which met certain requirements which it regarded as of great importance.

"The charter commission was more nearly unanimous on the desirability of choosing the county council by Proportional Representation" he writes, "than on any other major issue that came before it. I recall only one member speaking against it, and he was opposed in general to the scheme of government set up in the charter. This near-unanimity was all the more remarkable in view of the sharp and even cleavages on many other important questions.

"This friendly attitude towards Proportional Representation, I believe, was due chiefly to four considerations:

"The first was the desire to avoid the evil of a clean sweep in the Council at any one election. Members recalled occasions not far past when the courthouse offices were cleaned out, not because of popular dissatisfaction with those holding the offices, but because of a national landslide against the party in power. Had the general ticket system been employed in the charter, most surely one political party would have been able to capture all the coun-

ties and the suburbs. In other regions on the other. With the population ratio between these two of about 900,000 to 325,000, pressure would have been brought for provisions ensuring, say, at least three seats to the suburban rural constituency, and six to the city. This would have been a thoroughly vicious provision. Under Proportional Representation, if people insist on voting by geographical location, they may get the representation to which they are proportionately entitled. If they wish to vote for the candidates on the basis of personal merit they may do so.

"The third is that Proportional Representation eliminates the necessity for a run-off primary, with all its waste of time and money.

"The fourth was the consideration of minimizing boss control, both of nominations and of elections. While there is no doubt that the political parties will have recommended slates of candidates, the opportunity for the strong independent to secure a quota is real, and this very situation will tend to improve the character of the party slates.

"One provision of the charter particularly fitted to a large community such as this is that the candidate's name on the ballot shall be accompanied by his place of residence and business, trade or profession. No party mark or designation is permitted."

Mr. Hallett also deals with the first Proportional Representation election at Toledo, where a nine-man council was elected. Reference is made to the representative nature of this council, and the general satisfaction which followed the election under Proportional Representation. The three newspapers praised the results, and the Toledo News-Bee, stated: "Whatever can be said for or against Proportional Representation, and we think there is always much more to be said for than against, you can always depend upon it that this system of voting will be honored with the opposition of those who want a vote which can be neatly organized and controlled by the political bosses." We know from experience in this State that the opposition to the adoption of Proportional Representation comes mainly from those who control the party machines. In view of its successful operation in other parts of the world the Government should give Proportional Representation serious consideration in connection with its proposed constitutional reform measure. The system has given satisfaction wherever it has been in operation.

America's Hall of Fame

Once every five years an election is held for the purpose of selecting noted people to the New York University Hall of Fame. The college of electors in the Hall of Fame election consists of 104 distinguished men and women, representative of every State in the Union and many walks of life. A three-fifths majority of the votes is necessary to secure election. The election of candidates took place last October, the three being elected being William Penn, founder of Pennsylvania; Simon Newcomb, mathematician and astronomer; and Grover Cleveland, twice President of the United States. Penn headed the list with 83 votes. Newcomb was second with 78 votes; and Cleveland was third with 77. Then came Walter Reid, physician, with 57, and Henry George with 56. Fifty-two other candidates polled from 55 to 1 vote each. The vote accorded Henry George is regarded as a phenomenal one considering that in 1925, when his name was first proposed, he received only 8 votes. There will be another election in 1940, when it is confidently anticipated that he will be elected to the Hall of Fame by an overwhelming majority. Every year thousands of visitors from all over the world view the busts of the immortals in the Hall of Fame, and if Henry George is among them, it will help to spread his teachings in every country.

INTERNATIONAL UNION FOR THE TAXATION OF LAND VALUE AND FREE TRADE

Mr. E. J. Craigie, M.P., has received advice from the secretary to the International Union that at a meeting of the Executive held in London, he was elected a member of the Executive to represent Australia, to fill the vacancy created by the death of Mr. W. H. Renwick, of Victoria.

He was also advised that the question of holding the next International Conference was referred to the Finance Sub-Committee for

to be held in London from September 1 to 4, 1936. The membership fee for the Conference was fixed at 10/-. Further details will be sent later. Mr. Madsen, the international secretary, is anxious that as much publicity as possible shall be given to this Conference with a view to making it a great success, and all followers of Henry George are asked to make the date as widely known as possible.

The Conference will be held at an opportune time. With the present chaotic condition of the world, and with so many wild schemes being urged as a solution for our troubles, there is great need of a lead being given on right lines to restore peace and prosperity in our troubled world. The Henry George movement has the solution to the present day troubles, and the Conference will, no doubt, avail itself of the opportunity to bring it prominently before a long-suffering public.

Subsidies in Great Britain

Mr. Elliot has stated the amount of the subsidies payable to agriculture as follows: for wheat growers, \$6,813,830 for year ended July 31, 1935; for cattle growers, for year ended September 30, 1935, \$3,674,000; for milk producers, for the last year, \$1,800,000; and for sugar beet subsidy for year to September 30, 1935, \$4,442,672; total, \$16,730,502. The farmers do not like this candour. A hitherto individualistic class, they hate to be stigmatised as dole drawers. That is why they are demanding tariffs, whether earmarked or otherwise; because the amount of their dole will not then be visible in opprobrious statistics.—"The Free Trader."

No great political improvement, no great reform, either legislative or executive, has ever been originated in any country by its rulers. The first suggestion of such steps have invariably been bold and able thinkers, who discern the abuse, denounce it, and point out how it is to be remedied. But long after this is done, even the most enlightened Governments continue to uphold the abuse and reject the remedy. At length, if circumstances are so strong that the pressure from without becomes give way; and, the reform being accomplished, the people are expected to admire the wisdom of the ultimate effect of all this has been done, reduce the standard of living Henry Buckle.

Prejudice Versus Science

Democracies do not always—perhaps do not generally—follow the path of wisdom even when this path is pointed out by its trained citizens. And those whose training should enable them to indicate the lines of wise policy are not always, themselves, sufficiently free from bias in matters involving conflicting class interests to make them safe guides. Yet upon intelligence, impartial judgment and growing influence of trained citizens must democracies rely for the eventual formulation and application of a sane economic program. It behoves those who would be servants of the general economic welfare by being intelligent leaders of economic opinion, to avoid prejudice as they would avoid physical disease. Why should we be so tremendously ashamed of an unimportant break in etiquette such as carrying to the mouth with a fork food supposed to be carried by hand, or appearance at a formal social function without the prescribed formal clothing, and be so little-ashamed of a prejudice which controls our thinking? How is it we look askance at the person whose pronunciation is provincial or whose sentences are ungrammatical, yet fail to visit with disapproval the person whose emotions or class affiliations twist his reasoning processes out of all semblance to logical thinking?

The student of economics who would serve well his country and the world, needs most of all, perhaps, an enthusiasm for science. He must seek above all things to avoid prejudice in his thinking, to think clearly, to acquire information of scientific value and to use it logically. But, next to his enthusiasm for science, he should have a concern for the common welfare, so that, when he sees relationships of cause and effect in the economic realm an understanding of which will help to solve the problems of economic society and to further this welfare, he will endeavour in such ways to make these relationships known. Scientific thinking must come first, else, even with the greatest good will in the world, we shall have only "blind leaders of the blind." But concern for the common welfare may pro-

Harry Gunnison Brown
(Prof. of Economics University of ...)

THE RIGHT TO THE USE OF THE EARTH

Given a race of beings having like claims to pursue the objects of their desires—given a world adapted to the gratification of those desires—a world into which such beings are similarly born, and it unavoidably follows that they have equal rights to the use of this world. For if each of them "has freedom to do all that he wills provided he infringes not the equal freedom of any other," then each of them is free to use the earth for the satisfaction of his wants, provided he allows all others the same liberty. And conversely, it is manifest that no one, or part of them, may use the earth in such a way as to prevent the rest from similarly using it; seeing that to do this is to assume greater freedom than the rest, and consequently to break the law.

Equity, therefore, does not permit property in land. For if ONE portion of the earth's surface may justly become the possession of an individual, and may be held by him for his sole use and benefit, as a thing to which he has an exclusive right, then OTHER portions of the earth's surface may be so held; and our planet may lapse altogether into private hands. Observe now the dilemma to which this leads. Supposing the entire habitable globe to be so enclosed, it follows that if the landowners have a valid right to its surface, all who are not landowners have no right at all to its surface. Hence, such can exist on the earth by sufferance only. They are all trespassers. Save by the permission of the lords of the soil, they can have no room for the soles of their feet. Nay, should the others think fit to deny them a resting place, these landless men might equitably be expelled from the earth altogether. If, then, the assumption that land can be held as property, involves that the whole globe may become the private domain of a part of its inhabitants; and if, by consequence, the rest of its inhabitants can then exercise their faculties—can then exist even—only by consent of the landowners; it is manifest, that an exclusive possession of the soil necessitates an infringement of the law of equal freedom. For, men who cannot "live and move and have their being" without the leave of others, cannot be equally free with those others.

