TEN YEARS

OF

TORY GOVERNMENT

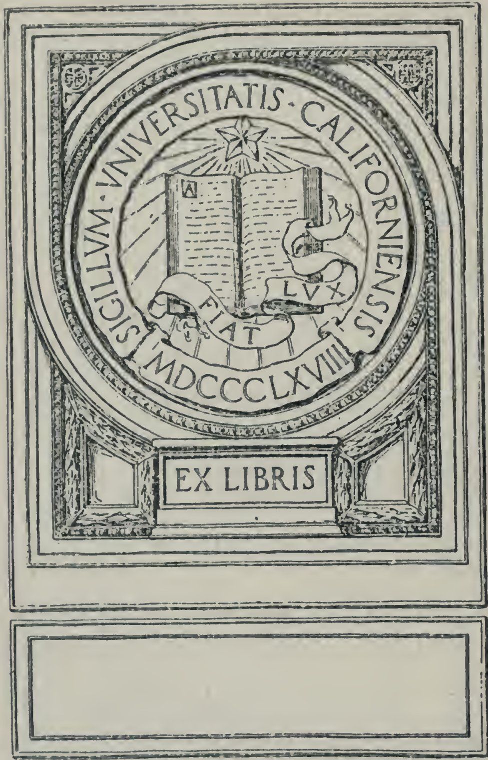
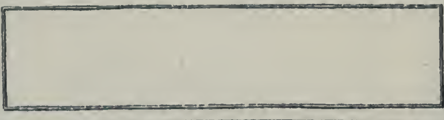
HOME AFFAIRS: 1895-1905.

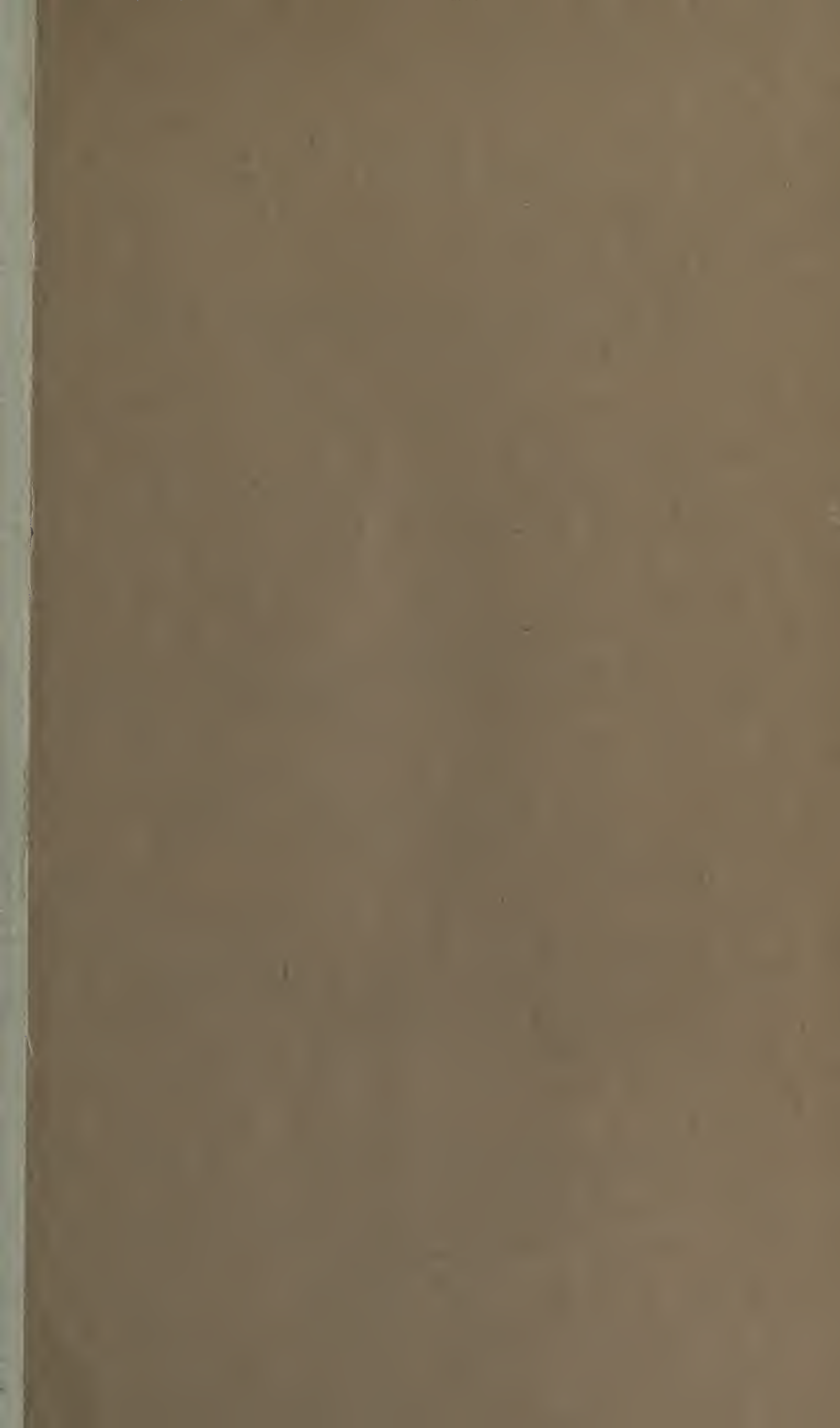
A HANDBOOK

FOR THE

USE OF LIBERALS.

3/- NET


SIGILLVM · VNIVERSITATIS · CALIFORNIENSIS
FIAT
LVX
MDCCCLXVIII
EX LIBRIS




TEN YEARS

OF

TORY GOVERNMENT.

1895—1905.

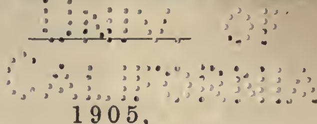
HOME AFFAIRS.

A HANDBOOK

FOR THE

USE OF LIBERALS.

"*Promising is the very air o' the time. . . . To promise is most courtly and fashionable: performance is a kind of will or testament which argues a great sickness in his judgement that makes it.*"—TIMON OF ATHENS.



1905.

THE LIBERAL PUBLICATION DEPARTMENT,

(*In connexion with the National Liberal Federation and Liberal Central Association.*)

41 & 42, PARLIAMENT STREET,
LONDON, S.W.

JN1129
T7L6

LONDON:
PRINTED BY THE NATIONAL PRESS AGENCY LTD.,
WHITEFRIARS HOUSE, E.C.

UNIV. OF
CALIFORNIA

PREFACE.

Two years ago, in writing a few prefatory words to "Eight Years of Tory Government," I said that no Government since the days of Charles the Second had so bad a record as the present Administration. That was giving the dog a sufficiently bad name, but, even so, the last thing the dog is willing to do is to hang himself. Mr. Balfour still outstays at Downing Street the welcome he never received, and will probably live in history as the Prime Minister who has declared his right to remain in office without the pretence of the support of the Country.

This Handbook seeks to show what the domestic record of the Tory Government has been since 1895. There is much talk about negative and positive policies, but it is clearly desirable that the electors who, thanks to the Septennial Act, will before very long be allowed to record their opinion in the ballot-box, should realise how they have been governed during the last ten years. If, with their eyes opened to what Toryism means and costs, they wish for a further dose, there will be nothing more to be said. But I have more confidence in the good sense of my fellow-countrymen, who are not likely to forget in a hurry the trick that was played upon them in 1900. Every by-election shows a payment on account, but the full reckoning can only come at the General Election.

Foreign Affairs are outside the scheme of the Handbook, but a word may be said as to the ancient shibboleth that the country is only safe so long as

425978

foreign policy and Imperial Defence are controlled by Mr. Balfour's Cabinet. The mere statement of the proposition is its own refutation. It does not only not frighten, it hardly amuses, except indeed when, as at Chichester, we are solemnly assured that a Liberal Prime Minister in Downing Street would mean Germans landing on the shores of Sussex.

To have included the Fiscal Question amongst the subjects dealt with would have been inconsistent with the plan of the Handbook. It is the more light-heartedly omitted since it is so fully dealt with in many publications in which the case for Free Trade is set out. At the moment the Tory party seem to regard Tariff Reform as an incubus rather than an asset, but the average elector, so long as he sees Mr. Chamberlain and Mr. Balfour linked together, will very properly conclude that they are linked together against Free Trade. When Mr. Balfour uses another half-sheet of notepaper to disown Mr. Chamberlain and all his works, it will be time enough to consider whether he is the real saviour of Free Trade, as hard-pressed Tory candidates in the constituencies would have us believe.

"Ten Years of Tory Government" is, of course, written from a Liberal point of view. But it gives chapter and verse for what is stated in it, and in the case of present Ministers no rhetoric can be so deadly as the plain and unadorned record of their deeds. It only remains for Liberals to make sure that this record is known of all men—or, at any rate, of all electors.

AUGUSTINE BIRRELL.

October, 1905.

EDITORIAL NOTE.

This Handbook covers the record of the Tory Government on domestic questions from 1895 up to the end of the Session of 1905. The Chapter on Scotland which has appeared in previous editions of the Handbook is omitted, as Scottish affairs are dealt with in detail in "CURRENT POLITICS," issued by the Scottish Liberal Association.*

Every effort has been made to be accurate and to verify the quotations. Whilst it is too much to expect that with so many facts and figures there are no errors, it is hoped and believed that they will be found to be very few; a note of any that are discovered will be much appreciated by the Editor, addressed to 42, Parliament Street, S.W.

The Editor desires to express his sincere acknowledgments to the many friends who have assisted him in this compilation.

October, 1905.

---

* Price 1s., *post free* 1s. 4d., from the Liberal Publication Departmen 42, Parliament Street S.W.

CONTENTS.

CHAPTER I.

PAGE

FINANCE ... 1

1. The Yearly Balance Sheets ... 1

How the Money has been Raised... 2
How the Money has been Spent ... 4
Total Expenditure ... 6
Sir Henry Fowler's Return ... 6
The Cost of the South African War ... 10
Amount Raised in Taxation, 1891-1905... 11
Taxation Imposed and Remitted, 1895-1905 ... 12
The Increased National Expenditure ... 13
The Sinking Fund ... 14
The Raid of 1899 ... 14
The Re-settlement of 1903 ... 14
The Re-settlement of 1905 ... 15
The National Indebtedness ... 15
The Position in 1905 ... 15
National Indebtedness for the last 18 years ... 17
Tory Taxation ... 19
The Sugar Duty, 1901 ... 20
The Coal Tax, 1901 ... 20
The Corn Tax, 1902 ... 22
The Tobacco Tax, 1904 ... 23
The Extra Twopence on Tea, 1904 ... 25
The Tories and Sir W. Harcourt's Finance ... 26
The Brussels Sugar Convention ... 27
The Results of the Convention... 29
Tory Prophecy... 29
Fact ... 30
Tory Explanations ... 33
Mr. Kearley's Amendment to the Address ... 35
Mr. Chamberlain and the Sugar Question ... 36

2. The "Doles' ... 38

The "Doles" at a Glance... 38
The 1896 "Dole"—to English and Scotch Landowners ... 38
The 1897 "Dole"—to Denominational Schools ... 39
The 1898 "Dole"—to Irish "Agriculture" ... 39
The 1899 "Dole"—to Clerical Tithe-payers ... 40
The 1900 "Dole"—to Irish Tithe-payers ... 42
The 1901 Renewal of the Agricultural and Clerical "Doles" 43
The 1905 Renewal of the Agricultural and Clerical "Doles" 43

CHAPTER II.

AGRICULTURE 46

1. The Tory Promise 46

2. What the Tories Have Done 47

The Rating Act (England and Wales) of 1896 48
What the Rating Act Does 48
Concrete Instances 50
Liberal Attempts to Improve the Act... 51
Points About the Act 52
The Local Taxation Commission and the Rating Act 54
The Agricultural Commission Report and the Agricultural Depression 57
The Animals Diseases Act, 1896 59
The Effect of the Act 60
The Sale of Food and Drugs Act, 1899 61
Agricultural Holdings 62
The Agricultural Holdings Act, 1900 63
Insufficient and Complicated... 63
Rejected Amendments 64
Mr. Lambert's Bill, 1901 66
Small Holdings and Allotments 67
The Budget of 1894 and Agricultural Land 68

3. Points and Figures 69

Mr. Chamberlain on "a Fair Rent" 69
The "Farmers' Friends"! 69

CHAPTER III.

EDUCATION 70

1. The Tory Record, 1895—1901 70

A. 1895—1900 70
The Education Bill, 1896 71
The Voluntary Schools Act, 1897 72
The Necessitous School Boards Act, 1897 73
The 1899 Code and Pupil Teachers 74
The Board of Education Act, 1899 75
The Secondary Education Bill, 1900 75
B. 1900—1901 75
The Education (No. 1) Bill of 1901 76
The Education Act, 1901 77

2. The Education Act of 1902 77

The Inclusion of Elementary Education 77
The Provisions of the Act... 78
The Act Criticised 87

3. The Tory Record, 1903—1905 90

The Education Acts at Work 90
Ministers and the Acts 90
The Welsh Coercion Act, 1904 91
The Committee Stage 92
Mr. Balfour on Coercing Local Authorities 93
The Bishop of St. Asaph's Bill, 1904 94

4. Educational Administration, 1895—1905 95

CHAPTER IV.

THE TORY SOCIAL PROGRAMME ... 104

1. The Tory Promise 104

2. What the Tories Have Done 105

Mr. Chamberlain's Programme 106

Mr. Balfour's 1895 Election Card 107

CHAPTER V.

OLD AGE PENSIONS 108

1. The Tory Promise 108

A. 1895 108

B. 1900 109

2. What the Tories Have Done 110

The "Expert" Commission 110

The Select Committee of the House of Commons 111

Who Are to Have the Pensions? 112

The Machinery of the Scheme... 113

The Cost 113

The Departmental Committee 114

Mr. Chamberlain's Old Age Pension Record 115

In Opposition and—in Office 117

Aged Pensioners Bill, 1902 118

Pensions by Preferential Tariffs, 1903 119

Select Committee, Aged Pensioners Bill, 1903... 121

Old Age Pensions Bill, 1904 122

Mr. Chamberlain and the "Unknown Scribbler" (1905) ... 122

3. Points and Figures 123

The Two Mr. Chamberlains 123

Passing it on... 123

"Consult the Liberal Unionist Agent"... 124

Mr. Chamberlain and the Friendly Societies 124

I.—"Under Another Chancellor of the Exchequer" 124

II.—"A Subject for Party Controversy" 125

Mr. Balfour on Old Age Pensions 126

The *Morning Post* on Mr. Chamberlain and Old Age Pensions 127

The *Saturday Review* on Mr. Chamberlain and Old Age Pensions 127

CHAPTER VI.

THE COMPENSATION ACT 128

1. The Tory Promise 128

A. 1895 128

B. 1900-1905 129

2. What the Tories Have Done 131

The Compensation Act in Parliament 132

The Excluded Workers.—The Agricultural Labourer... ... 134

The Agricultural Labourers Act of 1900 135

Tory Misstatements about the Act 136

The Departmental Committee's Recommendations 138

The Amending Bill of 1905 142

3. Judges on the Working of the Act 146

4. Points and Figures 149
Promise *v.* Performance 149
The Act and "Casual" Labourers 149
The Act and Tariff Reform 150

CHAPTER VII.

THE TEMPERANCE QUESTION 151
1. The Tory Promise 151
2. What the Tories Did, 1895—1903 152
The Vagaries of 1901 154
The Children's Liquor Act, 1901 156
The Licensing Act, 1902 156
Ministers and "the Trade" in 1903 158
3. The Licensing Act, 1904 160
Summary of Provisions of the Act 162
The Bill in the Commons 165
The Time Limit 167
Mr. Balfour and "Eternal Justice" 169
4. The Licensing Commission Report 170

CHAPTER VIII.

THE HOUSING OF THE WORKING CLASSES 174
1. The Tory Promise 174
A. 1895 174
B. 1900 175
2. What the Tories Have Done 175
The Small Houses Act, 1899 175
Better Housing 176
The Act of 1900 176
1900-1903 177
The Act of 1903 178

CHAPTER IX.

THE EXCLUSION OF ALIENS 179
1. The Tory Promise 179
2. What the Tories Did, 1895—1904 180
The Tory Record, 1895-1902 180
The Royal Commission Report, 1903 181
Recommendations 182
Minority Reports... 183
The Aliens Bill, 1904 184
The Second Reading 185
The Reference to a Grand Committee... 186
The Fate of the Bill 186
3. The Aliens Act, 1905 187
The Bill as Introduced 187
The Second Reading 189
Later Stages 191
Points from the Debates 192
The Act as Introduced and as Amended... 195

CHAPTER X.

SHORTER HOURS IN SHOPS 197

1. The Tory Promise 197

2. What the Tories Have Done 197

The Shop Hours Act, 1904 199

CHAPTER XI.

THE ARMY AND NAVY 201

The Increase in Cost 201

The Army Corps Scheme 202

The Remounts Scandal 204

The Meat Contracts 206

The War Commission Report 207

The Intelligence Department's Warnings ... 207

Disregarded Warnings 208

Lord Lansdowne's Ignorance 208

The Utter Lack of Co-ordination... 209

Lord Roberts's Comments 209

The Responsibility of the Cabinet 210

The Lesson not Learnt 210

Home Unpreparedness 211

Responsibility of Lord Lansdowne 212

The War Report in the Commons 212

The War Office Committee Report 212

The Abandoned Army Corps Scheme 213

The Government and the Report of the Committee of Three 214

Mr. Arnold-Forster's Army Scheme... 214

Mr. Arnold-Forster's Scheme in 1905 21

"Arrested Progress"—The Militia and the Volunteers 220

The Scheme and Economy 224

The Militia and Volunteer Royal Commission Report, 1904. —Conscription 227

The Government and Conscription 229

The Army Stores Scandal 230

The Royal Commission 233

The Vote of Censure 234

Points and Figures 235

Liberals and Imperial Defence 235

Liberals and Army Reform 236

Lord Roberts on the Army 236

Armaments Expenditure on Peace Footing 237

Five Years' Naval Construction 237

CHAPTER XII.

LONDON 238

The Government and the Metropolitan Water Companies 238

The Attack upon the London County Council 240

The Education Act, 1903 242

London Tramways 243

The Port of London 243

The Tory "Doles" and their effect in London 245

CHAPTER XIII.

IRELAND 247

1. Questions dealt with 247

(1) Irish Local Government 247

What the Irish Local Government Act of 1898 does 248

The Act—and the Credit for it 249

The Working of the Act 249

(2) The Irish Land Question 250

The Act of 1903 in Outline 250

The Second Reading 252

The Working of the Act 254

2. Questions not dealt with 255

(1) Home Rule 255

Home Rule in Parliament, 1895-1905 256

(2) The Financial Relations between Great Britain and Ireland 259

(3) An Irish Roman Catholic University 261

A. Mr. Balfour's Manifesto, 1899... 261

B. The Royal Commission of 1901 262

(4) Irish Representation 265

3. The MacDonnell Incident 267

The New Departure 267

Sir A. MacDonnell Appointed 267

The Terms of Sir A. MacDonnell's Appointment ... 267

The First Fruits of the New Departure 269

The Beginning of the Devolution Scheme 269

Lord Dunraven's Manifesto 269

The Reform Association Scheme 271

Mr. Wyndham's Disclaimer 273

Sir E. Carson's Criticism 274

The Government's Censure of Sir A. MacDonnell ... 275

Mr. Wyndham's Resignation 276

Mr. Wyndham's Personal Explanation 276

Sir H. Campbell-Bannerman's Vote of Censure ... 278

The Morals of the Incident 279

CHAPTER XIV.

WALES 280

Religious Equality 280

Education 281

Temperance Reform 281

The Land Question 281

Private Bill Legislation 282

The Berriew Act, 1897 282

CHAPTER XV.

HOUSE OF LORDS 283

The House of Lords as Standing Committee of the Tory Party 285

The Lords' Record during the Tory Governments, 1895-1905 288

(1) The Irish Land Act of 1896 289
(2) The Workmen's Compensation Act of 1897 289
(3) The Irish Local Government Act of 1898 290
(4) The Vaccination Act of 1898 290
(5) The Seats for Shop Assistants Act of 1899 291
(6) The "Wear and Tear" Clause of the Education Act of 1902 292
(7) London Trams, 1905 293

Welsh School Schemes 294

CHAPTER XVI.

OTHER QUESTIONS 295

(1.) Local Taxation Commission Report 295

The Commission Report 296
I.—Local Subventions 296
II.—The Rating of Agricultural Land 297
III.—The Rating of Site Values 299

(2.) The Taxation of Land Values 302

(3.) The Rights of Workmen 304

Mr. Beaumont's Motion, 1902 305
The Bills of 1903, 1904, and 1905 305
Mr. Shackleton's Bill, 1903 307
Mr. Paulton's Bill, 1904 307
Mr. Whittaker's Bill, 1905 308
The Royal Commission 310

(4.) The Penrhyn Quarry Dispute 311

(5.) Railway Servants—Accidents and Hours of Labour 312

The 1895 Parliament 312
Captain Norton's Motion, 1902 313
Mr. Caldwell's Motion, 1903... 314

(6.) Government Contracts for Foreign-Made Goods 315

(7.) The Exclusion of Prison-Made Goods 316

APPENDIX.

THE MANDATE THEORY 318

I.—No Express Mandate 320
II.—No Implied Mandate 321
Possible Justifications for Lack of Mandate 324
Summary 324

FINANCE.

Before we proceed to set out the financial story of the present Government it will be convenient to summarise very shortly its salient features :—

(1) Thanks to good times and trade (for which on their own admission the Government has not been responsible) the revenue has risen by leaps and bounds, but even up to the time of the war there was practically no remission of taxation. (See pages 2 and 12.)

(2) The realised surpluses of the years before the war were nearly all diverted from their natural destination—the reduction of the National Debt. (See page 4.)

(3) In order, in 1899, to escape the odium of imposing fresh taxation in a time of great revenue, the annual amount set aside for the service of the National Debt was reduced in time of peace from 25 to 23 millions. (See page 14.)

(4) The largest of Sir Michael Hicks-Beach's surpluses was smaller than the increased yield to the revenue due to Sir William Harcourt's equalisation and graduation of the Death Duties in 1894. (See page 27.)

(5) The soundness of Sir William Harcourt's finance is attested by the fact that no attempt has been made to upset it. (See page 26.)

(6) As the result of the enormous increase in the normal expenditure, over two-thirds of the war taxation has to be retained now that the war is over. (See page 19.)

(7) The South African War, estimated to cost 10 millions, cost 226 millions, of which 125 millions is added to the National Debt. (See page 10.)

(8) Owing to the amount of Capital Expenditure no debt has been paid off since the war, nor is there any prospect of doing so at least until 1908. (See page 15.)

(9) The Tory Government is now spending 48 millions a year more than the Liberal Government did in 1895—in other words Toryism costs every man, woman, and child in the United Kingdom £1 2s. 6d. every year or nearly a penny for every working day in the whole year. Whilst the population has grown by one-tenth, the National Expenditure has, under Tory Rule, grown by over one-half.

I.—THE YEARLY BALANCE-SHEETS.

We give on the next four pages two sets of tables showing :—

(A) How the money has been raised.

(B) How the money has been spent.

The first includes only the amount raised for Imperial purposes. We add in the second the amount raised Imperially which is handed over to local authorities in grants in aid.

(*A*)—HOW THE MONEY HAS BEEN RAISED.

[*This Table refers to Imperial Taxation raised for Imperial Purposes.*]

	Years Ending March 31st.					
	1895. *Last complete Liberal Year.*	1897. *First complete Tory Year.*	1898.	1899.	1900.	1901.
I. Tax Revenue.	£	£	£	£	£	£
Customs	20,115,000	21,254,000	21,798,000	20,850,000	23,800,000	26,262,000
Excise	26,050,000	27,460,000	28,300,000	29,200,000	32,100,000	33,100,000
Estate, etc., Duties ...	8,719,000	10,830,000	11,100,000	11,400,000	14,020,000	12,980,000
Stamps	5,721,000	7,350,000	7,650,000	7,630,000	8,500,000	7,825,000
Land-Tax	1,015,000	920,000	940,000	770,000	790,000	755,000
House Duty	1,435,000	1,510,000	1,510,000	1,600,000	1,670,000	1,720,000
Property & Income Tax	15,600,000	16,650,000	17,250,000	18,000,000	18,750,000	26,920,000
	78,655,000	85,974,000	88,548,000	89,450,000	99,630,000	109,562,000
II. Non-Tax Revenue.						
Post Office	10,760,000	11,860,000	12,170,000	12,710,000	13,300,000	13,800,000
Telegraphs	2,580,000	2,910,000	3,010,000	3,150,000	3,350,000	3,450,000
Crown Lands	410,000	415,000	415,000	430,000	450,000	500,000
Suez Canal	413,000	708,000	734,000	713,000	834,000	830,000
Miscellaneous	1,866,000	2,083,000	1,737,000	1,883,000	2,276,000	2,243,000
	94,684,000	103,950,000	106,614,000	108,336,000	119,840,000	130,385,000

	Years Ending March 31st.				
	1902.	1903.	1904.	1905.	1906. [*Estimate.*]
I. Tax Revenue.	£	£	£	£	£
Customs	30,993,000	34,433,000	33,850,000	35,730,000	34,050,000
Excise	31,600,000	32,100,000	31,550,000	30,750,000	30,200,000
Estate, etc., Duties	14,200,000	13,850,000	13,000,000	12,350,000	13,000,000
Stamps	7,800,000	8,200,000	7,500,000	7,700,000	8,000,000
Land-Tax	725,000	725,000	725,000	750,000	} 2,700,000
House Duty	1,775,000	1,825,000	1,925,000	2,000,000	
Property and Income-Tax	34,800,000	38,800,000	30,800,000	31,250,000	31,000,000
	121,893,000	129,933,000	119,350,000	120,530,000	118,950,000
II. Non-Tax Revenue.					
Post Office	14,300,000	14,750,000	15,450,000	16,100,000	16,500,000
Telegraphs	3,490,000	3,630,000	3,700,000	3,830,000	4,050,000
Crown Lands	455,000	455,000	460,000	470,000	470,000
Suez Canal	870,000	958,000	982,000	1,014,000	1,034,000
Miscellaneous	1,990,000	1,826,000	1,603,000	1,426,000	1,450,000
	142,998,000	151,552,000	141,545,000	143,370,000	142,454,000

(*B*)—HOW THE MONEY HAS BEEN SPENT.

	Years Ending March 31st.					
	1895. *Last Complete Liberal Year.*	1897. *First Complete Tory Year.*	1898.	1899.	1900.	1901.
	£	£	£	£	£	£
Fixed Debt Charges ...	25,000,000	25,000,000	25,000,000	25,000,000	23,000,000	18,453,000
Army	17,900,000	18,270,000	19,330,000	20,000,000	20,600,000	24,473,000
Navy	17,545,000	22,170,000	20,850,000	24,068,000	26,000,000	29,520,000
Other Army and Navy Expenditure ...	150,000	1,014,000	215,000	215,000	215,000	215,000
Civil List & Administration	20,407,000	21,473,000	23,231,000	23,854,000	25,049,000	26,006,000
Customs and Inland Revenue ...	2,646,000	2,716,000	2,745,000	2,816,000	2,800,000	2,834,000
Post Office	6,869,000	7,150,000	7,592,000	8,030,000	8,480,000	8,963,000
Telegraph & Packet Service	3,401,000	3,684,000	3,973,000	4,167,000	4,361,000	4,508,000
	93,918,000	101,477,000	102,936,000	108,150,000	110,505,000	114,972,000
War Expenditure... ...					23,217,000	68,620,000
					133,722,000	183,592,000
Realised Surplus (+) or Deficit (−) ...	+ 766,000 *National Debt.*	+ 2,473,000 *Military Works.*	+ 3,678,000 *Public Buildings and Exchequer Balance.*	+ 186,000 *Exchequer Balance.*	− 13,882,000	− 53,207,000
Total raised for Imperial purposes by Taxation	94,684,000	103,950,000	106,614,000	108,336,000	119,840,000	130,385,000
Total raised by Imperial Taxes for Local Taxn.	7,013,542	8,248,662	9,402,000	9,521,000	9,964,000	9,739,000
Grand Total ...	101,697,542	112,198,662	116,016,000	117,857,000	129,804,000	140,124,000

	Years Ending March 31st.				
	1902.	1903.	1904.	1905.	1906. [*Estimate.*]
	£	£	£	£	£
Fixed Debt Charges	18,319,000	23,000,000	27,000,000	27,000,000	28,000,000
Army	29,312,000	29,440,000	31,132,000	29,225,000	29,813,000
Navy	31,030,000	31,170,000	35,476,000	36,830,000	33,389,000
Other Army and Navy Expenditure ...	215,000	215,000	215,000	215,000	215,000
Civil List and Administration	26,482,000	27,921,000	29,436,000	30,000,000	31,179,000
Customs and Inland Revenue	2,955,000	3,040,000	3,085,000	13,093,000	3,161,000
Post Office	9,240,000	9,630,000	9,758,000	10,198,000	10,721,000
Telegraph and Packet Service	4,772,000	4,933,000	5,314,000	5,395,000	5,554,000
	122,325,000	129,352,000	141,416,000	141,956,000	142,032,000
War Expenditure	73,197,000	55,132,000	5,545,000		
	195,522,000	184,484,000	146,961,000	141,956,000	142,034,000
Realised Surplus (+) or Deficit (−) ...	−52,524,000	−32,932,000	− 5,415,000	+ 1,414,000	+ 422,000
				Exchequer Balance	
Total raised for Imperial Purposes by Taxation	142,998,000	151,552,000	141,546,000	143,370,000	142,454,000
Raised by Imperial Taxes for Local Taxation	9,714,000	9,767,000	9,795,000	9,812,000	9,756,000
Grand Total	152,712,000	161,319,000	151,341,000	153,182,000	152,210,000

TOTAL EXPENDITURE.

The whole story, however, is not told in the above, since the figures include neither capital expenditure nor what is paid to the Local Taxation Account. Here is the complete set of figures :—

Exchequer Issues. *War.*	Year.	Exchequer Issues. *Normal.*	Capital Account.	Local Taxation Account.	Total.
£		£	£	£	£
	1894–5	93,918,000	810,000	7,014,000	101,742,000
23,217,000	1899–1900	110,505,000	4,847,000	9,965,000	125,317,000
68,620,000	1900–1	114,972,009	4,915,000	9,740,000	129,627,000
73,197,000	1901–2	122,325,000	7,548,000	9,714,000	139,587,000
55,132,000	1902–3	129,352,000	6,876,000	9,767,000	145,995,000
5,545,000	1903–4	141,416,000	7,305,000	9,795,000	158,516,000
	1904–5	141,056,000	8,069,000	9,812,000	159,837,000
	1905–6 (*Estimate*)	142,030,000	9,000,000	9,756,000	160,786,000

SIR HENRY FOWLER'S RETURN.

The most instructive form in which the National Balance-sheet is set out is in the return of public income and expenditure, moved for each year by Sir Henry Fowler.* The last published brings the figures up to the end of the year ended March 31st, 1905. A word or two of explanation as to the plan upon which it is prepared. In Sir Henry Fowler's return the set-off between items really connected (*e.g.*, Post Office revenue and expenditure) is (so far as is possible) made; the object being that the true cost of the Imperial Government, so far as it falls on the general taxpayer or the community at large, may be shown in broad detail over a series of years.

	£
Thus:—According to the finance accounts for 1904-5 the total revenue amounted to	143,370,404
And the total expenditure chargeable against revenue to	141,956,497
The revenue, therefore, exceeded the expenditure by	1,413,907
In Sir H. Fowler's return the revenue is set down at...	126,665,148
And the expenditure at	125,251,241
Bringing out the same result, viz., a surplus of ...	1,413,907
The difference, however, in the amounts of the revenue and expenditure as given in the two accounts is...	16,705,256

* Public Income and Expenditure. 239. Price 5d.

To show how this difference arises, it is only necessary to explain the basis of the return.

As *Public Income* is given :—

1. The amounts received into the exchequer in respect of revenue derived from taxes.
2. The amounts received into the exchequer in respect of revenue derived from sources other than taxes, viz :—
   (1) Postal and telegraph revenue, together with such extra receipts as are cognate to postal services, *less* the expenditure incurred on those services, as represented by exchequer issues on account of post-office, telegraph, and packet services.
   (2) Revenues of the Crown.
   (3) Interest and dividends on the Suez Canal shares belonging to his Majesty's Government.

The amounts received in the exchequer under the head of miscellaneous revenue (less the receipts cognate to the postal services), and the receipts in respect of loans, are set off against the heads of expenditure to which they most appropriately belong.

As *Public Expenditure* is given under certain specified heads, viz :—

1. National Debt Services.
2. Naval and Military expenditure.
3. Civil Services, grouped under three main sub-heads, viz. :—
   (1) Civil List and Civil Administration.
   (2) Elementary Education.
   (3) Charges transferred at different times from local to Imperial funds, and other expenditure deemed to be of a local character.
4. Customs and Inland Revenue (collection of taxes).
5. Special services (if any) which do not fall under the other heads.

Under this classification, all charges belonging to each head or sub-head are brought together ; that is, those which are included among *Consolidated Fund* services and as such are permanent charges, as well as those which are included among *Supply* services and as such are charges voted annually. From the gross totals so arrived at under the prescribed heads there are deducted the items of receipt which can properly be set off against those totals.

It should, however, be stated that the classification of expenditure proceeds on broad lines only. It does not attempt to be exhaustive.

In the table, which will be found on the next page, we have slightly rearranged the way in which the figures are set out so as to show the amount spent on education and the normal expenditure apart from war charges.

THE NATION

Years ended March 31st.

	1885. (*Liberal.*)	1895. (*Last complete Liberal year.*)	1900. (*Tory.*)
A.—INCOME. **(Net Exchequer Receipts)**			
1. TAX REVENUE:	£	£	£
Customs	20,321,000	20,115,000	23,800,0
Excise	26,600,000	26,050,000	32,100,0
Estate Duties	7,720,000	8,719,000	14,020,0
Stamps	4,205,000	5,721,000	8,500,0
Land Tax and House Duty...	2,950,000	2,450,000	2,460,0
Income-Tax	12,000,000	15,600,000	18,750,0
Total	**73,796,000**	**78,655,000**	**99,630,**
II. NON-TAX REVENUE:			
(*i.e., Post Office Profits, Crown Lands, and Suez Canal Shares Interest*)	3,311,728	3,896,191	5,156,9
Total	**77,107,728**	**82,551,191**	**104,786,**
B.—EXPENDITURE. **(Net Exchequer Issues)**			
National Debt Services ...	28,349,690	24,977,912	23,535,2
Army and Navy	30,561,916	35,143,563	46,372,3
Civil Services	12,198,933	10,074,671	11,767,3
Elementary Education ...	4,384,937	8,943,789	11,194,5
Customs and Inland Revenue	2,662,024	2,645,915	2,799,9
Total Normal Expenditure	**78,157,500**	**81,785,850**	**95,669,**
Special Expenditure ...	—	—	23,000,0 (*South African*)
Total Imperial Expenditure	**78,157,500**	**81,785,850**	**118,669,**
Realised Surplus (+) or Deficit (−) ...	− 1,049,772	+ 765,341	− 13,882,5
Total (see above)	**77,107,728**	**82,551,191**	**104,786,**
Expenditure out of Local Taxation Revenue	—	**7,013,542**	**9,964,**

ALANCE SHEET.

Years ended March 31st.

1901. (*Tory.*)	1902. (*Tory.*)	1903. (*Tory.*)	1904. (*Tory.*)	1905. (*Tory.*)
£	£	£	£	£
6,262,000	30,993,000	34,433,000	33,850,000	35,730,000
3,100,000	31,600,000	32,100,000	31,550,000	30,750,000
2,980,000	14,200,000	13,850,000	13,000,000	12,350,000
7,825,000	7,800,000	8,200,000	7,500,000	7,700,000
2,475,000	2,500,000	2,550,000	2,650,000	2,750,000
6,920,000	34,800,000	38,800,000	30,800,000	31,250,000
9,562,000	**121,893,000**	**129,933,000**	**119,350,000**	**120,530,000**
5,212,287	5,259,614	5,439,765	5,765,218	6,135,148
4,774,287	**127,152,614**	**135,372,765**	**125,115,218**	**126,665,148**

Percentages.	1885-95.	1895-1905.
Increase of population (*i.e.*, taxpaying area)	9	10
Increase of normal expenditure	14	52
Increase of Army and Navy Expenditure ..	15	86

1901.	1902.	1903.	1904.	1905.
0,368,517	22,492,436	28,430,618	28,788,694	28,866,939
3,807,541	60,037,790	60,044,488	65,302,861	64,967,770
2,149,826	12,631,660	13,830,488	14,026,415	14,087,804
1,584,997	11,829,996	12,159,184	13,332,805	14,235,728
2,833,986	2,954,948	3,039,997	3,085,000	3,093,000
0,744,867	**109,946,830**	**117,504,775**	**124,535,775**	**125,251,241**
7,237,000 (*South African*	69,730,000 *and China Wars*	50,800,000 *and Somaliland*	5,995,000 *Expedition.*)	—
67,981,867	**179,676,830**	**168,304,775**	**130,530,775**	**125,251,241**
3,207,580	– 52,524,216	– 32,932,010	– 5,415,557	+ 1,413,907
4,774,287	**127,152,614**	**135,372,765**	**125,115,218**	**126,665,148**
9,739,626	**9,714,090**	**9,767,373**	**,795,073**	**9,812,378**

THE COST OF THE SOUTH AFRICAN WAR.

When, in October, 1899, the South African War began, the Government estimated that it would last a few weeks and cost 10 millions. As a fact, it lasted 2⅔ years, whilst we give below full particulars of what it has cost Great Britain :—

A.—What the South African War Cost.

Year ending March 31st.	Army Estimates	Civil Service Charges.	War Loan Charges.	Cost of floating loans
	£	£	£	£
1900	23,000,000	—	217,000	—
1901	63,737,000	—	1,383,000	1,058,000
1902	61,070,000	6,600,000	3,367,000	3,447,000
1903	39,650,000	10,850,000	4,282,000	2,125,000
1904	5,545,000	—	—	—
	193,002,000	17,450,000	9,249,000	6,630,000

Grand Total ... ... £226,331,000.

B.—How the War was Paid For.

I. By Taxation. £

	£	
1899–1900.—Normal Realised Surplus...	9,334,000	
1900–1901.—Out of Taxation	11,913,000	
1901–1902.— „ „	18,513,000	
1902–1903.— „ „	21,850,000	
1903–1904.— „ „	5,545,000	
		67,155,000
II. By Borrowing or Increased Indebtedness... ...		£159,176,000
		£226,331,000

The following shows how the money has been raised :—

Nature of Debt.	Authority.	Amount of Debt.	Cash Proceeds.
		£	£
Treasury Bills	Treasury Bills Act, 1899 ..	8,000,000	8,000,000
	War Loan Act, 1900	5,000,000	5,000,000
Exchequer Bonds	Supplemental War Loan Act, 1900............	10,000,000	9,790,000
		3,000,000	2,944,000
	Supplemental War Loan (No. 2) Act, 1900	11,000,000	10,689,000
War Loan (Stock and Bonds) 2¾ per cent................................	War Loan Act, 1900	30,000,000	29,519,000
Consols	Loan Act, 1901	60,000,000	56,553,000
	Loan Act, 1902	32,000,000	29,875,000
	Total...............	159,000,000	152,370,000

SUMMARY OF WAR COST.

	£
Paid out of Taxation (1899–1904)	67,155,000
Repaid by Transvaal	4,000,000
Promised Transvaal War Contribution...	30,000,000
Added to National Debt	125,176,000
	£226,331,000

AMOUNT RAISED IN TAXATION, 1891—1905.

T = *Tory year.* L = *Liberal year.*

Years ending March 31st.		Paid into Imperial Exchequer.	Paid into Local Taxation Account.	TOTAL.
		£	£	£
1891	T.	89,489,000	6,974,000	96,463,000
1892	T.	90,995,000	7,582,000	98,557,000
1893.	T. & L.	90,395,000	7,214,000	97,609,000
1894	L.	91,133,000	7,164,000	98,297,000
1895	L.	94,684,000	7,014,000	101,698,000
1896.	L. & T.	101,974,000	7,366,000	109,340,000
1897	T.	103,950,000	8,249,000	112,199,000
1898	T.	106,614,000	9,402,000	116,016,000
1899	T.	108,336,000	9,521,000	117,857,000
1900	T.	119,840,000	9,964,000	129,804,000
1901	T.	130,385,000	9,739,000	140,124,000
1902	T.	142,998,000	9,714,000	152,712,000
1903	T.	151,552,000	9,767,000	161,319,000
1904	T.	151,545,000	9,795,000	151,340,000
1905	T.	143,370,000	9,812,000	153,182,000

TAXATION IMPOSED AND REMITTED, 1895-1905.

	I.—Taxation Imposed.	*Yearly Yield.*
		£
1896–7.	Cocoa Butter	6,500
1897–9.	*Nil.*	
1899–1900.	New Stamp Duties	542,000
	Increased Wine Duties	298,000
	Spirits imported in bottles	40,000
1900–1.	Duties on Beer (1s. per barrel) and Spirits (6d. per gallon)	2,639,000
	Tea (4d. to 6d. per lb.)...	2,092,000
	Tobacco	1,416,000
	Income Tax (8d. to 1s.)	9,700,000
1901–2.	Coal	2,100,000
	Sugar	6,100,000
	Glucose	80,000
	Income Tax (1s. to 1s. 2d.)	5,000,000
1902–3.	Corn	2,500,000
	Income Tax (1s. 2d. to 1s. 3d.) ...	2,580,000
	Duty on Imported Spirits (1d. per gall.)	11,000
1903–4.	*Nil.*	
1904–5.	Income Tax (11d. to 1s.)	2,500,000
	Tea (6d. to 8d. per lb.)...	1,938,000
	Tobacco...	503,000
1905–6.	*Nil.*	
		£40,045,500

	II.—Taxation Remitted.	
		£
1896–7.	Modifications of Estate Duty :—	110,700
	Reduction of Land Tax from 4s. in the £ to 1s. on the annual value of land subject to Land Tax ...	85,000
1897–8.	*Nil.*	
1898–9.	Further graduation of Income Tax	130,000
	Re-arrangement of Land Tax ...	120,000
	Reduction of Tobacco Duty ...	1,400,000
1899–1903.	*Nil.*	
1903–4.	Income Tax (4d.)	10,000,000
	Corn Tax	2,500,000
	Molasses	68,000
1904–5.	*Nil.*	
1905–6.	Tea (8d. to 6d. per lb.) ...	1,938,000
		16,351,700

III.—SUMMARY.

		£
Total Taxation Imposed (1895–1905)	...	40,045,500
,, ,, Remitted ,,	...	16,351,700
Net Imposition		23,693,800

During this period the amount of the revenue has gone up enormously :—

		£
Revenue, 1894–5	... ...	94,684,000
,, 1905–6 (*estimated*)		142,454,000
Increase	...	£47,770,000

THE INCREASED NATIONAL EXPENDITURE.

L=Liberal year T=Tory year.	Year ending Mar. 31st.	Total Normal Expenditure.	Army.	Navy.	Army and Navy.	Debt Charge.
		Million £	Million £	Million £	Million £	Million £
L	1884	86	16	11	27	29½
L	1894	91½	18	14	32	25
L	1895	94	18	17½	35½	25
L and T	1896	98	18½	20	38½	25
T	1897	101½	18½	22	40½	25
T	1898	103	19½	21	40½	25
T	1899	108	20	21	41	25
T	1900	110½	20½	26	46½	23
T	1901	115	24½	29½	54	18½
T	1902	122½	29½	31	60½	18½
T	1903	129½	29½	31	60½	23
T	1904	141½	31	35½	66½	27
T	1905	142	29	37	66	27
T	1906 (*est.*)	142	30	33	63	28

Apart altogether from war expenditure, therefore, the Tory Government is now spending forty-eight millions a year more than their Liberal predecessors, or considerably more than a pound per head a year for every man, woman, and child in the United Kingdom. For every two pounds spent by the Liberal Government, the Tories are spending nearly three. Most of the increased expenditure is on the Army and Navy. In the last Liberal year (1894–5) the amount spent on the Army and Navy was 35½ millions; in the estimates for 1905–6 the amount is 63 millions—or an increase of 27½ millions in eleven years.

THE SINKING FUND.

THE RAID OF 1899.

In 1899, in order to meet a prospective deficit of nearly three millions, Sir Michael Hicks-Beach raided the Sinking Fund for two millions of the amount, cutting down the fixed charge for interest and repayment of capital from 25 to 23 millions. That was at once weak and audacious—weak because it shirked the real difficulty of finding the money necessary to meet the huge expenditure, and audacious because it laid hands upon the Sinking Fund, and secured the necessary money by ceasing to pay off as much as two millions a year of the National Debt. To add to the complication we stopped paying off debt because it was so expensive to pay off Consols when they are above par. They have since been below 90!

THE RE-SETTLEMENT OF 1903.

Part of Mr. Ritchie's task in the Budget of 1903 was to settle the amount of the Fixed Charge for the National Debt, taking into account the entire interest payable due to South African War borrowing. In the first place, it may be well to see what the Government pledges were in this matter. Sir Michael Hicks-Beach, speaking at a time when we had been at war for thirteen months and peace was not in sight, said:—

"Then (*when the war was over*) would come the time when it would be necessary for them to provide for the gradual liquidation of so much of the cost of the war as had been met by borrowed money. He had always said that *we could not properly leave that cost as a permanent burden upon this country.*"—(*Bristol, November 13th*, 1900.)

This is very definite, but it might be said that the prolongation of the war, involving such an enormous additional expense, made Sir Michael's pledge impossible of fulfilment. That line of reply, however, is not possible, since in July, 1902, when the total cost of the war was approximately known, since it was over—the pledge was repeated by Sir Michael Hicks-Beach. Speaking to an audience of City men at the Mansion House, he said:—

"Next year, next spring, I think, the Budget ought to bring with it a very considerable remission of taxation, and the first tax to be considered in that remission must undoubtedly be the income-tax. But I think it ought also to bring *the establishment of a new sinking fund for the purpose of the war debt*, although I do not for a moment doubt that a considerable sum for the cost of the war will be recovered from the wealth of the Transvaal."—(*Mansion House, July 25th*, 1902.)

The Fixed Debt Charge was fixed in 1899 at 26 millions. During the war it was for two years reduced by over 4½ millions, but it was restored to the full amount in June, 1902, on the conclusion of peace Using the words "old debt" to mean national indebtedness that existed before the war, and "new debt" to mean additional indebtedness due to the war, Mr. Ritchie had to provide in the current financial year 1903-4:—

	£
(*a*) Fixed Debt charge (of interest on and sinking fund for Old Debt	23,000,000
(*b*) Interest on New Debt	4,500,000
	27,500,000

But the reduction of the interest on Consols from $2\frac{3}{4}$ to $2\frac{1}{2}$ per cent. was a gain of $1\frac{1}{4}$ million a year, which the Tory Government had always promised should go to the reduction of taxation. Instead of taking it all, Mr. Ritchie only took £500,000 and created a new fixed charge of 27 millions, which may be made up in this way:—

	£
(*a*) For interest and paying off capital of Old Debt	21,750,000
(*b*) For interest on New Debt	4,500,000
(*c*) For paying off capital of New Debt	750,000
	£27,000,000

The Old and the New Debt are, we know, in fact, treated as one, but the above statement is none the less sound for explanatory purposes.

THE RE-SETTLEMENT OF 1905.

By his Budget of 1905 Mr. Austen Chamberlain raised the Fixed Debt Charge from 27 to 28 millions, thus purporting to increase the amount available for Sinking Fund purposes by £1,000,000. In the next section we show how illusory this apparent gain was, thanks to the enormous expenditure on capital account—increasing the national indebtedness none the less surely, although not technically National Debt.

THE NATIONAL INDEBTEDNESS.

THE POSITION IN 1905.

The financial situation was clearly set out by the *Statist* in an article on the Budget of 1905 (April 15th, 1905):—

"The country in the past few years has greatly increased in recurring expenditure, and has spent immense sums out of capital for war and other purposes, but its expenditures continue to be vast, its great debt is being increased rather than diminished, and its floating debt is unwieldy, and a source of weakness both to the Exchequer and to commerce. The present Government has, however bound itself not to interfere with the existing financial policy of the country, and not to propose those fiscal measures which it apparently favours. But, at the same time, it refuses to appeal to the country in order that a Government may be placed in power—either Conservative or Liberal—which will take the steps necessary to effect retrenchments, reduce our vast funded and floating debt, raise the credit of the nation, and reduce taxation, all of which are essential to the welfare of our people and to the strength of our defensive power. In view of this situation it is clear those who are responsible for the nation's strength and welfare have no real appreciation of the perils of the situation. Do the Government and the House of Commons realise that the debt of this country has not been reduced since the South African war, that the existing debt is greater than it has been since 1870, that there is no prospect of a reduction of debt for several years under existing conditions, and that a vast floating debt is being carried which is affecting trade and reducing the amount of banking money available for the finance of commerce?"

At the close of the fiscal year (March 31st, 1903) following the end of the war the debt of the country was £798,448,000. On March 31st, 1905, two years later, the debt is still £796,735,000. But in this period of two years the Exchequer has received £6,000,000 from the Transvaal repayment of loans, and it has drawn £1,000,000 from unclaimed dividends. If we excluded these special receipts of £7,000,000, the debt of the country in the past two years would have been increased £4,593,000. Leaving out the exceptional sums received from the Transvaal and from unclaimed dividends, the debt of the country would now be £801,329,000, in contrast with £798,349,000 two years ago—and this is the condition of affairs which the Tory Government would indefinitely continue. The *Statist* proceeded to point out that we are not yet at the end of these extraordinary expenditures, nor even nearly at the end:—

"Without any further additions to this form of expenditure, the existing programme provides for a further outlay of £25,000,000 out of capital, and of this amount no less than £9,000,000 is to be expended in the current fiscal year, ending with March, 1906. Do the Government, the House of Commons, and the country realise that—

(1) We have paid off no debt since the war;

(2) We shall pay off no debt in the current year to March 31st, 1906;

(3) We shall pay off no debt either in 1906-7 or in 1907-8?

"In brief, *Do they realise that for six years after the close of a costly war, involving an enormous addition to our capital liabilities, the revenue of the country will not provide anything for reducing the debt of the country?* Under these circumstances, is it not proven that the Chancellor of the Exchequer and those responsible for the finances of this country are guilty of grave dereliction of duty in bringing in such Budgets as those which have been presented to Parliament in recent years? It is merely throwing dust in the eyes of the British people to state that the Sinking Fund has been increased to £8,500,000, and that another £1,500,000 is charged to the expenses as a Sinking Fund for naval and military works, etc., when it is not shown to them that these Sinking Funds do no more than provide for the new capital outlays—outlays which will not add one penny to the revenue of the country. It should be distinctly understood that the sums paid to the National Debt Commissioners for the redemption of debt are immediately withdrawn again to meet the extraordinary expenditures, and that none of the money is available for the redemption of debt. In order that this may be clearly understood we set out below the sums appropriated to Sinking Funds, the capital outlays, and the net reduction of debt in the past two years:—

	1904-5.	1903-4.
Sinking Funds—	£	£
Inside the permanent charge...	7,441,000	6,509,932
Borne on votes, etc.	1,250,000	1,007,104
Total Sinking Funds	8,069,000	7,517,036
Less—		
Extraordinary expenses paid out of capital and really out of Sinking Funds	7,547,000	7,305,000
Net Sinking Fund appropriations last two years	**522,000**	**212,000**"

NATIONAL INDEBTEDNESS FOR THE LAST 18 YEARS.*

Year ending March 31st.	Funded Debt. £	Terminable Annuities. £	Unfunded Debt. £	Other Capital Liabilities. £	Aggregate Gross Liabilities of State. £	Net Increase (+) or Decrease (–) in Aggregate Gross Liabilities £
1888 ...	609,740,743	76,926,771	17,385,100	582,338	704,634,952	
1889 ...	607,057,811	73,891,623	16,093,322	561,539	697,604,295	– 7,030,657
1890 ...	585,959,852	70,336,149	32,252,305	540,740	689,089,046	– 8,515,249
1891 ...	579,472,082	66,550,579	36,140,079	1,317,719	683,480,459	– 5,608,587
1892 ...	577,944,665	62,550,043	35,312,994	1,261,360	677,069,062	– 6,411,397
1893 ...	589,533,082	59,056,324	20,748,270	1,782,261	671,119,937	– 5,949,125
1894 ...	587,631,096	55,717,505	21,446,300	2,495,814	667,290,715	– 3,829,222
1895 ...	586,015,919	52,492,709	17,400,300	3,092,624	659,001,552	– 8,289,163
1896 ...	589,146,878	49,183,748	9,975,800	3,979,940	652,286,366	– 6,715,186
1897 ...	587,698,732	45,291,694	8,133,000	4,048,099	645,171,525	– 7,114,841
1898 ...	585,787,624	41,150,011	8,132,000	3,746,872	638,817,507	– 6,354,018
1899 ...	583,186,305	36,702,267	8,133,000	7,372,162	635,393,734	– 3,423,773
1900 ...	552,606,898	60,190,755	16,133,000	9,989,278	638,919,931	+ 3,526,197
1901 ...	551,182,153	60,154,800	78,133,000	14,464,396	703,934,349	+ 65,014,418
1902 ...	609,587,248	60,295,402	75,133,000	20,200,003	765,215,653	+ 61,281,304
1903 ...	640,085,726	55,560,036	75,133,000	25,570,428	798,349,190	+ 33,133,537
1904 ...	637,633,319	51,363,458	73,633,000	31,868,323	794,498,100	– 3,851,090
1905 ...	635,682,863	47,756,246	71,633,000	41,664,382	796,736,491	+ 2,238,391

* From Return [Cd. 2516]. Price 4½d.

It will be noticed that it is the "Other Capital Liabilities" which show the greatest increase—that is to say, money is being spent each year which properly ought to be paid out of revenue, but which is put into Capital Account. The following shows how the total of £41,664,382, the amount of the "Other Capital Liabilities" on March 31st, 1905, is made up:—

	£
Russian Dutch Loan	83,338
Barracks Act, 1890	1,653,537
Naval Works Acts, 1895-1903...	16,023,712
Military Works Acts, 1897-1901	10,963,982
Telegraphs Acts, 1892-1904	4,018,533
Uganda Railway Acts, 1896-1902	4,768,693
Royal Niger Company Act, 1899	753,197
Pacific Cable Act, 1901...	1,959,305
Public Offices (Acquisition of Site) Act, 1895	424,883
Public Offices (Whitehall) Site Act, 1897 ...	478,131
Land Registry (New Buildings) Act, 1900 ...	179,827
Public Buildings Expense Act, 1903... ...	310,244
Public Offices Site (Dublin) Act, 1903 ...	47,000
	£41,664,382

We add the amount of the Gross Liabilities of the State for the last 40 years:—

Year ending March 31st.	Gross liabilities of State.	Year ending March 31st.	Gross liabilities of State.
	£		£
1865*	800,457,258	1886	716,115,505
1866	790,853,637	1887	709,803,454
1867	787,592,428	1888	704,634,952
1868	784,491,358	1889	697,604,295
1869	784,226,468	1890	687,089,046
1870	779,562,321	1891	683,480,459
1871	773,885,001	1892	677,069,062
1872	770,977,056	1893	671,119,937
1873	764,257,834	1894	667,290,715
1874	756,571,280	1895	659,001,552
1875	750,818,985	1896	652,286,366
1876	750,185,577	1897	645,171,525
1877	746,900,984	1898	638,817,507
1878	746,262,643	1899	635,393,734
1879	744,679,579	1900	638,919,931
1880	741,273,105	1901	703,934,349
1881	736,691,276	1902	765,215,653
1882	732,760,466	1903	798,349,190
1883	727,266,565	1904	794,498,100
1884	719,340,508	1905	796,736,491
1885	713,920,500		

It will be seen that the amount of the gross national indebtedness is higher than it has been since 1865—for the last 40 years.

* In the years 1865-1887 the gross liabilities are got by deducting from the total the amount of local loans outstanding. Local Loan Stock was created in 1888.

TORY TAXATION.

Though the war is long ago over, most of the taxation imposed during the war remains,* and the least intelligent of taxpayers must now realise to his cost that he is being taxed, not for the exceptional necessities of the war, but for the everyday so-called needs of normal expenditure in times of peace. The following shows the taxes imposed during the war which still have to be paid by the taxpayer, with their total annual yield:—

	Million £
4d. in the £ Income Tax	10
2d. in the pound on Tea	2
½d. in the pound on Sugar	6
1s. per barrel on Beer	1½
6d. per gallon on Spirits	1
1s. per ton on Exported Coal	2
Extra taxes on Tobacco	½
	23

In 1905-6 as much as 142½ millions is to be raised in taxation. We can see how this is raised in the following way:—

	Million £
Amount raised in 1894-5	94
Extra amount yielded by old taxation	25½
Amount yielded by new taxes (*as above*) ...	23
	142½

Whilst the population in 11 years has increased by 10·5 per cent., existing taxes have grown by 27 per cent., while expenditure has grown by 51 per cent. Sir Michael Hicks-Beach said, in commenting on the 1904 Budget:—

"I have looked back to the year 1881-2. In that year the total annual expenditure of the country was £85,000,000. For the seven years following it increased at the rate of half a million a year. For the seven years again following that it increased at the rate of 2¼ millions a year, and for the nine years ending with this year it has increased at the rate of 4¼ millions a year. I say such an increase cannot go on. If it goes on, in my belief it will impose a burden of taxation that this country will not stand. It has already imposed upon us 23½ millions a year of taxation primarily imposed for war purposes, but maintained in time of peace, and added to this year by my right hon. friend to the extent of another four millions. If this is to go on, in my belief the burdens of the taxpayers will become so great that there will be a reaction in this country which will not only sweep away us who may be held responsible for it, but will do what is very much worse, diminish expenditure to such an extent as to destroy that efficiency which

---

* *Cf.* Sir Michael Hicks-Beach in 1902:—

"When the happy days of peace and reduction of taxation are reached."—(*House of Commons, April 14th*, 1902.)

those who are responsible for the present extravagance, as I believe it to be, are always telling us it is their one desire to maintain."—(*House of Commons, April 19th*, 1904.)

The new taxes are sometimes justified on the ground that the "basis of taxation is in this way 'broadened'"—a specious phrase frankly explained for us by a Tory paper, the *Yorkshire Post* (*April 24th*, 1903):—

"For good or for ill, Mr. Ritchie has made it impossible for future Governments to put a duty on imported corn. . . . The abolition of the corn duty, we have no hesitation in ascribing to the by-elections. A year ago it was the intention of the Government to broaden the basis of taxation, which, of course, meant to place a larger share upon the masses."

That is what has happened. The large proportion of indirect taxation means that a larger share of taxation falls upon the masses.

THE SUGAR DUTY (1901).

By the Budget of 1901 a duty was placed on refined sugar of 4s. 2d. per cwt., thus allowing a margin of 6d. to permit of the extra cost to the consumer not being raised more than a halfpenny; whilst duties of varying amounts were placed on various articles containing sugar, the idea being, as far as possible, to hold the balance equal between the British and foreign manufacturers using sugar as a raw material. For it is important to note that sugar is now very largely used in manufacture—in confectionery works, in jam-making, chocolate-making, cake-making, and biscuit-making, as well as in brewing and distilling. The number engaged in such work is exceedingly large.

In his 1901 Budget speech Sir M. Hicks-Beach stated that the average consumption of sugar is 56 lb. per head per annum. In a labourer's family the consumption of sugar is a pound per head per week. In a family of six persons a tax of a halfpenny a pound means an increased weekly expenditure on sugar alone of 3d. a week. The extra cost of jam and other food, of which sugar is a large constituent part, almost certainly raises this extra burden of taxation to 4½d. per week.

A tax of 4½d. a week is very little to a rich man; it is very much to a man earning 15s. a week, and there are tens of thousands of families in Great Britain and Ireland where the weekly earnings are even below this figure. It is true that an agricultural labourer pays no income-tax, but nearly half the national revenue from taxation is provided by the taxes which the working classes already pay on tea, coffee, cocoa, dried fruits, beer, spirits, and tobacco. On 15s. a week a tax of 4½d. is the equivalent of an income-tax of 6d. in the £.

THE COAL TAX (1901).

By the Budget of 1901 a tax of 1s. per ton was placed on every ton of exported coal. The case made against the tax can be summarised as follows:—

1. It is partial and unjust in its incidence, falling upon a single industry and only on a single section of that. The collieries producing coal for export are (measured by output) less than a fourth of the whole, and are located for the most part in two industrial districts—South Wales and Northumberland and Durham.

2. It is based upon a reactionary principle. The basis upon which the commercial prosperity of the country has been erected has been that of Free Trade, or "a fair field and no favour." Export duties have all been long ago abandoned.

3. An export duty tends in the first place to check the industry on which it is imposed.

4. Artificial burdens imposed on trade have, however, much more far-reaching effects than a mere diminution of the volume of the trade concerned. A diminished coal export means that the shipping interests and the railway interests are also affected.

It was, however, contended by the advocates of the tax that it would prove no burden to the British coal trade at all, but that it might be thrown entirely upon the foreign consumer. It was contended that British coal is indispensable, and that the foreigner, in order to get it, would cheerfully pay any tax that this country might impose. It was suggested that, though British trade might lose some markets, the conditions of the world may conceivably so develop that it may gain others. The trade has increased in the past, and it was suggested that in spite of the extra burden it might continue to increase in the future. At the most, it was argued, the tax might do nothing more than check the increase. This in itself, it was urged, might not be a bad result, as it might economise our coal supply for the future needs of the Empire.

The reply to these arguments is as follows:—

1. British export coal varies vastly in quality from the best Welsh to the poorest Scotch. The conditions of its sale also vary with the accessibility of its markets, and the proximity of competing sources of supply. It is a fallacy to speak of it as a uniform product, sold at a uniform price, under uniform conditions. *Some* of it may defy competition in *some* markets; *all* of it cannot do so in *all* markets.

2. It has suffered severely already from American competition in the West Indies. It is only just holding its own against the same competition in Brazil. American coal has even commenced to eat into the European markets. In the Far East it has been ousted by Japanese and Australian coal. In the Baltic it contends with that of Germany. These facts indicate that there are points in the world's markets at which the extra shilling may turn the scale as against British competition, at any rate in regard to the less superior varieties of coal. It is not seriously contended that this will take away the export trade—but it would, at any rate, be sufficient to restrict its area, and therefore diminish the output.

3. The suggestion that the course of events may disclose future compensating forces to make good the losses thus incurred is purely speculative. The handicap that results from the extra burden is certain, and the only question is as to the extent to which it will operate.

4. The amount of coal conserved by a shilling tax will not enable the Empire to carry on, as a going concern, for any appreciable time longer than it would otherwise do. In any case, it is unfair to throw the burden

of such a measure of national policy upon those at present working export collieries.

It is to be noted that the Government refused to accept an amendment to make the royalty owner pay a share of the tax. There are three interests concerned in the mining industry. The royalty owner, who risks nothing and does nothing, but is secure of gain; the man of business who undertakes to work the coal; and the miner whose labour is the immediate means of rendering it saleable. When a toll has to be taken on the mineral wealth who shall contribute to it? Anybody and everybody, answer the Government, except the royalty owners who alone are secure of profit. The royalties are worth something like £6,000,000 a year, but the royalty owner must go unscathed. So say the Government. But if we listen to reason, common-sense, and just policy, in levying this tax we ought to make the well-fed drones of the mining industry disgorge some of the spoil which they exact from the working bees.

THE CORN TAX (1902).

The Corn Tax of 1s. a quarter on corn (with an equivalent duty on flour) was imposed by the Budget of 1902—to be taken off in the Budget of 1903. Mr. Ritchie in announcing its repeal said:—

"Corn is in a greater degree a necessary of life than any other article. It is a raw material, it is the food of our people, the food of our horses and our cattle, and it has a certain disadvantage—that it is inelastic, and, what is worse, it is a tax that lends itself very readily to misrepresentation. I do not think it can remain permanently an integral portion of our fiscal system, unless there is some radical change in our economic circumstances or unless it is connected with some boon much desired by the working classes. It was the last tax that was imposed by my right hon. friend the late Chancellor of the Exchequer, and I know it was imposed with reluctance and only under pressing necessity. In my opinion, being, as it is, *a prime necessity for life*, it has the first claim to be associated with the large remission of the income-tax of which I have spoken. I therefore propose to remit the corn duty."—(*House of Commons, April 24th,* 1903.)

This was a very satisfactory announcement, and it disposed once and for all of the nonsense previously talked about the tax when the attempt was being unsuccessfully made to prove that the consumers did not pay the tax on food. It is only necessary to add some *apologiæ* for the tax from Ministerial sources—before it was taken off:—

Mr. Balfour.

"I do not believe that they will object to pay this tax. (*Opposition cries of 'Who?'*) The working men of this country. I do not believe they will object to pay a tax which, in its effect upon them, will probably be nothing."—(*House of Commons, April 22nd,* 1902.)

Sir Michael Hicks-Beach.

"I can take the right hon. gentleman to cottages of agricultural labourers in my own neighbourhood, men who are earning perhaps 13s. a week themselves, and a few more shillings among their families, where

you find not only bread, but butter and everything that a man could want, including meat every day, upon the table at dinner."—(*House of Commons, April 22nd*, 1902.)

Tory Official Leaflet (C.C.O., January, 1903.—No. 210).

"The real truth of the matter is best summed up in the following words . . . 'The duty amounts to about 3½ per cent. levied **on the foreigner** for the right of supplying the English market. . . . We end the year . . . **with over two millions sterling of foreigners' money in the pockets of our own Chancellor of the Exchequer.'** . . ."

Liberal Unionist Official Leaflet.

"The truth is that the Duty has not raised the price of bread, nor reduced the size of the loaf."

THE TOBACCO TAX, 1904.*

Mr. Austen Chamberlain's novelty in taxation in his first Budget did not turn out happily for him. In his Budget statement the additional duty of 3d. per lb. on tobacco strips was announced in language which, if it meant anything, was a justification of the protective character of the tax. In 1863, according to Mr. Austen Chamberlain, Mr. Gladstone "intended to throw open the tobacco trade to foreign competition, as other trades had then recently been thrown open." Mr. Gladstone allowed a difference between the rates on manufactured and on raw tobacco as an equivalent for the charges to which the British manufacturer was subject, but it appears that there was an error in the calculation on which Mr. Gladstone worked. Though this error was subsequently detected the rates originally proposed were not altered, with the result, as Mr. Chamberlain expressed it, "that the home manufacturer, making for home consumption, has a larger measure of—shall I say compensation?—than Mr. Gladstone had intended." Assuming then that our existing tobacco duties on manufactured tobacco are protective the Chancellor argued that, inasmuch as stripping the stem from the tobacco leaf is a step in the process of manufacture, that step should "be marked on our scale" of duties and find its reflection "in the appropriate way," viz., by sharing in—"shall I say compensation?" It is true that Mr. Gladstone, finding duties protective of the manufacture of tobacco in existence, did not altogether remove them. But to introduce a new element of Protection is quite another matter. Mr. Chamberlain was confronted with Mr. Balfour's famous pledge which would not permit the introduction of protective taxation during the present Parliament. He had in consequence to adopt a different line of defence, and from that time "compensation" was not heard of again in the discussion.

The facts about the tobacco duties are very simple. For many years raw tobacco has been imported either in the form of leaf—that is, the whole tobacco leaf—or in the form of strips, that is, the leaf with the stem or midrib removed. In either case the duty has been

* From an article in THE LIBERAL MAGAZINE, by Mr. McKenna, M.P.

the same, until 1904, 3s. per pound. Strips are used in the manufacture of most kinds of tobacco, but in some cases, notably bird's-eye and Irish roll, the whole leaf is employed. When the stripping is done in this country the manufacturer can recover from the Customs a rebate of the duty paid on the stem. For years there were complaints that this rebate was insufficient to compensate the importer of leaf, and there is no doubt that the effect of such insufficiency would be to discourage the industry of stripping. A departmental committee early in 1904 reported that these complaints were warranted, and in pursuance of their report provision was made in the Finance Bill for the adequate increase of the rebate. Thus the appropriate remedy was made for the existing penalisation of strips. The witnesses before the Committee were unanimous in their opinion that the increase of the rebate was all that was required to put leaf and strips on an equality, and had the Chancellor of the Exchequer been solely desirous to give fair play to the stripping industry he would have contented himself with the report of his own Committee.

Driven to a new line of defence, Mr. Austen Chamberlain alleged that leaf contains on import more moisture and sand than do strips. On this hypothesis a given quantity of strips would make up in manufacture into a heavier weight of smokable tobacco than the same quantity of leaf. Had this been true, it would have constituted an undeniable reason for putting a higher duty on strips than on leaf. The Chancellor's argument turned on the question of fact: Are more moisture and sand contained in leaf than in strips? In support of his contention, he quoted the analysis of four samples of Bright Virginia; in respect of no other kind of tobacco did he attempt to prove his case. Unfortunately for his argument, the Departmental Committee already referred to had tested the moisture not in four, but in forty-three samples of American tobacco, and they had found as a result that on import there was on the average more moisture in strips than in leaf. With regard to sand, it is true that in the particular kind of tobacco referred to by the Chancellor, namely, Bright Virginia, the leaf has more sand adhering to it than the strips, but in Western Leaf, which is the staple article of the trade, the reverse is the case. The evidence given by the experts before the Departmental Committee, which was quoted against the Chancellor, was not replied to by him, and the only possible inference is that he was wrong in his statement of facts.

The proof that the 3d. extra duty per lb. on strips is a protective tax was a sufficient ground for its rejection. There are, however, peculiar conditions in the tobacco trade which constitute an overwhelming objection to the tax, so overwhelming indeed that the Chancellor was forced to recognise them in some degree, and to give a rebate of half the duty on the stocks of strips then existing. It is the practice of merchants and manufacturers to accumulate large stocks of raw tobacco in bond. In April, 1904, nearly 200,000,000 lbs. were so held, enough to supply the home demand for nearly two

years. Of this quantity 150,000,000 lbs. consisted of strips. Now the difference in price between leaf and strips in bond is on the average about 1½d. per lb., leaf being about 5d. per lb. without the duty and strips 6½d. If an extra duty of 3d. per lb. is suddenly imposed on strips, it is obvious, seeing that the cost of stripping is only ½d. per lb., that no manufacturer would buy strips at 6½d. and pay 3s. 3d. duty on clearing from bond, when he could get leaf at 5d. and only pay a duty of 3s. In the former case his raw material would cost him 3s. 9½d. per lb., and in the latter only 3s. 5d. per lb., a difference of 4½d. per lb., whereas the difference in market value between leaf and strips is only 1½d. per lb. The stocks held by the merchants became unsalable unless they consented to accept a ruinous reduction in price. The import of strips rapidly declined and would have stopped altogether but for the fact that a considerable quantity was held in the United States on British account. The consequences were so disastrous to the trade, and the facts so obvious and striking, that, after considerable delay and under pressure from both sides of the House, the Chancellor of the Exchequer was forced to give a reduction of half the duty in the case of stocks in bond. The concessions relieved to some extent the losses inflicted upon merchants, but the tax on importation remained, entailing the effect anticipated at the time and subsequently fully realised, that the trade in strips has been almost annihilated, and that the revenue from the extra duty on strips will be destroyed as soon as the existing stocks in bond and the stocks of strips held on British account in America at the time of the 1904 Budget have been exhausted.

THE EXTRA TWOPENCE ON TEA (1904).

The raising of the tax on tea in 1904 from 6d. to 8d. proved so objectionable that after a year the tax was again restored (in 1905) to 6d. Let us quote in this connection two passages from Sir Michael Hicks-Beach. The first is when the tax on tea was being raised from 4d. to 6d.:—

"There is a geniality about the hon. member which compels me to say a few words in regard to this Amendment. I can assure him it is no agreeable thing for me to be obliged to impose additional duty on tea. I know that throughout the United Kingdom it is the drink of many persons, especially of the poorer classes. Though I do not happen to drink it myself——

Mr. Field: "So much the worse for you.

Sir M. Hicks-Beach: "I know it is a very material comfort in their lives, which are often hard enough, and it is with very great regret that I feel myself obliged to impose this additional duty. But the hon. member does me an injustice if he thinks that I look upon this as an instalment towards high taxation upon tea. I should be very sorry to consider it in any such light, and I am sure that in saying that I am voicing the opinion of practically every member of the House. This extra twopence is purely, in my opinion, an exceptional tax, levied for the purpose of the present war."—(*House of Commons, March 26th,* 1900.)

The second is two years later :—

"Bearing in mind that tea, which is almost a necessity of life, is already taxed to as much as 75 per cent. of its annual value, I confess I should be sorry to increase that tax."—(*House of Commons, April 14th*, 1902.)

THE TORIES AND SIR WILLIAM HARCOURT'S FINANCE.

No more conclusive demonstration of the soundness of Sir William Harcourt's finance could be imagined than the Budgets of his successors. In the first place all Sir William Harcourt's predictions have been verified. The amount which the Death Duties have produced is even greater than the amount which Sir William Harcourt estimated they would produce. In the second place, so far from the increase on the duties ruining those who had to pay them, so rich are the propertied classes that they have in nearly all cases paid the duties at once rather than take advantage of the provision enabling them to pay the amount gradually. This means that Sir William Harcourt has succeeded in shifting some of the burden of taxation on to the backs of those who can well afford to pay.

Not only are Sir William Harcourt's predictions fulfilled, but the present Government has never ventured to disturb his finance. Lord Salisbury distinctly threatened that some future Tory Chancellor of the Exchequer would set right the evil effects of the Budget of 1894. Speaking at a complimentary dinner to Unionist candidates, he said :—

"I condemn most heartily this Budget, not on account of its object, but on account of the extreme and phenomenal clumsiness with which it has been constructed. It is the worse piece of work—the most hasty, superficial piece of work—ever presented to Parliament. It is nothing but an expression of the passions of the Chancellor of the Exchequer, and contains in it neither ingenuity, study, nor ability. But I am afraid I have wandered rather from the line laid down by your chairman in addressing you just now. Budgets come, and Budgets go. They do not matter very much, and your blunder, if detected, can be set right in the Budget that follows, and I do not believe that any blunders, however portentous, that the present Chancellor of the Exchequer can commit will permanently injure any very distant race or generation of those who inhabit these islands."—(*London, St. James's Hall, June 8th*, 1894.)

Since, however, it has been within a Tory Ministry's power to correct these "blunders" they have done nothing except to take the money which these "blunders" have brought in, and distribute it amongst their political friends and supporters—the landowners and the parsons. More, when appealed to (in 1898 by Lord Feversham) and asked to undo the Budget of 1894, Lord Salisbury pleaded that what is done is done and cannot be altered. Excellent doctrine, but as to the impossibility of one party undoing the work of its predecessor, why was the promise made *before* the General Election that the "blunders" of the 1894 Budget should be remedied when the Tories got back to power?

The reform of the Death Duties carried out by Sir William Harcourt's Budget of 1894 has been to increase their yield by several millions a year. The figures are:—

Years ending March 31st.

	£		£
1894	7,578,796	1900	14,020,000
1895	8,719,000	1901	12,980,000
1896	11,600,000	1902	14,200,000
1897	10,830,000	1903	13,850,000
1898	11,100,000	1904	13,000,000
1899	11,400,000	1905	12,350,000

We may safely assume that the average annual value of Sir William Harcourt's reforms to the succeeding Chancellors of the Exchequer has been, at a minimum, five millions.

It is also to be remarked that Sir Michael Hicks-Beach did not in the years of peace remove the additional 6d. per barrel on beer, originally imposed in 1894 by Sir William Harcourt, and re-imposed by him in 1895. On both these occasions the tax was resisted by the Tory party. On June 26th, 1894, the clause in the Budget Bill relating to the Beer Duty was carried by 289 to 271 (majority 18), whilst in 1895 the resolution re-imposing the duty was carried by 230 to 206 (majority 24). Yet in spite of this opposition on the part of the Tories whilst out of office, their Chancellor has calmly kept on the tax to which such objection was taken. More, in order to meet the War Bill, he actually put on a whole extra shilling. We do not blame him for that, but his action is the strongest possible commentary on the Tory opposition to the 1894 Budget.

In one respect the Budget of 1894 has been whittled down in the interests of the rich man. Sir Michael Hicks-Beach carried in the Budget of 1896 a clause providing that no Death Duty need be paid on that part of an estate which consists of pictures, prints, books, manuscripts, works of art, or collections of national, scientific, or historic interest.

THE BRUSSELS SUGAR CONVENTION.

In the Session of 1903 the Government carried the Sugar Convention Bill, approving of the action of the Government in ratifying the Brussels Convention for the Regulation of the world's sugar industry, signed at Brussels on March 5th, 1902, by the representatives of Germany, Austria, Belgium, Spain, France, Great Britain, Italy, Holland, Sweden and Norway. This Convention creates a Permanent International Commission to examine the conditions under which the sugar industry is carried on in every country in the world. If the Commission should find that any country is giving a bounty on the production or export of sugar, it will call upon the Contracting Powers to impose an equivalent countervailing duty on sugar coming from that country, or exclude it altogether.

As Great Britain is the principal importer of sugar, this provision affects us more than any other country. It means that a foreign Commission, *in which Great Britain will have only one vote out of nine,* is now able by a majority to determine at what rate sugar entering this country is to be taxed. If we dislike the finding of this foreign Commission, the only alternative left open to us is to prohibit altogether the importation of such sugar. It is the raw material of great and important industries built up on cheap sugar —*e.g.*, confectionery, jam-making, biscuit-making, mineral water manufacture—but by the Convention it is a foreign Commission which decides where we are to get our sugar, and at what rate it is to be taxed on entering our ports.

Since we are told that this is all done to secure Free Trade, it may be noted (1) that in the despatch (dated December 12th, 1901) instructing the British delegates, Lord Lansdowne stated that bounties must be abolished "in the interests of the British West Indian Colonies, and of the sugar refining trade in the United Kingdom," whilst (2) in further instructions (January 17th, 1902) our "main reason" is declared to be merely to "come to the rescue of the West Indies." As a matter of fact, the Powers represented at Brussels avow a protectionist motive, by stating in a protocol that one of their objects is "efficacious protection of the market of each producing Power." It is hardly surprising that Free Trade, an object not aimed at, has not been secured. It should be noted, too, that the contracting Powers by no means include all the sugar-producing countries. In addition to the contracting Powers, Russia, Roumania, the United States, the Argentine, Canada, and Australia, all grow sugar, and all protect it by bounties and tariffs.

It is undoubtedly true that France, Germany, and Austria benefit, both by reduction in bounties and in the price of sugar. But so far as Great Britain is concerned we abandon the one benefit that we have hitherto derived from the Protective policy of the Continent. Nor is it sustainable that we merely assented to the Convention in order to promote international Free Trade. The official papers prove that no agreement would have been reached if we had not—solely in the interest of the West Indies—coerced the Continental Powers. As late as February 24th, 1902, the British delegates reported that France and Austria-Hungary could not agree. On February 25th Lord Lansdowne telegraphed:—

> "Should no agreement be come to by the Powers within the course of a few days, his Majesty's Government will be reluctantly forced to withdraw their delegates and submit to Parliament proposals for the taxation of sugar in 1902-3, framed on the assumption that the object of the Conference has not been obtained."

It was this threat of a hostile British tariff that compelled the unwilling Powers to do something in the direction of abandoning a system which was injurious to them and profitable to us. Thus the intervention of the British Government was in no sense a friendly act of international courtesy, intended to help friendly nations out

of a difficulty in which their own folly had involved them, but an act of commercial warfare undertaken in the sole interest of the West Indies. We omit the case of the sugar refiners, as indeed the Government themselves have practically done, and it must be remembered that whilst we refined 591,000 tons of sugar in 1870, the amount for 1901 was 640,000 tons—these being the sugar refiners' own figures. The truth is that this action was taken solely to benefit the West Indies. These islands produce a quarter of a million tons of sugar; seven times that amount is consumed in the United Kingdom. If they make more for their one ton, we must pay the increased amount on the seven tons.

The effect of the Convention has been admirably summed up by Sir William Holland:—

"This country is committed by the Convention to the principle of countervailing duties, and, by being so committed, it is *ipso facto* committed to a policy of retaliation. After resisting retaliation for fifty years, this Government has now adopted it. And what a curious kind of retaliation it is. Retaliation, not for injury done, but for benefits received."—(*House of Commons, November 24th,* 1902.)

THE RESULTS OF THE CONVENTION.

I.—Tory Prophecy.

We set out a selection from the numerous Tory predictions that we had much to hope and nothing to fear from the Convention.

Mr. Chamberlain.

"In my opinion the sacrifice which we shall be called upon to make is a very small and trifling one. . . ."—(*House of Commons, November 24th,* 1902.)

"I am told that at the present time in the market you can buy as much sugar as you like after September 1st—after the Convention is in full force—for £9 per ton. In those circumstances it does not seem to me common sense to talk of an addition to the cost of sugar of £5 or £10 or £15 a ton. . . ."—(*House of Commons, July 29th,* 1903.)

"I ask the House to agree to the second reading of this Bill, because, in the first place, to reject this Bill would be to perpetrate what would rightly be considered an act of bad faith on the part of this Government; in the second place, because I believe this Bill will secure free trade in sugar and increase the sources of our supply of that most necessary part of the food of the people; and, in the third place, because it will protect us from the possibility of a monopoly and enable us continuously to obtain sugar at a fair price from all the markets of the world. In the last place, I recommend it to this House because I believe it is a tardy act of justic to our own Colonies and to a great British industry."—(*House of Commons, July 29th,* 1903.)

Mr. Gerald Balfour.

"I venture to make the confident forecast that the average price of sugar during the coming ten years, if bounties are abolished, will not exceed the average price during the ten years that are passed, but will in all probability be less. . . ."—(*House of Commons, November 24th,* 1902.)

"That price I put under present circumstances, and assuming the present cost of production to continue, at about £10 per ton. Ten pounds per ton may, I think, be regarded as the normal or natural price after the Convention has come into operation and a system of Free Trade is established in connection with this commodity. . . ."—(*House of Commons, July 28th*, 1903.)

MR. ARTHUR BALFOUR.

"In the opinion of the Government the price of sugar would not be raised, but, on the contrary, that it would be diminished."—(*House of Commons, August 6th*, 1903.)

". . . and he was confident that when the country came to consider in its proper aspects the policy which the Government recommended they would say that it was not only in consonance with economic justice, but in the real interests of the consumer himself."—(*House of Commons, August 6th*, 1903.)

MR. PARKER SMITH, M.P.

"I do not believe for my part that a small rise—such a rise as could possibly follow these bounties—could have a serious effect upon the great trades which are based upon cheap sugar. . . ."—(*House of Commons, November 24th*, 1902.)

LORD LANSDOWNE.

"We have heard many apprehensions expressed to the effect that the abolition of bounties will involve the complete disappearance of cheap sugar in this country, and as a consequence the ruin of our sugar industries. I shall not say a word in disparagement of those industries, or of their importance. But I am altogether unable to share the alarm that has been expressed. . . ."—(*House of Lords, August 10th*, 1903.)

LORD ONSLOW.

"We believe that the price of sugar will not be materially increased, because it will be regulated by the law of supply and demand, and that the Bill will restore real Free Trade."—(*House of Lords, August 10th*, 1903.)

II.—Fact.

The Convention came into force on September 1st, 1903. In the autumn of 1904 it was therefore possible to estimate its results during the first year in which this "working model of Protection" had been in operation. These were shown to be:—

(1) **Decreased Consumption.**

(2) **Increased Price.**

(3) **Widespread Depression in the industries dependent on cheap sugar.**

(1) *Decreased Consumption.*—The following table, taken from the *Produce Markets Review* (September 24th, 1904), shows the effect upon consumption:—

Consumption of Sugar, September, 1903, to August, 1904.

	Tons.			
	1903–4.	1902–3.	Increase.	Decrease.
United Kingdom ...	1,409,737	1,460,450		50,713
France	699,030	371,119	327,911	
Germany	1,126,432	740,193	386,239	
Austria Hungary ...	509,567	376,532	133,035	
Belgium	85,431	60,000	25,431	
Holland	94,437	77,934	16,503	
	3,924,634	3,086,228	889,119	
		Less decrease	50,713	
		Increase	838,406	

That is to say, British consumption *decreased* 3 per cent., while Continental consumption *increased* 54 per cent.*

(2) *Increased Price.*—Mr. Czarnikow's *Circular* (October 20th, 1904) showed that while the visible supply was only ·8 less than the year before (10·2 as against 11·0), the price per cwt. was 2s. 7d., or 31 per cent. higher than the year before (11s. 0¾d. as against 8s. 5d.).

Mr. Clarke Saunders, editor of the *Confectioners' Union*, said:—

"The duty was put on in 1901. On November 30th of that year, as Mr. G. Mathieson has pointed out, the visible supply of sugar and price f.o.b. Hamburg (taking German granulated as the standard) were 1,754,000 tons and 8s. 9¾d. In 1902 the supply rose to 2,168,000, and the price to 9s. 1½d. In 1903, notwithstanding that experts put the crop

* The figures for the sugar year, September 1st, 1904, to August 31st, 1905, as compared with two previous years, are, as given by Mr. R. Just Boyd, Hon. Sec. of the Manufacturing Confectioners' Alliance:—

	1904–5.	*More (+) or less (–) than in 1903–4.*	*More (+) or less (–) than in 1902–3.*
(*a*) Import, refined sugar ... cwt.	15,033,907	– 1,770,118	– 3,670,656
£	11,605,988	+ 2,095,273	+ 1,773,339
(*b*) Import, unrefined sugar... cwt.	13,589,362	– 482,667	+ 1,339,079
£	8,757,552	+ 2,344,904	+ 3,680,200
(*c*) Import, all sugars ... cwt.	28,623,269	– 2,232,785	– 2,331.577
£	20,363,540	+ 4,440,177	+ 5,453,539
Home consumption ... ... cwt.	20,498,029	– 568,822	– 1,323,844
(*d*) Imports, British West Indies, Honduras, & Guiana...cwt.	1,107,119	+ 144,543	+ 485,401
£	898,879	+ 290,691	+ 513,830
(*e*) Java (with no bounties) ...cwt.	2,367,922	+ 633,857	+ 2,156,022
£	1,600,433	+ 820,302	+ 1,499,961

as heavy as 2,274,000 tons, the price went up to 10s. 1½d.; whilst on the same date this year the rate was as high as 15s. 4½d., and the supply 1,712,000 tons."

What this meant the Convention was costing Britain was thus stated by Mr. Mathieson (in his pamphlet *Sugar Under the Convention*):—

"Less the gain to our Colonies in the West Indies, manifestly Great Britain stands to lose £3,730,625, based on the consumption of the last sugar year (1903-4). But the price in October, 1903, had already been forced up by the Convention, and we may fairly take the price in October, 1902, as the figure from which to calculate our actual loss, which would then amount to £5,011,250, a goodly sum to pay for our first 'Fiscal Reform'! If we add to this, as we may well do, the duty on sugar arising from other wasteful public expenditure, we arrive at the colossal sum of £10,886,250, drawn unnecessarily out of the pockets of British taxpayers in the current sugar year. Put in other terms, from every family of five persons in the United Kingdom a sum of £1 5s. 11d. is being extracted and likely to be extracted for some years to come. . . . And since these figures were compiled, speculators have had fresh statistics formulated and have forced up the price of sugar a further 2s. 4½d. per cwt., thereby raising Great Britain's loss (our own duty not reckoned) to £7,078,750, based on 1903 prices, or £8,359,375 if the more reasonable price in October, 1902, be taken."

(3) *Widespread Depression in the Industries Dependent on Cheap Sugar.*—From the mass of evidence on this point, one statement alone need be given, which is at once representative and authoritative (it has never been challenged). At a conference of confectionery and allied trades held at London on December 21st, 1904, the president, Mr. Stanley Machin, Chairman of the Bakery and Confectionery Section of the London Chamber of Commerce (on the initiation of which the conference was called) said:—

"The rise was not due to normal conditions, and the large industries which depended upon sugar as their raw material were being throttled. During the fifteen years immediately preceding 1901 the confectionery industry made unexampled progress, and it was only since the date mentioned that the trade began to go down hill. This country imported annually 1,600,000 tons of sugar, of which it was estimated that 400,000 tons were taken by the manufacturing industries of the country. The result of careful inquiry showed that before the re-imposition of the sugar-tax in 1901 there were as many as 100,000 persons directly employed in the allied industries represented by the section of the London Chamber of Commerce which had convened the Conference. When they considered the large body of workers indirectly employed and largely dependent upon these industries . . . it might safely be computed that the total number who relied on the manufacturing confectionery trade for their living could not be for short of 130,000 persons. To this number must be added that large army of small shopkeepers who would be found to number between 30,000 and 40,000, all of whom were affected by the present crisis. In the manufacturing confectionery trade the trouble was only too apparent. Inquiry showed that in the United Kingdom there were 12,000 fewer workers in the confectionery manufacturing industries than there were before 1901, while in November there appeared to have been no fewer than 50,000 workers on short time. That should have been the busiest month of the year. It could be shown that in London alone there were at the present time 5,000 fewer workers em-

ployed in the allied industries than was previously the case. He had received a letter from a large firm of mineral water manufacturers stating that, owing to the effect of the tax, they had suffered during this year a net loss of £1,931, although for the years 1887-8-9 they made an average net profit of £20,000."

III.—Tory Explanations.

According to the Tories (as the following passages from speeches by Ministers show) these results were due to anything and everything but the Convention.

Mr. Long.

"In the first place the crop of beet sugar this year was 1,000,000 tons short, and it was ridiculous to suppose that the whole disturbance of trade had been caused by Russia and Argentina, which did not agree to the Convention, and which never sent us as much as 100,000 tons of sugar in any one year. He did not deny, however, that the Convention might have had some slight effect upon sugar prices."—(*Brackley, December 2nd,* 1904.)

Mr. Austen Chamberlain.

"He denied that the Sugar Convention was the cause of the present crisis, and said that the lesson to be derived from it was to draw supplies from as widely distributed sources as possible."—(*Hay Mills, December 2nd,* 1904.)

"There had been a great rise in the price of sugar, and they were told that it was due to the Convention, that it was fatal to the confectionery trade, and that, therefore, the Convention was a bad thing. He was prepared to deny every one of those assertions. The Convention was signed two or three years ago. The rise in the price of sugar had taken place only in the present year. If it had been due to the Convention it would have followed more closely on the signing of the Convention. It had taken place because in the restricted markets upon which we had come most to rely there had been a great shortness in the crop owing to climatic reasons. This season there had been an increase in consumption. There had been a decrease in the supply of beet sugar, and that had the natural result of making a great rise in the price of sugar. The one bright feature in the present situation was that the production of cane sugar had increased, that there was a larger quantity of that to take the place of a part of the shortage of the beet sugar crop. What was the lesson? It was that we should not be dependent on a single source of supply or a limited market. It was not in our interest in the long run to allow the natural sources of supply to be closed to us." —(*Redditch, December 15th,* 1904.)

"The present rise in the price of sugar appears to be unconnected with the tax, and to be due to the shortage of the beet sugar crop combined with increased consumption."—(Reply to the Birmingham District Mineral Water Trade Association, Times, *December 19th,* 1904.)

It is not denied that some at least of these things may have had a share in bringing about the results we have seen. But what, all taken together, they not only utterly but ludicrously fail to explain is the great fact of an *increased* Continental consumption of 54 per cent., and of a British *decreased* consumption of 3 per cent. In face of that, they are simply absurd. The shortage of the beet crop (probably partly due to decreased sowings owing to the withdrawal

of the stimulus of the bounties) could not, except in a small degree, account for it. To set against it in part, there was the increased import from the West Indies (165,863 cwts. in the last six months of 1904), but, on the other hand, there was the aggravation of it by our ports being closed by the Convention to supplies from Russia and Argentina (the Tories invariably minimise the Russian supplies, the fact being that it is not a "negligible" quantity, but, coming to us largely from German ports, has been entered as German). Some of Mr. Austen Chamberlain's reasons are very amusing—and very cool. "The lesson," he says, "is to draw supplies from as widely distributed sources as possible"—but why, if that is so, shut out those from Russia and Argentina, which surely meet the description? Again, "The lesson was"—he is good at giving us "lessons"—"that we should not be dependent on a single source of supply or a limited market." This from one of the authors of the Convention that has made us, for the first time, "dependent on a limited market"! Or again, "it was not in our interests in the long run to allow the natural sources of supply to be closed against us." We are glad to hear this, for of course to a Free-trade country, the "natural sources of supply" are *all* the sources of supply. But the finest gem in the collection is this: "The present rise in the price of sugar appears . . . to be due to the shortage of the beet sugar crop, *combined with increased consumption!*" The increased consumption was abroad and not at home, and in Germany, for instance, they entertain no doubt as to the increased consumption of sugar there being the result of the Convention. Baron von Stengel, the Minister of Finance, in his Budget statement on December 3rd, said:—

"On the other hand, he had to call attention to the highly satisfactory increase of 14,000,000 marks (£700,000) from the sugar excise duty, which furnished a proof that there had been an unexpectedly great development in the home consumption of German sugar, *as a result of the measures which had been adopted in connection with the Brussels Convention.*"

In all this parade of reasons by the Chancellor of the Exchequer, the shortage in the beet crop is the only one worth notice, and, taken in itself, there is, as we have seen, little enough even in it. But, taken in connection with the changes in consumption, there is still less. For what the Tories have still to explain is—how does this one cause produce at one and the same time a lower price and increased consumption abroad and a higher price and decreased consumption at home?

All this simply amounts to an attempt to run away from the Convention. But it must be pointed out that escape from the natural results of their handiwork is barred to the Tories by their declared purpose in advocating the Convention. In entering into it the Government, as Mr. Chamberlain said in the House of Commons (July 31st, 1902), "meant business," viz., the "effective" abolition of the bounties. As he said:—

"The bounties will come to an end under the Convention, and the different parties to the Convention have agreed to a penal clause so as to make it effective. . . . *This is what the industry has asked for.*"—(*House of Commons, July* 31*st*, 1902.)

The basis of the whole policy, it will be noted, is the invariable Protectionist method of procedure by single industries. In this case the favoured industry was, of course, that of sugar—in a slight degree, sugar refining in Britain, but first and foremost (as the whole of this speech shows), sugar planting in the West Indies. The case for the abolition of the bounties for the benefit of the West Indies was practically the whole case. What that case was Mr. Chamberlain put thus: "At the present moment the advantage given by the bounties to other sugar, as opposed to West Indian sugar, is probably not less than £5 a ton." To make good this loss of £5 a ton was, therefore, the main, direct object of the Convention. But to make it good meant an increase in price of ½d. per lb., and since, at the end of its first year of operation, this was exactly what had taken place, the Convention must be held to have done precisely what it was intended to do. The trouble, of course, was that, unfortunately for the Tories, this measure of "economic justice"—the phrase is Mr. Balfour's—had been, and only could be, secured at a loss to Britain of about £8,000,000 as against a gain to the West Indies of about £250,000. And so it came about that instead of congratulating themselves, as they were fully entitled to do, on their unexampled success in adapting means to end, the authors of the Convention everywhere protested that, whatever the cause of the rise in price, it was certainly not the Convention.

MR. KEARLEY'S AMENDMENT TO THE ADDRESS.

The subject was debated in the House of Commons on February 28th, 1905, when Mr. Kearley moved the following Amendment to the Address:—

"But we humbly represent to your Majesty that your Majesty's Government in committing the country to the policy of the Brussels Sugar Convention have inflicted heavy losses upon trade, diminished employment of labour, enormously increased the cost of a necessary food to consumers, without any compensatory advantage; and we humbly submit to your Majesty that these evil results call for an immediate remedy; and that the Convention should be denounced at the earliest possible moment."

This was lost by 278 to 213 (majority 65).

The chief spokesmen for the Convention (Mr. Chamberlain, Mr. Bonar Law, and Mr. Gerald Balfour) developed two main lines of defence.

(1) They contended in one and the same breath, (*a*) that the West Indies and the sugar refiners are benefited by the raised price, and (*b*) that the only cause of the raised price is the failure of the beet crop. Here is Mr. Bonar Law putting the one, and Mr. Chamberlain the other:—

Mr. Bonar Law.

"What would be the effect of the abolition of the bounties? The prosperity of the West Indies was admitted by everyone. It was admitted that money was pouring into the West Indies as it had never poured before. With new machinery and more scientific methods they would be able to produce sugar when bad times came cheaper than they had ever done before."—(*House of Commons, February 28th*, 1905.)

Mr. Chamberlain.

"There has recently been, from the same cause as that affecting the price of sugar, a drought—there has been an enormous increase of 400 per cent. in the price of onions. . . . There again, I ask, has anyone read a debate in this House on an increase in the price of onions?"—(*House of Commons, February* 27th, 1905.)

On which it is sufficient to say that if the rise in price is due, not to the Convention (whose express object it was to help the planters and refiners, which can only be done by raising prices), but to the failure of the beet crop, favourable weather will turn the Convention into a dead failure.

(2) It was contended that the Convention is a Free Trade measure. This is nonsense. Protection in foreign countries, admittedly injurious to our trade, takes two forms—(*a*) tariff walls (which injure us), and (*b*) bounties (which benefit us). Why, then, should we, by threats of countervailing duties (see Lord Lansdowne's despatch of February 25th, 1902—see page 28) coerce foreign countries into abandoning the one and only part of their protective system that does us any good? The true doctrine in regard to the question has never been better stated than in a Board of Trade Memorandum issued in 1881 when Mr. Chamberlain was President. From this we take the following:—

"As the policy of this country has been for many years to prefer the large consuming interest of the whole community to the small producing interest of any single class, the Government was not prepared to recommend any remonstrance to foreign Governments regarding their bounties on the ground of alleged injury to the trading interests of this country.

"Protective duties in foreign countries are even more injurious to the interests of this country than bounties, since they operate no less than bounties to the disadvantage of our producers, whilst, unlike bounties, they confer no benefit on our consumers. If duties are to be imposed to counteract foreign bounties, *a fortiori* they ought to be imposed to counteract foreign protective duties. To impose countervailing duties in order to neutralise indirect bounties would, therefore, be to take the first step in reversing that Free Trade policy which was adopted on the clearest ground of argument, and has conferred immense advantages on the industrial classes of this country."

MR. CHAMBERLAIN AND THE SUGAR QUESTION.

Apart from a letter to a Birmingham firm of confectionery manufacturers and the speech which we have quoted above, Mr. Chamberlain took no part in the controversy on the results of the Convention. Mr. Long, however (not perhaps altogether unwilling to put so heavy a responsibility on the right shoulders), hailed him

as the statesman "largely at whose instance" the Convention had been entered into. But the compliment (coming as it did from a member of his own Tariff Commission) that must have pleased Mr. Chamberlain most was paid to him by Sir Alfred Jones, who, speaking (on January 25th, 1905) at a meeting held under the auspices of the West India Committee, said:—

"The British people were beginning to realise that they had an asset in their Colonies. For that thanks were due to Mr. Chamberlain. It was he who had brought sugar up from £6 to £16 a ton."

We have already quoted Mr. Chamberlain's excellent memorandum when at the Board of Trade, which dealt with the Sugar Question from the point of view of Free Trade policy. We add two further passages (from speeches) which relate to the West Indian part of the subject.

(1) As we have seen, the main reason for our entering into the Convention was to help the West Indies. Mr. Gerald Balfour said in the House of Commons (November 24th, 1902): "The West Indian colonies have the first claim upon our sympathy and attention." In our first quotation from Mr. Chamberlain he states exactly what helping the West Indies would mean:—

"But lastly—and this, I think, is the objection (*to countervailing duties*) which is most worthy of consideration—the trade which we desire to save is a trade of 260,000 tons per annum, but the importation of sugar into this country is 1,500,000 tons per annum, and it does seem rather an awkward and an unscientific way of benefiting a trade of 260,000 tons per annum by interfering with a trade of 1,500,000 tons per annum." —(*Liverpool, January* 18*th*, 1898.)

(2) In the second, which belongs to "my Radical days," read "Tariff Reform" for "Fair Trade":—

"Really the sugar question is about as strong as any we can have. I would as soon fight the Fair Trade humbug upon sugar as upon any other thing. I know something about the Workmen's Association for the abolition of the Sugar Bounties—I have met the gentleman before. It is a sham association, with precious few workmen about it. It is got up and paid for by a few West Indian planters who want to make a profit out of an increased price of sugar. Ah! I have great sympathy with any real movement on the part of the working classes, but I have no sympathy at all with those who sell themselves to an agitation of this kind. Well, I have no doubt my constituents will know how to deal with them when they come. The only argument they have got which is worth a moment's consideration is this: they say that cheap sugar has thrown out of employment a number of decent, industrious working men who were engaged in the refinery trade, and they ask you, the whole population of this country, to submit to an additional charge for your sugar in order that these poor fellows may be set to work again. The claim upon you to submit to a great sacrifice to raise the price of every cup of tea you drink, of almost every article of consumption—for sugar enters into almost the whole consumption of your household—this claim made by those eighteenpenny working men, is not made on behalf of the working classes, but it is made in order that the few West Indian planters may double their fortunes rather quicker than they otherwise would do."—(*Birmingham, November* 12*th*, 1885.)

II.—THE "DOLES."

"*It is to safeguard and protect the interests of our friends, not only while we are in office, but even in the contingency of our being out, that we have acted throughout.*"

LORD GEORGE HAMILTON.—Speech in London, November 17th, 1897.

"It is a policy which is deliberate and of set purpose, a policy, namely, of giving pecuniary relief to certain favoured classes politically useful to the party in power, who receive the subsidy and are expected to be grateful for it, while the funds to enable this to be done are provided in such a manner as to ensure that those out of whose pockets it is to come should be as little as possible conscious of the contribution they are making. But that fact does not make the contribution in the least degree less real or substantial. That is the policy; and I must say of it that within our recollection we have never seen it adopted by any Administration in this country until the present Government came into office. In remote history, perhaps, we should find cases of it, but few, if any, in which it has been done in so unblushing a manner as here, and the worst of it is we have no security that the chapter is yet closed."

SIR HENRY CAMPBELL-BANNERMAN *in the House of Commons, July* 20*th*, 1899.

THE "DOLES" AT A GLANCE.

Year.	By What Act.	To Whom Given.	Yearly Amount.
1896	The Rating Acts. England & Wales / Scotland	Agricultural Landowners (principally)	£1,333,000 £280,000
1897	Voluntary Schools Act *	Denominational Schools	£600,000
1898	Irish Local Government Act	Agricultural Landowners (direct) „ Tenants	£300,000 £427,000
1899	Clerical Tithes Act	Clerical Tithe Payers	£138,000
1901	Agricultural Rates, etc., Continuance Act	Renewing Doles of 1896 and 1899 until 1906	—
1905	Agricultural Rates, etc., Continuance Act	Further renewing Doles of 1896 until 1910	—

(1) THE 1896 "DOLE."—£1,613,000 A YEAR TO ENGLISH AND SCOTCH LANDOWNERS.

By the English and Scotch Rating Acts passed in the Session of 1896 an annual sum of £1,613,000 was voted away, nominally in relief of agriculture but really in relief of the landowners. Their pockets must be the ultimate and inevitable destination of the money We deal fully elsewhere with the Agricultural Land Rating Act, England and Wales (see page 48).

---

* Repealed by Education Act, 1902.

(2) THE 1897 "DOLE."—£600,000 a YEAR TO THE DENOMINATIONAL SCHOOLS.

That was what was achieved by the Voluntary Schools Act passed in 1897. This Act is fully dealt with in the Education Chapter at page 72. It was repealed by the 1902 Education Act (see page 77).

(3) THE 1898 "DOLE."—£727,000 A YEAR TO IRISH "AGRICULTURE."

By the Irish Local Government Act, passed in 1898, a sum of £727,000 a year was given to Ireland in relief of agricultural rates. What the Act did was as follows:—

	Before Act.	*After Act.*
Poor Rate.	½ Landlord. ½ Tenant.	½ State. ½ Tenant.
County Cess.	Tenant.	½ State. ½ Tenant.

We need hardly say that Liberals very heartily welcomed the extension of the privileges of local government which were given to England as far back as 1888, and to Scotland a year or two later. But whilst this is so, that furnished no justification for spending the sum of £727,000 in the way in which it was spent by the Government Bill, the more especially as £300,000 of it goes straight into the pockets of the Irish landowners. The object of this huge gift was clear. Mr. Gerald Balfour said "it would have been hopeless for them to try to pass so complicated and so difficult a Bill as this unless some such financial arrangement had been made." It should be added that it was not denied by the Irish members that the grant of this money to the Irish landowners was quite indefensible, Mr. Dillon speaking of it as a "flagitious waste" of public money. We take from the *Daily News* the following table showing the sums receivable by Irish landowners under the Act. (Valuation of 1873 from Thom's Directory; 25 per cent. taken off that valuation for agricultural depression.) Average Poor Rate (Ireland) 1s. 4½d. in the £:—

Landowner.	Rental.	Dole.*	Motto.
	£	£	
Duke of Abercorn...............	26,852	895	
Mr. A. H. Barry-Smith, M.P.	24,309	810	
Marquis of Conyngham.........	24,508	816	Over fork over.
Duke of Devonshire............	25,745	858	
Marquis of Downshire..........	68,642	2,288	By God and my sword have I obtained.
Earl Fitzwilliam..................	35,775	1,192	Let the appetite be obedient to reason.
Marquis of Lansdowne.........	23,652	788	
Lord Clanricarde..................	15,617	520	

* *i.e.*, half of Poor Rate remitted by Act.

(4) THE 1899 "DOLE."—£138,000 A YEAR TO THE CLERICAL TITHE PAYERS.

The next of the series of doles was to the clerical tithe payers, given in the Clerical Tithes Act, suddenly and hastily introduced, and passed under somewhat remarkable circumstances at the end of the session of 1899. By its provisions the ten or eleven thousand incumbents who pay in rates on their tithe rent-charge, now pay one-half, the £138,000 a year thus lost to the rates being taken from the Local Taxation Account (*i.e.*, the other ratepayers). The Act was indefensible for the following (amongst other reasons):—

(*a*) *The measure relieved tithe rent-charge of a liability it had borne (either as tithes or tithe-rent charge) since the days of Queen Elizabeth.*—We do not say this on our own authority, but on that of the Chancellor of the Exchequer. Speaking in a debate in the House of Commons, Sir Michael Hicks-Beach said:

"I must say that I regret that in the course of the discussion of this matter in the country, suggestions and requests have been made to her Majesty's Government which point to nothing less than the exemption, not merely of tithe rent-charge, but of the whole income of the clergy from local taxation. I do not believe that any such proposition as that is a practicable proposition, or would be in the smallest degree just to the other classes of the community. But tithe rent-change and glebe land have been subject to local taxation since the days of Queen Elizabeth. It is all very well to say that the clergyman ought not to be taxed in this way more than the lawyer or the doctor; but, as a matter of fact, he has been taxed in this way for centuries past, and it is not, I think, a practicable proposition to suggest to Parliament or to ask the Government to remove local taxation from property which has been so long subject to it, at the cost either of the other ratepayer or of the ratepayers generally."—(*House of Commons, June 6th, 1898.*)

It may be urged that all these centuries the clergy have been unjustly rated. But have they? It is the fact that in the first instance tithes were paid (1) to support the clergy and (2) to relieve the poor. Now that *all* the tithe goes to the clergy they ought not to grumble at having to pay rates on it.

(*b*) *The clergy have actually been provided with money with which to pay these rates.*—Up to the year 1836, the year of the Tithe Commutation Act, tithes were paid in kind. This was a cumbrous and inconvenient process which led to great difficulty, and the State stepped in and gave to the tithe-owner, instead of a right to tithes in kind, an equivalent right to a money payment, to be called tithe rent-charge. This money payment was not to be a fixed sum, but was to vary with the price of corn. Since that time the value of £100 of tithe rent-charge as fixed in 1836 has been as high as £112, though at the present time its value has fallen to about £68. It had been a very common custom for the tithe-payer also to pay the rates on the tithe. Farmers, for instance, on tithes worth £500 a year would pay £100 in rates, and would deduct this from the £500 when they paid the tithe-owner, who would thus get £400. The

Commutation Act provided that the obligation of paying rates should for the future be on the tithe-owner, and accordingly the tithe rent-charge was fixed not at £400, but at the £400 added to the £100 previously paid by the farmers in rates. This left the tithe-owner—that is to say the incumbent—in just the same position as he had been before. His tithe rent-charge was £500, and out of this he had to pay £100 in rates, leaving him with the £400 which came to him before the Act. This may be taken as practically a typical case, since at that time rates were nearly 4s. in the £, those being the days, be it remembered, of the unreformed Poor Law. The interim report of the Local Taxation Commission on this point says:—

"The Tithe Act of 1836 provided that the tithes be commuted either voluntarily by the tithe-owners and land-owners of the parish, subject to certain conditions and restrictions, or else compulsorily by the Tithe Commissioners, the Act in the tithe case directing the mode of conversion to be as follows:—

"(1) To find the clear average annual value of the tithes of each parish, after making all just deductions on account of the expense of collecting, preparing for sale, and marketing, where such tithes had been taken in kind, during the seven years preceding Christmas, 1835.

"In estimating this no deductions were allowed on account of any rates or charges, or assessments to which the tithes were liable, and where the tithes had been compounded for on the basis of the tithe-payers paying the rates, the Commissioners were directed to make such additions to the composition as would be equivalent to the rates paid."

(*c*) *The Act gives most relief where least was needed.*—It was said that the Bill ought not to be opposed out of consideration for the sufferings of the distressed clergy. But under the Act the "fat" livings get the most. The Act gives £138,000 a year to 11,000 clergymen—an average of £12 a head. It is safe to assume that the really poor clergyman does not get more than £3 or £4! It was just the same in the case of the Rating Act—there the poorest land got the least relief, and the richest land most. It is a defect inseparable from legislation of this kind.

(*d*) *The measure is defensible only on the theory that the clergy are and ought to be State paid.* —The argument from rating breaks down, inasmuch as it is not all tithe rent-charge that is to be relieved, but only tithe rent-charge paid to the clergy. It is then said that the clergy ought not to be rated on their professional income—an argument admirably answered by the *Guardian* (June 28th, 1899). It was the *Guardian* which openly set out the only intelligible defence of the Act:—

"The clerical tithe-owner is the possessor of an endowment, and so far he is liable to be rated; but in return for his endowment he is bound to discharge certain duties to his parishioners. So much of his tithe as may fairly be set against these duties has an analogy, to say the least, to professional income, and may justly and reasonably claim the same exemptions."

But this defence, though intelligible, was also most damaging. It made the Church dependent upon the State, and it assumed that the people of this country by not interfering with the Establishment are willing to make themselves responsible as a State for clerical incomes. They are no more willing to do so than they would be if the clergy were Wesleyan ministers or Salvation Army captains.

(5) THE 1900 "DOLE"—£50,000 A YEAR (out of the Irish Church Fund) TO IRISH TITHE PAYERS.

It was a point of honour with the Government, in the Parliament of 1895 to 1900, to give at least one dole every year. In a Session when Mr. Balfour declined to grant any facilities for the passing into law of a measure which would have prevented young children being sent to public-houses, and so have kept them from the temptations connected therewith, several days were spent in passing into law the Tithe Rent-Charge (Ireland) Bill. Briefly it ripped open the settlement arrived at in 1872, provided for the future that rent-charge shall vary as the price of rent instead of as the price of corn, and in the result took from the annual income of the Irish Church Fund a sum estimated at £50,000 a year. This is a Bill for which the Irish landowners had long wished, and possibly it was given to signalise the accession to the ranks of the Government of two such prominent Irish Unionists as Lord Londonderry and Sir E. H. Carson. The case against the Bill was admirably stated by Mr. Asquith on the third reading:—

"There is one circumstance connected with the selection of this particular standard of judicial reduction—what I will call the standard of confiscation—which I think the House ought to learn, because I believe it explains the whole of this Bill. The only ground upon which the Bill can be logically based is that it is an instalment of compensation to the landlords for the reduction of rents which have been made under Act of Parliament. I cannot myself see any other ground on which the fall in judicial rents should henceforth be treated as the basis of the tithe rent-charge. I will refer hon. gentlemen opposite, and particularly right hon. gentlemen, to a speech of the Duke of Devonshire the other day. He pointed out that the actual economic fall in rents measured by experience in this country is as great as, and in many cases far greater than, the compulsory reductions which have been made by the land tribunals in Ireland. He might also have pointed out—his audience was particularly appropriate for the purpose—that so far as these excessive rents, which have been reduced by the compulsion of the Court, were based upon the appropriation by a landlord of the value put by a tenant, through his industry and capital, into the land, they were morally and politically indefensible. And, further, I will venture to say that the reduced rents now paid by the tenants and received by the landlord ought to be regarded as salvage from the social and economic wreck which the landlords themselves have caused. . . In so far, then, as this Bill is an attempt to compensate the landlords of Ireland indirectly for the reductions which in consequence of their action they have had to sustain in their rents, it ought to be repudiated by this House. I say this Bill offends equally against the rules of common justice and sound finance. It tears up a statutory contract without adequate reason and without any compensa-

tion. It impairs not only by what it does, but still more by the example it sets, the security of the Irish Church Fund. It introduces as the basis and standard of variation in tithe the fall in judicial rents, which is either wholly irrelevant or illogical. On these grounds the Bill is deserving of the condemnation of Parliament."—(*House of Commons, July 16th, 1900.*)

V.—The 1901 Renewal of the Agricultural and Clerical Doles.

The Agricultural Rates Act, etc., Continuation Bill was brought in (under the Ten Minutes Rule) on July 18th, 1901, and read a first time. As introduced it made permanent the following Acts, expiring in March, 1902:—

(1)—The Agricultural Rates Act, 1896,
(2)—Tithes Rent-Charge (Rates) Act, 1899,
(3)—The Two "Relief" Acts for Scotland,
 (*a*) 59 and 60 Vict. Chapter 37,
 (*b*) 61 and 62 Vict. Chapter 56.

In the interval between first and second reading a compromise was arranged between the two Front Benches, as the result of which the various Acts were renewed for a further term of four years, within which time the Government undertook to deal with the whole question of the incidence of local taxation. There was a second reading debate on July 29th, 1901, when Mr. George Whiteley moved an amendment which was beaten by 118. Mr. Caine's motion (on August 1st, 1901) to omit the Clerical Tithes Act was lost by 159 to 94.

VI.—The 1905 Renewal of the Agricultural and Clerical Doles.

In 1905 a second Continuance Bill—renewing the agricultural and clerical doles up to 1910—was introduced and carried. Nothing could be franker than the admission made by Mr. Gerald Balfour in moving its second reading:—

"The object of the Bill was to continue to March 31st, 1910, the Agricultural Rates Act of 1896, the Tithe Rent Charge Act of 1899, and certain Acts relating to Scotland, all of which would otherwise expire on March 31st of next year. In 1901 a Continuance Bill was introduced which, if passed in its original form, would have given permanence to these Acts. But that proposal was strongly objected to by the Opposition, and his right hon. friend the Leader of the House explained that the Government did not consider the scheme of reform embodied in these Acts as being in any sense final or permanent, or that it would not be necessary, within a comparatively short period, to frame a comprehensive measure of local taxation reform; and accordingly he expressed his willingness to limit that Continuance Bill to a period of four years, on the understanding that only one night was spent on the discussion of its second reading. That proposal was accepted. Except that four years had passed since then, the Government were practically in the same position as that in which they stood in the year 1901. They did not now, any more than then, profess that the scheme contained in these Acts was a final or permanent scheme, or that it dealt, once and for all,

with the many difficult and vexed problems connected with the question of local taxation. But they did hold that these Acts met a real grievance, and to some extent remedied it. It might be asked why the Government had not utilised the interval to introduce the more comprehensive measure to which his right hon. friend hinted in 1901. To deal with so complicated a question as the reform of local taxation required a favourable combination of circumstances. In the first place there must be an overflowing Exchequer, for no complete solution was likely to be found without making large drafts upon Imperial resources; and, in the second place, it was necessary to have in office a Government with plenty of leisure before it, able and willing to devote a whole Session, and perhaps more than one Session to the question. Neither of these conditions existed in the case of the present Government."—(*House of Commons, April 17th*, 1905.)

He further added that the agricultural dole was "confessedly incomplete and provisional." The Liberal position was clearly stated by Sir Henry Campbell-Bannerman:—

"I think it will be found in the course of this debate that the opinions so strongly held and expressed on this side of the House, both in 1896 and in 1901, remain among us still and have not been in the least degree abated; and, indeed, many of our complaints are practically admitted by the Government themselves. The object of this Bill is the equitable readjustment of rating. We are as much in favour of it as anybody, but what we think is that these Bills have set about it in the wrong way; that they have dealt with it, as is admitted, in a partial and imperfect manner; as we say, also, in an unfair and inequitable manner as between different classes and different interests. It is inequitable as between town and country, inequitable as between different occupations and the like; and also we think that what has been done is open to this very serious objection, that a great part of the benefit, if it was ever designed for the advantage of the farmer, will drift in the course of years into the pocket of the landowner. These are our feelings on the subject, and we hold them as strongly as ever. But, of course, when you have had nine years of these subventions to a certain class, I think it is rather unusual, as a principle at any rate in our dealing with these questions, to take away that assistance at once. It is one of the evils of such a mode of dealing. If I were to seek a parallel case, supposing a protective duty were imposed on some article which was found to be injurious to the interests of the country, we know how exceedingly difficult it would be, vested interests having been acquired, to interfere with that protective duty. And so it is that those who are most opposed to certain legislation may find it exceedingly difficult, after a term of years, to vote *simpliciter* for its repeal."—(*House of Commons, April 17th*, 1905.)

It is part of the very mischief of the system of doles that once they are given it is almost impossible to get back to the *status quo*—just as the strongest opponents of the Transvaal war admitted that the only possible settlement was to incorporate the two Republics in the British Empire. Liberal objections to the policy of the doles were expressed on an amendment moved by Mr. J. H. Whitley and seconded by Mr. Charles Trevelyan (lost by 174 to 59):—

"That no Bill dealing with the severe burden of the local rates on the agricultural industry will be satisfactory or afford permanent relief which does not provide for a contribution payable by the owners of land

based on its selling value, and utilise the fund so provided to relieve the ratepayers of a substantial portion of the burdens which result from the local payment of national services and from the incidence of existing rates on buildings and improvements, instead of adopting the crude and unfair method of paying half the rates on agricultural land out of the Imperial Exchequer."

A notable protest against the Bill was made by Mr. Ernest Gray, the Tory member for North-West Ham:—

"He represented a district which would be called upon to pay heavily and to receive at the best but an indirect benefit. He joined issue with the President of the Local Government Board when the right hon. gentleman stated that the House stood now where it did nine years ago. He disputed that statement altogether. When the original Act was passed, promises were made by the Government that this legislation was merely a temporary expedient to meet an urgent necessity, and that the whole question of local taxation would be grappled with at an early date by the Government. Many an urban representative had voted in favour of the Act largely in the hope that the promises originally made when the Act was introduced and again repeated on its renewal would be fulfilled. This question of assessment and local taxation would not be settled until the area of taxation had been much enlarged, so that the national Exchequer might have ample means to discharge national obligations. In the last five years the position of this question had notably changed for the worse. The Education Act alone had magnified the inequality between the burdens of the urban and rural districts; and, as the representative of a constituency whose rates had enormously increased he could not see his way to vote for this Bill."—(*House of Commons, April 17th,* 1905.)

The Tory press exhausted itself in attempting to show that Liberals who opposed the doles were inconsistent in not voting for their repeal. Much as Liberals object to the Education and Licensing Acts, they are not so foolish as to suppose they can ever be repealed *simpliciter*, and the inequities an inequalities of the doles can only be got rid of by some comprehensive scheme which a Liberal Opposition is, in the nature of things, powerless to carry. It is particularly daring of Tories to taunt Liberals when we remember how the Budget of 1894 was denounced. Here was a case in which it would have been possible to retrace your steps—the first Tory surplus could have been applied to getting rid of duties declared to be iniquitous and inequitable when introduced by Sir William Harcourt. Instead of which the Tories have left the duties untouched, and been only too glad to spend the proceeds.

CHAPTER II.

AGRICULTURE.

I.—THE TORY PROMISE.

"Our policy is (1) to relieve the land from the unfair and the excessive burdens which have been placed upon it by recent legislation. We desire to deal with the question which was touched upon by your chairman and to make it impossible that (2) unfair and preferential rates shall be given to foreign produce in competition with home grown produce. We want to see (3) that the tenant farmer has every possible security that can be given to him for valuable improvements which he makes with his own money. We want (4) to place the landlord, if possible, in a position to make those improvements which the tenants ordinarily look to the landlord to make, and we want (5) to give to the farmers the facilities which are possessed by the tenant-farmers in Ireland of becoming the owners as well as the tenants of their lands."

Mr. Chamberlain at RUGBY,
General Election, 1895 (*July 22nd*).

"The protection of agricultural tenants in their improvements . . . the easing of the heavy burden under which British agriculture is sinking . . . are some of the subjects on which the labours of a Unionist Government and of the Unionist party may well be expended. In respect to all of them something, in respect to some of them much may, I believe, be done."

Mr. Balfour, 1895 Election Address in
EAST MANCHESTER.

"VII. The extension of small holdings."

Mr. Balfour's EAST MANCHESTER Election
Card, General Election, 1895.

"I attach great importance to the amendment and simplification of the Agricultural Holdings Act . . . and I should be glad to see greater facilities given to smaller cultivators to become the owners of the soil they occupy. In the constitution and personnel of the new Government all classes concerned in the cultivation of the land have a full guarantee that questions affecting their industry will be kept steadily in view."

Mr. Walter Long, 1895 Election Address in
LIVERPOOL (WEST DERBY).

"Lord Salisbury, by appointing a Cabinet Minister to the Board of Agriculture, has proved that he intends this question to occupy a foremost place."

The Marquis of Carmarthen, M.P.,
1895 Election Address in BRIXTON.

"The inclusion of the new Minister of Agriculture in Lord Salisbury's Cabinet is a satisfactory proof of the sincerity of the Government to seek a remedy for the lamentable depression in that national industry which has so long and unhappily prevailed."

Viscount Weymouth (now the Marquis of Bath), late Tory M.P., 1895 Election Address in FROME.

II.—WHAT THE TORIES HAVE DONE.

At the General Election of 1895 the country districts were placarded with injunctions to "VOTE FOR JONES AND BETTER TIMES" where Jones was the Tory candidate. Mr. Chamberlain has admitted that an analysis of Tory Election addresses shows that the commonest promise was "Relief to Agriculture." This promise moreover, Mr. Chamberlain claimed (at Manchester on November 15th, 1898) that the Government have "amply fulfilled," urging that the Rating Act gave Ministers a "clear bill" with regard to the agricultural classes. We have only to turn to the Tory promises and to Mr. Chamberlain's speech at Rugby in 1895 (see page 46) to see how audacious this is. The fact is that Ministers have been busy explaining that the Legislature is incapable of getting the "better times" so universally promised at the General Election. In August, 1895, Lord Salisbury wrote to Lord Winchilsea, recalling a previous speech in which he had dilated on the limited powers of Parliament in this matter—a speech conveniently overlooked when Lord Salisbury's supporters went electioneering. This was admitted by the *Times* in an article on December 13th, 1895:—

"The reproach levelled at the Unionists by Sir Henry Campbell-Bannerman, of encouraging hopes among the agricultural classes which it is now impossible to fulfil, has a certain justification in language used before and during the election by some of the rank and file. The Unionist leader was usually prudent enough to avoid compromising pledges."

So the Tory cue has been (1) to explain that they cannot be expected to achieve the impossible—*i.e.*, make agriculture prosperous, and (2) to claim all kinds of credit for such measures as the Rating Act. Mr. Walter Long had not been six months in office before protesting (at Liverpool, in October, 1895) that "the present or any Government" could not "restore prosperity or raise prices." Sir M. White (the late Lord) Ridley (at Blackpool, on August 10th, 1897) declared that from his heart he believed that "by legislation they could not expect permanently to improve the condition of agriculture in this country." Yet in February, 1895, Mr. Jeffreys, supported by the entire strength of the Unionist Opposition, tried to turn out the Liberal Government for its failure to relieve the depressed agricultural interest. Mr. Balfour on that occasion talked of our "being face to face . . with an agricultural . . . crisis

which does require us to consider anew . . . all the circumstances affecting our social conditions.'' The Government may have "considered" these circumstances, but it has certainly done nothing to alter them.

THE RATING ACT (ENGLAND AND WALES) OF 1896.

The Rating Act (England and Wales) of 1896 was notable as being the first of the measures introduced by the Government to give "doles." The circumstances attending the introduction of the Bill were exceedingly curious. The late Liberal Government had appointed a Royal Commission on Agricultural Depression, two of the Commissioners being Mr. Chaplin and Mr. Long, who in 1895 became Tory Ministers. Early in 1896 most unexpectedly this Commission presented an interim report, urging that it was necessary at once to "relieve" agriculture by reducing the amount of rates paid on agricultural land. It would be supposed that a Royal Commission would not recommend a scheme without having made some enquiry into it, and without giving opportunity to persons interested in other property to make their views known and to have their objections stated; that has been the general rule with Royal Commissions. But in this case no enquiry whatever was made into the subject by the Commission; no witnesses were called to give evidence for or against the scheme; and no opportunity was afforded to anyone to state their objection in principle or in detail to the scheme which has been recommended by the Commission. The scheme, which was hatched at the Local Government Board by Mr. Chaplin and Mr. Long and some other members of the Commission, was sprung upon the Commission at the last moment and was carried by the majority with the utmost haste with a view to immediate legislation in the Session of 1896. The general order, therefore, was reversed. Instead of the legislation being the result of the report of a Royal Commission, the report of the Commission has been due to legislation having been decided upon, and to its being thought expedient to bolster up a bad scheme by some kind of authority.

WHAT THE RATING ACT DOES.

For a period of thirteen years from March 31st, 1897 (for the Act of 1896, originally to expire in 1902, was renewed in 1901 and 1905 for a further period of eight years—see page 43), the occupier of agricultural land in England and Wales is liable, in the case of every rate to which the Act applies, to pay one half only of the rate in the pound payable in respect of buildings and other hereditaments. The Act applies to every rate as defined by the Act, except a rate—(*a*) which the occupier of agricultural land is liable, as compared with the occupier of buildings or other hereditaments, to be assessed at or to pay in the proportion of one half or less than one half, or (*b*) which is assessed under any commission of sewers or in respect of any drainage, wall, embankment, or other work for the

benefit of the land. To meet the deficiency thus caused on the amount raised in rates by the spending authorities in the localities a sum is paid half-yearly to the authorities out of the Local Taxation account. This sum does not alter, it is the same in 1905 as in 1897, being half the rates on agricultural land at the time the Act was passed. The Act constitutes practically a revolution in our system of rating. Where any hereditament consists partly of agricultural land and partly of buildings, the Act provides for a separate valuation of the two, and the gross estimated rental of the buildings apart from the agricultural land is, while the buildings are used only for the cultivation of the said land, to be calculated not on structural cost, but on the rent at which they would be expected to let to a tenant from year to year, if they could only be so used; and the total gross estimated rental of the hereditament is not to be increased on the result of this separate valuation. "Agricultural land," is defined as being (*a*) any land used as arable, meadow, or pasture ground only, (*b*) cottage gardens exceeding one quarter of an acre, (*c*) market gardens, (*d*) nursery grounds, (*e*) orchards, or (*f*) allotments, but does not include (*a*) land occupied together with a house as a park, or gardens, other than as aforesaid, (*b*) pleasure grounds, (*c*) any land kept or preserved mainly or exclusively for purposes of sport or recreation, or (*d*) land used as a racecourse.

To show how the Act works out in practice, let us take a district in which there is the same amount in ratable value of (*a*) agricultural land and (*b*) buildings, and let us suppose that before the Act £300 was raised in rates. If the rates have remained at that level, the effect of the Act is that this £300 is now paid as follows:—

£75 by agricultural land.
£75 by the State.
£150 by buildings,

1.—*Where the Rates go up.*

Suppose that the rates go up to £450. The State still contributes only £75, since the State contribution, once fixed, remains the same. Agricultural land has to pay only half as much in the pound as buildings, with the result that the £450 is paid:—

£125 by agricultural land.
£75 by the State.
£250 by buildings.

Buildings, rated at half the total, have to pay not only half, which would be £225, but, in addition, an extra sum of £25. In other words, the grant in aid of agricultural land has, so far as any *increase* in rates is concerned, to be paid, not by the State, but by the buildings in the locality. In such a case the unfortunate townsman, while he waits for *his* reform of local taxation, has to pay not only (1) a penny in the pound in income tax for the Imperial subvention, but (2) an additional rate for this local grant-in-aid. Mr. Lloyd-George (the Liberal member for Carnarvon) proposed an amendment which would have cured this defect, but the Government voted it down by 250 to 117 (*June 24th*, 1896).

2.—*Where the Rates go down.*

Let us suppose that the rates go down to £240. The State still contributes only £75, since the State contribution, once fixed, remains the same. Agricultural land has to pay half as much in the pound as buildings, with the result that the £240 is paid:—

£55 by agricultural land.
£75 by the State.
£110 by buildings.

Now buildings ought to pay £120—one-half the total amount. So in this case some of the money voted for the relief of agricultural distress goes to the relief of the rates on buildings. Mr. Ellis Griffith (the Liberal member for Anglesea) proposed an amendment which would have cured this defect, but the Government voted it down by 251 to 148 (*June* 25*th*, 1896).

CONCRETE INSTANCES.

We are not, however confined to theory; here are some actual instances of the effect of the Rating Act:—

(1) *Brockworth* (*Gloucestershire*).—The figures for this parish are:—

Total ratable value, £2,713 { Houses, £1,014. Agricultural Land, £699.

Brockworth's share of rates in one half year after the Act was £203, less £46, its share of the amount paid by the Government under the Rating Act. In order to raise the sum of £157, a rate of 1s. 8d. on the houses and 10d. on the land is necessary. If the Rating Act had not been passed, the amount to have been raised would have been £203, and a rate of 1s. 6d. on houses and land alike—*i.e.*, on £2,713—would have been sufficient. In other words, the Rating Act costs every ratepayer on houses 2d. in the £! In this particular case 117 persons have their rates raised whilst only 16 benefit.

(2) *Langport Union* (*Somerset*).—Here is another case, as set out in a letter in the *Langport and Somerton Herald* of November 20th:—

"For the first half year, under the operation of the Act, ending September 29th last, I find the total value of the Langport Union was £92,958, divided into land, £59,483, and houses, £33,475. The total amount received from rates was £6,039, and the amount of Government grant £1,222, making the total receipts £7,261. Now, had this sum of £7,261 been collected under the old and equal system of rating, the proportionate amount payable by house property would have been £2,618, but under the operation of the new Act, whereby half the value of land has been withdrawn, the sum of £6,039 had to be raised on the new assessable value of £63,217 (being half land and whole of house value). As a consequence house property has had to pay £3,198, instead of £2,618 under the old system, clearly showing that houses, as a direct consequence of the manipulation of ratable values under the new Act, have been robbed of no less than £580 during the first half year, a sum equal to 4d. in the £ in the whole of the 27 parishes in the Langport Union."

(3) *County of Buckingham.*—The following statement shows the approximate loss to the County Fund during the five years ending March 31st, 1902, in consequence of the fixed annual grant received

by the county being insufficient to recoup the deficiency in the produce of rates since the relief given to agricultural land:—

Year ending 31st March.	GENERAL COUNTY ACCOUNT.				SPECIAL COUNTY ACCOUNT.				TOTAL LOSS on the two Accounts.
	Rate levied.	Relief given to Agricultural Land in accordance with the Act.	Fixed Annual Grant received in lieu thereof.	Loss to the County.	Rate levied.	Relief given to Agricultural Land in accordance with the Act.	Fixed Annual Grant received in lieu thereof.	Loss to the County.	
	s. d.	£	£	£	d.	£	£	£	£
1898	9¼	7,455	6,395	1,060	2¼	1,811	1,472	339	1,399
1899	10¾	8,665	6,395	2,270	2¼	1,811	1,472	339	2,609
1900	9½	7,656	6,395	1,261	2¼	1,811	1,472	339	1,600
1901	9	7,254	6,395	859	2	1,610	1,472	138	997
1902	10	8,060	6,395	1,665	2	1,610	1,472	138	1,803
Totals	4 0½	39,090	31,975	7,115	10¾	8,653	7,360	1,293	8,408

LIBERAL ATTEMPTS TO IMPROVE THE ACT OF 1896.

The Act of 1896 was closured through the House of Commons, and only passed after two all-night sittings. Mr. Chaplin agreed to limit the operation of the Act to a period of five years, but that was the only amendment of importance accepted. When the Bill was promised in the Queen's Speech, it was announced as a measure to relieve agricultural distress; and when Mr. Chaplin introduced it in the House of Commons he declared that its object was to help the farmers, who would, so he asserted, in 99 cases out of 100 get the relief which it afforded. Yet the Government steadily resisted all the amendments moved by the Liberal party to achieve these two objects. We give a short account of the more important:—

(1) The Government defeated by 179 to 67 an amendment moved (*May* 14*th*, 1896) by Mr. McKenna (the Liberal member for North Monmouth), limiting the relief afforded by the Bill to land where the present assesssment is not less than one-fifth lower than 1876. Only such land can properly be described as suffering from agricultural depression.

(2) The Government defeated by 146 to 63 an Amendment moved (*May* 19*th*, 1896) by Mr. Robson (the Liberal member for South Shields), confining the relief to land rented at not more than £1 per acre. The Government also defeated by 208 to 108 the Amendment moved (*June* 23*rd*, 1896) by the late Sir Joseph Pease (Liberal member for Barnard Castle), confining the relief to land rented at not more than 25s. Why should money be taken from the taxes to help the owners or farmers of land for which such high rents as over £1 or 25s. an acre are still paid?

(3) The Government defeated by 236 to 131 an Amendment moved (*June* 24*th*, 1896) by Mr. Stuart (the then Liberal member for Hoxton), excluding from the operation of the Bill those agricultural lands which are situate within a borough, a county borough, or the metropolitan police district. These lands are in many cases

prospective building sites of great value. Everybody knows that on such lands the rent paid for the land is high, and that there is no agricultural depression.

(4) The Government defeated by 213 to 80 an Amendment moved (*June 29th*, 1896) by Mr. Sydney Buxton (the Liberal member for Poplar), excluding from the benefit of the Bill any land which has an increase over and above its ordinary value as agricultural land ("Accommodation" land). None of such land suffers from agricultural depression, and in such cases the money goes with absolute certainty into the pockets of the landlords.

(5) The Government defeated by 216 to 102 an Amendment moved (*June 23rd*, 1896) by the late Mr. Seale-Hayne (Liberal member for Mid-Devon), limiting the operation of the Bill to the cases of tenants whose rents were not raised after the passing of the Act. This was an exceedingly important amendment, designed to make certain that the relief should go where Mr. Chaplin pretended it would go—to the farmers, not to the landlords. This proposal would have carried out the expressed intentions of the Government, for it is obvious that it is quite possible for a landlord to raise his rents, and thus to put a good deal of this contributed money into his own pockets. No injustice would have been done to a good landlord by the amendment, which aimed simply at preventing injustice on the part of bad landlords. It would not have prevented any justifiable increase of rents, because where rents could be raised legitimately there could be no agricultural depression, and, consequently, no need for this statutory relief. It is the tenant farmer's capital that has been expended during the past ten or fifteen years in paying the owner's rent, and it was highly desirable to insert a provision of this kind in the Bill in order to prevent tenants from being robbed of the proposed benefits by bad landlords. As Mr. Lambert (the Liberal member for South Molton) said, the Amendment tested "the sincerity of the Government towards the tenant farmer."

POINTS ABOUT THE ACT.*

(1) **The money goes into the pockets of the landowners.**—Not all at once, of course, for those farmers who have leases may get the benefit during the lease. But it is plain that if a farmer pays less rates he will pay more rent. In taking a farm he considers rent, rates, and tithe together. In fact Mr. Chaplin has said himself:—

> "The effect on the owner was that if rates were high he got less rent, and if they were low he got more rent; therefore, he maintained that ultimately the whole burden of the rates fell on the owner of the land, and on nobody else."

When reminded of this in the House of Commons all Mr. Chaplin could plead was that he had used the word "ultimately." If the whole burden falls on the landlord and nobody else, the whole

* For a more detailed examination of all the "Doles" Acts see "The Renewal of the Doles." By Charles Trevelyan, M.P., and F. W. Hirst. Price 3d., post-free 3½d., from Liberal Publication Department, 42, Parliament Street, S.W.

relief must go to the landlord and nobody else. So that, even on Mr. Chaplin's own admission, the dole ultimately goes to the landowners. There are many Tories who openly admitted this. For instance, Mr. Usborne, then Tory M.P. for Chelmsford, said:—

"No one has denied, and he hoped no one wished to deny, that the Rating Act was in relief of the landlord and not of the tenant."—(*February 8th,* 1897.)

Sir Michael Hicks-Beach said:—

"Well, I do not think I can go quite as far as the hon. member in his view of the Act of last year as a benefit to the English farmer. In my belief—and I have always said so—it will be a benefit to the English farmer certainly at first, probably for the whole time of its operation; but when fresh tenancies are created, when there is a change in tenancies, especially in the present state of the market as between landlord and tenant, if the change should be more in favour of the landlord than at present, then no doubt—I think it is admitted—the owner of the land will have an advantage."—(*House of Commons, May 6th,* 1897.)

Sir Michael also treated the Rating Act as a "return match" for the Budget of 1894—the landowner gets back in rates what he loses in death duties. Mr. Walter Long had still another theory:—

"He disregarded the silly argument that the money would find its way into the pocket of the landlord. Whether the relief went to the landlord, to the tenant, or to the labourer, it would find its way into the land, which was what they intended to relieve and benefit."—(*Wantage, November 4th,* 1896.)

The dole is treated for all the world as if it were a kind of new manure. Mr. Long added that the Government had shown that "their heart was in the right place." The nation's money is in the landowner's pockets—also its "right place" no doubt from the Tory point of view.

(2) **The Act, purporting to benefit the country districts, does absolutely nothing for the labourers, the largest class living there.**

(3) **It purported to relieve the agricultural depression, but it only relieves land, on the average, to the extent of 1s. per acre.**—To put the point in another way, the sum given is only equal to what would be gained if the price of corn were to rise 2d. per bushel. (About 228,000,000 bushels of corn are grown annually; 2d. on each would come to about £2,000,000.)

(4) **The more distressed the land of any district is, the less relief it gets.**—As the valuation goes down, so the relief under the Act decreases instead of increasing.

(5) **The taxpayers assist, through this Act, the owners (*a*) of "accommodation" land, (*b*) of all the land where there is little distress, and (*c*) of the valuable land in the neighbourhood of towns.**—Note what Mr. Chamberlain said of a similar proposal:—

"Lord Salisbury coolly proposes to hand it over indirectly, if not directly, to the landlords of the country in the shape of a contribution in aid of local taxes. I must say that I never recollect to have heard any public man propose in a franker—I might even say in a more audacious—way, to rob Peter to pay Paul."—(*Birmingham, March 30th,* 1883.)

THE LOCAL TAXATION COMMISSION AND THE RATING ACT.

We summarise elsewhere (see chapter on "Other Questions") the Local Taxation Report, but we give, as more in place here, the following passage from the separate report of Sir Edward Hamilton, K.C.B., and Sir George Murray, K.C.B.

Agricultural Rates Grants Indiscriminately and Inequitably Distributed.

Similar discrimination is not to be found in the case of the Grants with which we have next to deal—the payments made from the Local Taxation Account under the Agricultural Rates Act, 1896. Their amount was simply fixed at one-half of the amount of all rates levied off agricultural land in 1895-6 except those to which land was already assessed at less than one-half, and except special land drainage rates and the like.

The Grants have the advantage of being fixed in amount, but they fail to satisfy the principles which should, in our opinion, regulate the grant of public money. They are given without any central control, and are not appropriated to specific services. Moreover, though they may have redressed the rating inequalities between the agriculturist and his manufacturing, trading, or residential neighbour in the same rating area, yet they did nothing to rectify the disparity of rates in different rating areas. Indeed, there may be two fields side by side, similar in every respect, but situated in two Unions, in which the rates vary as much as from 4d. to 1s. 6d. in the £. Under the Agricultural Rates Act, one field would be left with a rate of 9d. in the £, and the other with a rate of 2d. in the £, no matter what the character of the Poor Law administration or the needs of the two Unions may be. It seems difficult to defend such inequalities, and they were especially brought to our notice by several representatives of the agricultural interest, who maintained the general view that the agriculturist deserved and required some relief.

Thus Captain Pretyman, M.P., gave evidence as follows with respect to the operation of the Act:—

Q. "Even assuming that that is not the most perfect mode of meeting the hardship which you present to the Commission, would you propose, in the event of no better mode being available, that that mode of relief should be continued?"

A. "In the event of no better mode of any kind being available, I would rather see that mode of relief continued than revert to the old state of things, but I think it is a bad method." (9850.)

Q "Would you propose that the application of that principle should be further extended, and that in the event of its being decided that that is the most convenient way of remedying your grievance, that land should be rated not at one-half, but at a lower proportion still?"

A. "No, I cannot say that I think it is entirely satisfactory, because the relief is given then to the land which is best able to bear the burden—that gets the most relief; and the land which is least able to bear the burden gets the least relief. That is inseparable from that form of relief, and that is one of the reasons, I suppose, why it was made only temporary." (9860.)

In answer to a question whether he considered that the Agricultural Rates Act was operating equitably in the sense of relieving where relief is most required, Mr. A. F. Jeffreys, M.P., said:—

"No, what I say is, that unfortunately on the poor land where the assessment is low—I know land, for instance, where the assessment is only 5s. an acre, and the rates per acre therefore are very low indeed—the relief that we get is very small." (11,291.)

Again, Mr. Sancroft Holmes, a well-known landowner and representative of the Norfolk Chamber of Agriculture, said:—

"I cannot say that I think the principle upon which the Agricultural Rating Act was passed last year was altogether wise. It gives the minimum of help where most is wanted." (2,839.)

"It chiefly goes to help the rates where the help is least needed." (3,038.)

The Grants for Highways are Especially Inadmissible.

There is, however, one particular feature in which the indiscriminate relief to the agricultural ratepayer appears to us to be specially open to objection. We find that the relief given under the Agricultural Rates Act is not confined to national services in any possible definition of that term. Under that Act, for instance, the Exchequer defrays a large part of the cost of maintaining highways in rural districts, *i.e.*, those district roads which are not of sufficient importance to be considered main or country roads. Now, it will not be denied that, if the urban ratepayer claimed assistance from public funds in respect of the cost of making and repairing the street at his door, the claim would be considered inadmissible; and that the burden here should be laid where the benefit accrues, that is, on the person who enjoys the advantage thus conferred upon his property. But it seems to us to be hardly less difficult to admit the claim of rural districts for assistance from National Funds towards the cost of district roads, which have a direct and important effect in maintaining and increasing the value of the property directly served by them, and on which the ratepayers are under no obligation to spend more money than they think beneficial to themselves.

It may, indeed, be the case that in some rural districts, which owing to their proximity to great centres are semi-urban in character, the roads are maintained in a manner and at a cost which merely agricultural requirements would not justify. But it must be borne in mind that in such districts the land has, as a rule, almost the character of accommodation land, and the owners of such land obtain not only an improved immediate return owing to the proximity of markets, but also the certainty of very large gains when they choose to sell their land, or to let it for building.

Tables Illustrating Allocation by Counties and County Boroughs.

We now proceed to show, by actual figures, how unequal and anomalous is the present system of allocation, and how little regard it pays to the needs of a locality and to its ability to meet them. In Table I. we take four Administrative Counties, which are largely rural in character, and in Table II. eight County Boroughs. Receipts are for 1899-1901:—

TABLE 1.

Administrative County.	From Revenue assigned under the Acts of 1888 and 1890. Per Inhabitant (1901).	From Revenue assigned under the Agricultural Rates Act, 1896.* Per Inhabitant (1901).	Assessable Value (1899) per Inhabitant (1901).
	s. d.	s. d.	£ s.
Rutland	6 8	3 6	7 6
Westmorland	5 7	2 3	6 16
Berkshire	6 6	1 3	5 11
Cornwall	3 11	2 3	3 5

* Including the grants to all the Spending Authorities within the County, adjustments having been made in the case of overlapping areas.

TABLE II.

County Borough.	Receipts in 1899-1900 from Revenue assigned under the Acts of 1888 and 1890. Per Inhabitant (1901).	Assessable Value (1899) per Inhabitant (1901).
	s. d.	£ s.
Leeds	2 10	3 15
West Ham	3 3	3 19
Leicester...	3 0	3 15
Cardiff	3 5	6 5
Oldham	2 7	3 4
Burnley	2 0	3 13
Barrow-in-Furness	2 10	4 0
Gateshead	2 4	3 0

The first column in each Table shows the total receipts of certain Counties and County Boroughs from the Revenue assigned under the Acts of 1888 and 1890 (*i.e.*, the Licence Duties, the Death Duty Grant, and the Beer and Spirit Surtaxes) in proportion to the population. We do not assert that the proportion of such grants to population is always a correct test, and it may need qualification, but we take it as the best rough test available. The results are, it will be seen, markedly unequal. While Rutland gets 6s. 8d. per inhabitant, Burnley gets only 2s. To state the case more generally, a large number of county boroughs receive between 2s. 6d. and 3s. 6d. per inhabitant, while the Counties often get 5s. or 6s. per inhabitant.

The results are, however, still more striking if the resources of the different areas are compared. The full ratable value of Rutland or Westmorland is of course very high in proportion to population; and it may be considered to be excessive as a measure of ability. Accordingly, in order not to overstate the case we take "assessment value" as defined by the Agricultural Rates Act, *i.e.*, ratable value after deducting half the value of agricultural land. Even on this test, Rutland still is more than twice as rich as Oldham—that is to say, if a local service cost 1s. per inhabitant alike in Rutland and Oldham, it will need a rate of almost 4d. in Oldham, and only 1¾d. in Rutland, even when agricultural land is rated at a half. Notwithstanding this disparity in ability, Oldham only receives help to the extent of 2s. 7d. per inhabitant, while Rutland receives 6s. 8d., or more than twice as much.

This was the position before the Agricultural Rates Act. The grants under that Act cannot, perhaps, so well be tested on the basis of population; but the figures are added in Table I. for comparison.

Under the Act, Rutland received grants amounting together to an additional 3s. 6d. per inhabitant (making 10s. 2d. in all), while Oldham received practically nothing.

Much the same is true of the other boroughs, all of which are, it will be observed, much poorer even in assessable value than the more prosperous counties. We have, however, added one county—Cornwall—which is a sample of the poorer counties, and is at the same time largely agricultural. Here the assessable value per inhabitant is comparatively low,

and the burden of rates tends to be correspondingly high. But it will be noticed that instead of the assistance from central funds being larger, it is here very much smaller than in the wealthy counties.

Similar results follow from a comparison of grants with expenditure on such services as Poor Relief and Police.

If there is any county in England in which the burden of these services is easily borne it is probably Westmorland. Yet Westmorland receives grants which in proportion to population are much more than twice as high as those assigned to such a necessitous area as West Ham.

Table Illustrating Allocation by Unions.

The effect of the distribution of grants in smaller areas is even harder to make clear, but it seems worth while to illustrate very shortly some of the inequalities which have arisen between unions:—

Union.	Receipts (1898-9) of Guardians per Inhabitant (1891).		Assessable Value (1899) per Inhabitant (1891).
	From the Exchequer Contribution Accounts under the Act of 1888.	From the Local Taxation Account under the Agricultural Rates Act, 1896.	
	s. d.	s. d.	£ s.
Billesdon	2 9	1 7	9 0
Penzance	0 9	0 6	3 2
Oldham	0 8	0 6½	3 10

Billesdon is a very rich union, having £9 of assessable value per head; and in consequence, though its Poor Relief is exceptionally expensive, it does not require a very high rate in the £. On the other hand, Penzance is a union which, though largely rural, is very poor; Oldham Union is urban and rather poor. The figures of these grants speak for themselves. But the inequalities would be still greater if the figures included the agricultural rates grants to rural district councils. For Billesdon receives through its Rural District Council a further sum of 2s. 8d. per head, mainly in aid of the cost of highways; whilst the rural portion of Penzance Union receives only 9d. per head, and Oldham receives nothing

THE AGRICULTURAL COMMISSION REPORT AND THE AGRICULTURAL DEPRESSION.

We have shown how agriculture was asserted to be in such a dreadfully depressed condition that it was absolutely necessary in 1896 to bring in the Rating Act and rush it at all possible speed through Parliament. The result was to vote away £1,600,000 to English, Welsh, and Scotch agriculture. This was the first stage —in 1896. Next year (in 1897) the Agricultural Commission presented its final report. Then, when the money had been got out of the taxes, it was all at once found that, after all, things were not so bad (though no one was bold enough to suggest *because* of the Rating Act). Lord Cobham, the Chairman of the Commission, in discussing the report at Droitwich a short time after its publica-

tion, talked quite cheerfully about the agricultural prospect. He insisted that the real inwardness of the report was that "the agricultural position cannot be considered bad." The Commissioners did *not* give a "very gloomy" view of agricultural prospects:—

"Given a sound discretion in the choice of a farm, trained intelligence, and sufficient capital, a farming career at the present time offers inducement in the shape of independence, varied and healthful occupation, and reasonable expectation of profit, such as, combined, can be found in scarcely any other business."—(*Droitwich, September 18th,* 1897.)

Then, in the early part of 1898, we had similar disclaimers from Mr. Chaplin and Mr. Long, the two Tory Ministers who signed the Interim Report which produced the Rating Act. Mr. Long said:—

"He deprecated agitation, which facts did not justify in regard to agriculture, but he admitted that there remained a great deal to be done before agriculture would be in a fair and just position compared with many other of the industries of the country. *He protested against it being constantly stated that agriculture was in a ruinous condition*, and against the doctrine that they ought to apply to the agriculture of the last year the same description which in justice and truth they applied to the few years preceding 1897."—(*Bristol, January 6th,* 1898.)

Mr. Chaplin said:—

"He had to congratulate them upon the advent of a better farming year than they had had for many a long day, and he hoped the improvement would continue. The Royal Commission upon Agricultural Distress, which recently reported, had been criticised somewhat severely for presenting a gloomy report. Their critics, he thought, were singularly misinformed. They seemed to think that the condition of agriculture, in this country, was everywhere the same. A noble lord (*Lord Londonderry*) had taken them to task on the question of agricultural depression, but that noble lord was just as well aware as he was that in Durham there had never been any depression worth speaking of. If the noble lord had been in Suffolk he would have had a different opinion. There were to be seen there farmhouses and cottages derelict, and land gone absolutely to waste. They could have nothing worse than land going out of cultivation and people banished from the district. The truth was that agricultural depression had varied in different districts of Great Britain."—(*Lincoln, January 7th,* 1898.)

Tory Cabinet Ministers were here making it their business to remind us that agricultural depression has always been partial. Exactly— as the Liberal party always contended. But the Rating Act applies to all the country alike, and when Liberals in the House of Commons tried to confine the relief to those places where agricultural depression really existed, the Government refused to allow their efforts to succeed. Mr. Chaplin in 1898 compared prosperous Durham with depressed Suffolk. But Durham gets more per acre from the Rating Act of 1896 than Suffolk! This is shown by the following:—

	Acres.	*Agricultural land. Ratable value.*
Durham	438,000	£408,665
Suffolk	769,000	£429,597

THE ANIMALS DISEASES ACT, 1896.

This Act was passed in the Session of 1896—it absolutely forbids for the future all importation into the United Kingdom of all live stock whatsoever. Cattle, sheep and pigs have without exception to be slaughtered at the ports of entry, whenever their place of origin is a foreign country or one of our colonies. It is not true (as was said in defence of the Bill) that it "merely brought the law into harmony with the practice of the Agricultural Department." The practice of that Department, under the Liberal Government of 1892-1895 was a vigorous and successful attempt to prevent the introduction of various cattle diseases into this country; but it certainly never included or contemplated the irrevocable exclusion of all living foreign and colonial animals when their admission is without danger. There are two or three points which should be noted:—

(1) Mr. Walter Long (the Minister in charge of the Bill), defended it on Protectionist grounds:—

"As to store stock, he was confident that there was no agricultural industry in this country so capable of development. Parts of this country and of Ireland were well suited for the purpose of breeding store cattle which, by means of these restrictions, were protected from disease. He believed that the normal requirements of this country as regarded store stock could be abundantly supplied by the breeders of the United Kingdom if they had a fair chance and opportunity afforded them."—(*House of Commons, February 20th,* 1896.)

Everybody is against the importation of disease, but Mr. Long's point here is Protection pure and simple.

Lord Burghclere (who, as Mr. Herbert Gardner, was Minister for Agriculture in the last Liberal Government) said on this point:—

"What was the real reason why the supporters of the Bill were so anxious that it should become law? He believed it was one thing only, and that was the uncertainty of the maintenance of the present restrictions. That was the root of the agitation against this Bill. The fact was the cattle breeders were afraid that some day, Canada, the United States, Argentina, and other countries would be able to show a clean bill of health, and that prices would fall to a ruinous extent, as was stated recently in a letter in the *Standard.* What was desired was to give a monopoly in store cattle to the breeders in this country. No one could deny that this was legislation for one class, for one trade; and he felt it to be his duty to oppose it."—(*House of Lords, June 26th,* 1896.)

(In passing it may be noted how this exclusion of Canadian cattle conflicts with the movement towards Imperial unity.)

(2) The motives were not *humanitarian.* There are great and admitted horrors in connection with the live cattle trade, but cattle, sheep, and pigs may all be carried alive, provided they are slaughtered at the port of entry.

(3) The real object of this Bill was to give the House of Lords—the House with landowning interests—the last word in this matter. Lord Herschell moved (July 7th, 1896) that either House of Parliament should have the right, by addressing the Crown, to suspend

the prohibition of the import of live cattle, and to sanction the admission of animals from countries pronounced to be free from disease. The Government would have none of this. Lord Rosebery clearly explained why:—

"All that the amendment would do is to empower the Minister of Agriculture to accede to the prayer of one of the Houses of Parliament, which in this case would undoubtedly be the House of Commons, that he would take steps to make inquiries into the health of foreign cattle. . . . What it comes to is this. You have no confidence in the Minister of Agriculture. You have no confidence in the House of Commons—you reserve your full confidence for the House of Lords. That is your meaning by the rejection of this amendment. Let your candour extend to that declaration, and let the country know what this Bill means."—(*House of Lords, July 7th*, 1896.)

It is claimed that the effect of the Act has been to exclude disease. