

Philippine Islands independence as an appendix to the act of ratification.

Mr. Bryan has constantly and steadfastly advocated Philippine independence; and if the Democratic party is successful, by this candidate and by this platform it stands firmly pledged to proper measures to effect this independence without delay.

ERVING WINSLOW,
Secretary of the Anti-Imperialist League.

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LAND LAWS IN NEW ZEALAND.

Auckland, New Zealand, June 15.—Democrats and social reformers will be interested to know of the progress now being made in the direction of land value taxation in New Zealand.

Last year Sir Joseph Ward's government passed three bills dealing with land, land values and land value taxes. Putting the net results of the three bills together we find that considerable progress has been made.

In one bill there is an increase in the graduated land value tax.

In another bill there is set aside over eleven million acres (about two-thirds of the remaining crown lands) as an endowment, the revenue or rent of which is in future to be used by the government for education and old age pensions.

The Land bill provides numerous improvements in land tenure, one being that government land in future will not be leased for 999 years, but for thirty-three and sixty-six years only. Another provision is that wherever more than one application is received for one section of government land, the applicants who are already in possession of other land are disqualified, and the landless applicants ballot for the section amongst themselves.

GEORGE STEVENSON.

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AUSTRALIA.

Corowa, N. S. W., July 1.—The first session of the third Federal Parliament (p. 273) closed early in June. The principal acts passed were the Customs and Excise Act, the Surplus Revenue Act, and the Old Age Pensions Act.

The Tariff.

Though many of the duties proposed by the Government were reduced, the new tariff is considerably higher than that adopted in 1902. It is very uneven, some duties being very high.

Surplus Revenue Act.

The Federal Constitution provides that for the first ten years of federation, and afterwards until Parliament makes other arrangements, at least three-quarters of the revenue from customs and excise duties shall be paid over to the State governments. Hitherto the Federal government has spent less than a quarter of this revenue, and has handed all the rest to the States. The Surplus Revenue Act provides that the Commonwealth may retain a quarter of the revenue, even if it does not expend it all. Whether this is constitutional is doubtful.

Old Age Pensions.

The Old Age Pensions Act provides that from July 1, 1909, pensions will be paid to all persons who

have resided in the Commonwealth for 20 years, are over 65 years of age, and are in poor circumstances. The rate of payment is to be \$2.50 per week; and the total cost is estimated at \$9,000,000 per annum. At present the States of New South Wales and Victoria pay old age pensions.

State Rights.

The Federal High Court has recently decided some very important cases bearing on State rights. Last year the State government of New South Wales imported a quantity of rabbit proof wire netting, to be sold on easy terms to farmers, and a consignment of steel rails to be used on the State government railroads. As the Constitution forbids the Commonwealth to tax the States, the New South Wales government claimed that these goods were exempt from customs duties. Probably the framers of the Constitution intended that goods imported by a State government for its own use, as in the case of the rails, should not be liable to duty. But the States could of course nullify any tariff if they had the power to import goods duty free and sell them to the public. The court decided that in both cases the State government must pay duty, though it is generally considered that the judgment was based on a somewhat strained reading of the constitution, one of the judges going so far as to argue that a customs duty is not a tax.

In 1906 the Federal parliament raised the import duties on harvesting machinery, but at the same time it passed an Excise Act providing that locally built harvesters should be subject to an excise duty. Manufacturers who could show that they paid their employes "fair and reasonable wages" were to be entitled to exemption from the excise duty. A provision was also made that the price of harvesters was not to exceed a certain amount. This proved ineffective because it referred to cash sales only; the price of machines sold on credit was not limited. For a long time no claims for exemption from excise duty were made by the manufacturers, but the government did not attempt to collect the duty, though frequently urged to do so. Then the employes of several firms made an application to the Arbitration Court for increased wages, which were granted, thus proving that the previous rates were not "fair and reasonable" as defined in the Excise Act, and that the manufacturers were not entitled to exemption from the duty. The government then demanded payment of duty on all machines sold since the act came into force, but the manufacturers appealed to the High Court on the ground that the act was unconstitutional. The court has decided in favor of this appeal. The constitution provides that the Commonwealth government has no jurisdiction regarding industrial matters except in cases where disputes extend beyond the boundaries of any one State. The court ruled that the act constituted an attempt to use the powers of taxation by the Commonwealth to do something which the constitution forbids; namely, to interfere with matters reserved exclusively to the States. This decision destroys the "new protection" scheme (vol. x, p. 1062) of the labor party, of which the Excise Act was a forerunner. The labor party, which includes a number of free traders, assisted the government to pass the tariff on the understanding that an act embodying the "new protection" proposals should be passed