Herbert Spencer.

Interesting Correspondence

For the information of our readers we publish a letter received from the Douglas Credit Association of South Australia, by Mr. E. J. Craigie, M.P., with his reply. We trust the correspondence will prove of interest.

Douglas Social Credit Association of S.A.
Adelaide, 23rd December, 1935.

E. J. Craigie, Esq., M.P.,
Parliament House, Adelaide.

Dear Sir,

I am instructed by the Executive of this Association to ascertain your attitude towards the Douglas Social Credit Proposals viewed as a remedy for the present economic chaos. Enclosed please find a stamped envelope for reply.

As Parliament is now in recess you will have ample opportunity to review the economic position. Such examination will disclose a deplorable state of poverty and degradation which should have no place in our community.

You will admit Australia's proven productive capacity of the necessities and amenities of life should ensure a higher standard of living for all. You will further admit that this question of abolishing the poverty and removing the want demands priority over all other Parliamentary business.

At a public meeting held in the Adelaide Town Hall, on Thursday, 3rd October, a resolution was carried and communicated to you by the chairman, Mr. John F. Hills, M.A. No reply has been received from you regarding this resolution.

We would remind you that you are the people's servant, and we demand that you interest yourself in the welfare of all sections of the community.

We warn you that should you fail to comply with our request we will devote all our energy to supporting your opponent at future elections, irrespective of party considerations.

As a guide for your education and edification, we suggest that you read and digest the contents of the Tasmanian Monetary Committee's Report, issued by the Tasmanian Government on the 29th November last.

Yours truly,

E. H. HERGSTROM,
Hon. State Secretary.

Parliament House, Adelaide,
January 28, 1936.

Mr. E. H. Hergstrom,
Hon. Secretary Douglas Credit Association
of South Australia,
Adelaide.

Dear Sir,

I desire to acknowledge receipt of your duplicated letter of December 23rd. I propose replying to your paragraphs seriatim.

1. You state you "are instructed by the Executive of this Association to ascertain your attitude towards the Douglas Social Credit proposals as a remedy for the present economic crisis." Surely your Executive is well conversant with my views in that regard! You must be aware of the fact that on three occasions I have publicly debated with three leading exponents of the Douglas proposals, and made it quite clear that in my opinion the scheme suggested by Major Douglas was of an inflationary nature, did not touch the cause of our economic troubles, and, if put into operation, would only intensify existing evils.

2. Whether Parliament is in recess or in session I do not miss any opportunity for reviewing the economic position. I agree with you that examination discloses the fact that we have "a deplorable state of poverty and degradation which should have no place in our community." I recognised that fact many years ago prior to the Douglas Credit Association coming into existence, and advocated what in my opinion is the ONLY practical policy to deal with the CAUSE of the trouble and to establish society on a sound economic basis.

3. I am heartily in agreement with the contention that "Australia's proven productive capacity of the necessities and amenities of life should ensure a higher standard of living for all." I also freely admit "that this question of abolishing poverty and removing the want demands priority over all other parliamentary business." I am very definitely of the opinion that the present unjust and inequitable distribution of wealth is due to faulty legislation in the past, and that only by legislative action is it possible to restore to the people the

heritage that has been filched from them and place them in a position of enjoying the full fruits of their exertion. I have consistently stressed this fact in my speeches in Parliament, therefore needed no prompting from your Association to stress what is so obvious to all intelligent people.

4. I did not reply to your resolution sent from the Town Hall meetings for the simple reason that it was a mere generalisation and did not appear to call for an answer, any more than the hundreds of other resolutions a member receives in the course of his work.

5. There was no need for you to remind me that I am "the people's servant." I have always regarded myself as being in Parliament to serve all the people to the best of my ability, and my record will show that I have faithfully endeavoured to carry out the trust reposed in me. Might I with all due humility suggest that although I am "the people's servant," I am not the servant of the Douglas Credit Association. Furthermore, might I respectfully ask why your Association arrogated to itself the right of "demanding" that "you interest yourself in the welfare of all sections of the community?" Where do you get the authority for making such a demand? Can you point to any action of mine in the past that has been against the "welfare of all sections of the community"? Are you aware of the fact that the policy I advocate seeks "Equal opportunities for all, special privilege to none"?

6. This paragraph reveals the intolerant and unprincipled nature of your Executive. You "WARN" me that if I should "FAIL TO COMPLY" with your request (i.e., to state my views on Douglas Credit) you "WILL DE-VOTE ALL OUR ENERGY TO SUPPORTING YOUR OPPONENT AT FUTURE ELECTIONS, IRRESPECTIVE OF PARTY CONSIDERATIONS." With all respect I would suggest the your Executive did not do itself justice when it framed this paragraph in this unique letter.

In the first place the letter was a duplicated one sent to practically all members of Parliament. Therefore, in regard to this request, unless members express their views on your doctrine you propose supporting their "opponents." May I ask which opponents? Are you going to support Liberals in some districts and Laborites in others? Take my own case. In the past I have had as candidates against me representatives of the Liberal and Country League and also members of the Labor Party. They are usually regarded as opponents. I shall probably have them contesting against me at the next election. You are going to "support my opponents." Which? Will your influence be behind the Liberal or Labor opponents? Or will you be generous and give support to each? That appears to be the only way you can be consistent in the threat you have issued.

On receiving this letter you will probably realise that your Executive has overreached itself in regard to this paragraph, and made your Association appear ridiculous in the eyes of all thinking and tolerant individuals. You have clearly demonstrated that as an Association you have no definite guiding principle—that your decision is actuated merely by spleen.

Let me submit a few points for your consideration. Are you sure I shall have an "opponent" at the next election? Assuming I have, what guarantee have you that he will be in sympathy with your proposals? Suppose this "opponent" favors giving the banks (your pet aversion) greater powers than they possess today, will you still carry out your present threat to "devote all your energy" in supporting him? Are you so blinded by passion and prejudice that you feel it necessary to threaten all members who will not tamely submit to and accept the inflationary proposals of Major Douglas? Surely you do not imagine that members can be so easily frightened! So far as the District of Flinders is concerned I give you a cordial invitation to "go your hardest" in favor of any "opponent" I may have. If you make contact with the electors of Flinders you will find they have a knowledge of economic principles which will enable them to see the fallacies of the doctrine you advocate.

7. Prior to receiving your letter I had already "read and digested" the Tasmanian Monetary Commission's Report. I was neither "educated or edified" by a perusal of its contents. As a matter of fact I felt sad to think that responsible members of the Tasmanian Parliament could be guilty of producing such a monstrosity as a guide to betterment. As I propose publishing my views on the

I intend giving some facts regarding this Commission so that the general public may understand the true position. The Commission was appointed as the result of a move by Mr. G. S. Carruthers, the Social Credit member in the Assembly. He was appointed Chairman of the Committee, and the other members were Messrs. Dwyer Gray and O'Keefe, of the Labor Party, with Mr. Pearsall, Independent; and Capt. Cameron of the Nationalist Party. Seeing that Messrs. Carruthers, Dwyer Gray and O'Keefe were pledged to a policy of the Nationalization of Credit, and they constituted a majority of the Commission, the decision of the Commission could be anticipated prior to the Report being issued.

Any person perusing the Report for enlightenment in regard to our present unjust position will be very much disappointed. The findings, as expressed on page 4, are delightfully vague, viz.:

1. Restoration to the sovereign community of effective control over money in all its forms, and
2. The establishment by the Commonwealth Parliament of machinery which would secure regular equation between the community's production and the community's purchasing power.

No intimation is given as to the machinery necessary to bring about the desired result, notwithstanding the fact that 80 pages of generalities are printed. The King, the Prince of Wales, the Dean of Canterbury, some Archbishops and Chambers of Commerce, and a Papal Encyclical are quoted, but as to anything of a practical nature, one seeks in vain.

On page 18 of the Report we have the startling and inaccurate statement that Unemployment is incurable. Some "General Comments" are offered on page 21, and we are informed that the "finance system is little understood." Then, with a view to enlightening the public the members of the Commission give the "Meaning of Wealth." They inform us

Speaking generally, the wealth of an individual consists of his possessions in land, goods, etc., personally useable or exchangeable for the useable possessions and services of other individuals.

As a humble student of political economy I have always understood that LAND was NOT wealth, but was the SOURCE from which all wealth was obtained. Apparently the members of this Commission think the PRODUCT and the SOURCE OF THE PRODUCT are one and the same thing.

It is not surprising that one of the witnesses who appeared before the Commission was Mr. David Robertson, the well known Melbourne manufacturer and financial king of the Douglas movement. Bank shareholders will be pleased to have the assurance of this gentleman, as recorded on page 44, that

If the creation and control of credit was taken from the banks under the Douglas system, shareholders would get their incomes just the same in the National Dividend.

Again on page 49, he states:

You could knock out any such cry as "They are after my money" if you take these people (the private banks) at their own word, that is, according to their balance sheets, they are making certain profits. I AM STILL AGREEABLE TO THEM MAKING THESE PROFITS. The feeling is getting stronger in favor of the change. Medical and professional men are waking up to find that their financial securities are not secure. A movement is beginning IN THE CLASS THAT COUNTS.

At this stage it is pertinent to ask if bank shareholders "would get their incomes just the same in the National Dividend," and Mr. Robertson is "still agreeable to them making these profits" (i.e., those made today), why is there such an outcry against the banks by Douglasites who assert that bank shareholders are waxing rich today by exploiting the public?

On page 45 of the Report Mr. Robertson said he "agreed that during the past three or four years of the depression the only sections of the community that have not made a loss is the section that has shares in banks, trustee companies and insurance companies."

This is a remarkable statement to come from the Commission and Mr. Robertson. Mr. Robertson has more than a nodding acquaintance with the financial position in Australia, as he is a manufacturer of 40 years standing. He is intimately connected with many industries in Victoria. Apparently, like a certain historical character, he placed his financial telescope to his blind eye when searching for evidence in regard to investment returns. For the "education and edification" of your Executive and the members of the Commission I should have known better than to have allowed such a statement to appear in its Report. I will show what my researches have revealed.

Here is a list of investments, grouped under many headings, showing the returns to the fortunate shareholders, during the three or four years of depression."

Name of Company:	Dividends Payable:			
	1932	1933	1934	1935
Steamship—				
Adelaide Steamship Co.	4%	5	6	7
Burns Philp & Co.	10	10	10	10
Huddart Parker Co.	5	5	7	7
North Coast Steam Navigation	8	8	8	8
Illawarra & South Coast	8	8	8	8
Steam Navigation Co.	8	8	8	8
Mining—				
Broken Hill South Co.	20	15	25	30
North Broken Hill Co.	25	15	27½	40
Broken Hill Proprietary Co.	—	10	10	10
Newspapers—				
Adelaide Advertiser Co.	—	—	—	7½
Herald & Weekly Times	10	10	10	10
West Australian Newspapers	8	8	8	8
Breweries—				
Carlton & United	10	10	10	8
Melbourne Co-operative	131½	131½	131½	8
South Australian Brewing Co.	6	6	6½	7
Cascade Co.	5	5½	7	8
Queensland Brewery Co.	7	7	7	7
Castlemaine Perkins Co.	8	8	8	8
Tooth & Co.	8	8½	9½	12½
Tooney's Brewery	6	6	6½	7½
Walkerville Co.	—	—	5	5
Shamrock Brewing and Malt-	11	11	10	10½
ing Co.	12	20	16	20
Swan Brewery Co.	12	20	16	20
Lighting—				
Adelaide Electric Co.	10	10	10	10
Australian Gas Light Co.	6½	6	6	6
Mainly Gas Co.	6	6	6	6
Electric Light & Power Ltd.	10	7	9½	—
S.A. Gas	6	6	6	6
Electric Light & Power Supply	10	8	8	8
Corporation	10	8	8	8
Sugar—				
Millaquin Co.	9	6	7	8
Fairymead Sugar Co.	8	10	10	10
Colonial Sugar Refining Co.	13½	12½	12½	12½
Rubber—				
Dunlop Perdzian	3	4	5	10
Goodyear	8	16	12	8
Cement—				
Goliath Portland	—	2½	10	15
Kandos	2½	5	6	7½
Standard	4	6	7½	7
Australian	4	5	5½	10
Adelaide	10	10	10	15
Textiles—				
Australian Knitting	5	5	7½	7
Berlei	8	8	8	8
Lustre Hosiery	—	—	5	7½
Prestige Hosiery	10	10	10	10
Industrials—				
Australian Glass Co.	7½	9	9	13
British Tobacco Co.	6	6	6	6
Woodworths	17½	23½	25	12½
J. Fielding	15	15	15	15
Henry Jones & Co.	82	6½	7½	82
David Jones & Co.	5	8	10	10
Amalgamated Wireless Ltd.	7½	8	10	10
G. J. Coles & Co.	10	10	10	12½
Robert Harper & Co.	8	8	8	8
Roselle Preserving Co.	8	7	8	9
Walker Field & Co.	10	8	8	8
Edwards Dunlop & Co.	5½	6	6½	8
Australasian Paper & Pulp	8	8	8	8
Canberland Paper & Board Co.	7½	8	8	8
Electric Construction Co.	8	8	8	6
Washington H. Soul, Pattinson	10	12½	12½	12½
Concrete Limited	10	10	7½	—
Wright, Heaton & Co.	10	12	12	12
Guinea Airways	22½	20	20	20

The above list, which could be added to, shows the handsome returns enjoyed by shareholders in these companies. Is not it surprising that such a shrewd business man and director of companies was not conversant with the financial returns which I have enumerated? Can this oversight be attributed to the fact that the "protected" industries he is associated with did not get their usual "rake-off" from the public; and this led him to assume that all his "privileged" brethren had suffered a LOSS instead of the handsome returns which they received? Further, why did the members of the Commission acquiesce in the assertion that bank, trustee and insurance shareholders were the only ones who did not suffer a loss during those years, when the companies returns showed otherwise? Are such men competent to express an opinion on important questions of finance? If Mr. Robertson and the members of the Commission are so anxious to see a more equitable distribution of wealth, why do not these alleged financial saviours of the people assist in abolishing the privilege these manufacturers enjoy, as well as continuously crying against the enormous profits made by banking institutions? I hold no brief for the banks, and realise they have taken advantage of every opportunity to make profits. But I cannot shut my eyes to the fact that their profits have been exceedingly low as compared with those secured by protected manufacturers. The following table will prove the truth of this assertion.

Name of Bank:	Dividend Payable for Years			
	1932	1933	1934	1935
Bank of Adelaide	4	4	4	4
Queensland National	4	4	4	4
National	6	5	5	5
New South Wales	5½	5	5	5
Commercial Bank of Sydney	5½	5	5	5
E.S.A. Bank	5	5	5	5
Union	5	5	5	5
Commercial Bank of Australia	5	5	5	5.8
Bank of Australasia	9	7	7½	9½
Bank of New Zealand	14½	11½	10	10

It will be seen from the above list that the Bank of New Zealand was the only one to pay 10 per cent., although the Australasia got close to it last year owing to its centenary bonus of 2½ per cent. From the above figures you will realise that the statement by Mr. David Robertson, approved by the Commission, that "the only sections of the community that have not made a loss is the section that has shares in banks, trustee and insurance companies" is a perversion of the truth. If you will give careful study to the list of companies quoted by me you will find that most of them have legislative privileges of some kind, such as land, tariff or franchise concessions, hence their big profits. Why is it the Douglas Credit Association is so strangely silent in regard to the profits made by these companies? As far as I am aware it has never entered one word of protest against the exploitation of the public by these privileged concerns. If it has I should be pleased to have the place and date when such protest was made.

With the greatest respect I suggest that you are chasing the shadow and missing the substance. Money is no more wealth than a title deed is a house. To issue money tokens without altering the present economic policy will merely intensify the existing evil. Such action will not restore the birthright that has been filched from the people, neither will it abolish the tariff and other privileges now in existence. It will not lessen the taxation burden which is making production unprofitable today. I disagree with your ideas concerning credit. I believe that an individual produces wealth to the value of £100, that he has £100 credit. That credit is his, and cannot morally be socialised without doing an injustice to that individual. Just as the individual is entitled to the value he creates, so in like manner is the community as a whole entitled to the value which it creates. The true Social Credit is the rental value which attaches to land by reason of the presence and activities of ALL the people. Under our present policy that SOCIALLY CREATED VALUE is going into private pockets instead of into the Public Treasury to defray the cost of government. In Australia it amounts to approximately £70,000,000 each year. Because the communally created value is not taken to defray the cost of government, a crushing dead weight burden of taxation is imposed on wealth producers. Has the Douglas Credit Association ever entered one word of protest against the continuance of this great iniquity? You specialise upon what you call a shortage of "purchasing power." Have you really understood what purchasing power really is? Is not labor manifested in production the only purchasing power? If I have produced wealth to the value of £100, does not that give me power to go into the social service market and purchase £100 of commodities? If a landlord charges me £20 for the right to produce, and a "protected" manufacturer gives me only £10 of wealth for each £20 he takes from me in exchange, and the Government imposes £10 in taxation on my efforts, does not that reduce my purchasing power by £40? Your proposal does not deal with the landlord, the protected manufacturer, or the taxation robbery. How, then, can it give relief?

I know you suggest the payment of a National Dividend, and that all shall participate in the distribution, irrespective as to whether he or she has contributed or not. You are going to issue money, or tickets, as you sometimes state, and you use these terms as being interchangeable. If you desire a ticket today for the railways or tramways, or for the pictures or the theatre, you know you cannot get one without handing over MONEY. You on the other hand, propose giving tickets, which are to be exchanged for REAL WEALTH, without any money being paid for them. In other words you are going to permit a big section of the community to draw from the pool of wealth without contributing to it. The ultimate effect of action such as that is to reduce the standard of living for all, and make conditions worse than they are at present. Do you are expected to wealth producers will

readily give up the product of their labor and not receive compensating value in return? If you do you have a poorer opinion of the people than I have.

Under our present legislation we have a number of people who are parasites upon society. They get without giving service in return. Your proposal would increase the number of people who live without working, and you put this forward as a practical proposal for the betterment of mankind. It is surprising that such an unjust and unsound doctrine should receive the support of people who are supposed to know something of the working of economic laws. I certainly cannot subscribe to it.

Mankind lives by production from the soil. The Henry George doctrine which I support realises that all men have an equal right to the land—the source of all production. We propose giving effect to that policy by taking the rent of land into the public treasury, thus making it unprofitable for any one to hold more land than can be profitably used. Our policy believes that all who produce should enjoy the full result of their labor, and to give effect to this we urge the abolition of income, motor, stamp, customs and excise, duties and taxes which exploit people during their lifetime, and we also support the abolition of probate and succession duties, which rob the widows and orphans of wealth producers.

With the freeing of the land to the people, natural opportunities will be opened to all, and there will then be no justification for any person being unable to produce his or her livelihood, as there will be "more jobs than men." "Unemployment," which the Report of the Commission stated was "incalculable," would be a thing of the past. Everyone could then live in a happiness and peace.

Do you believe in these principles? If so, we cordially invite you to assist us in giving effect to them. If you do not, and prefer your method of propaganda, we are sufficiently tolerant to give you the right to your opinion, and will not even suggest that if you do not agree with us we "will devote all our energy to supporting your opponents at future elections, irrespective of party consideration."

Trusting that at no distant date you will understand the working of economic law and come out and assist in the fight for freedom,

I am,
Yours for social justice,
E. J. CRAIGIE.

HENRY GEORGE LEAGUE OF SOUTH AUSTRALIA

The monthly meeting of league members was held on Tuesday, January 21. The president (Mr. A. S. Bayly) occupied the chair, and there was a fair attendance of members. In opening the meeting the chairman extended new year's greetings to all, and expressed the hope that the new year would see a wide extension of the Henry George principles. Correspondence read and received. Minutes read and confirmed. In his report the secretary dealt with the work associated with the issue of a pamphlet dealing with a Centenary of Land Values in South Australia. Going through the land value assessments he had noted that a number of organisations which formerly had been assessed for land value tax were now exempt from payment. He thought all should pay in proportion to benefits received. Reference was made to the gift of pamphlets which had been prepared by Dr. E. W. Culley, which were a fine advertisement for Georgean principles. Information regarding the result of the British election was given, the secretary stating that he had met some of the elected members at the International Conference, and their presence in the House of Commons would be of great advantage to the movement. A suggestion was made that a series of meetings on the West Coast be arranged. Sympathetic reference was made to the death of our late co-worker, Mr. Sidney Benlow, late of Walkerie, who died as a result of a motor accident. Report received. Financial statement received and accounts passed for payment. The president expressed pleasure at Mr. F. P. Drymalik's attendance and hoped he would be able to render good service during the year. It was resolved, the league direction sign be repainted. The suggested trip to the West Coast was approved, and the secretary will leave on March 2, and address 18 meetings. It was reported that Mr. W. D. McLean was doing excellent work for the cause in the Botanic Park. Resolved that two books be procured for the library. Matters of general interest were discussed. Next League Meeting, Tuesday, February 25, at 8 p.m.

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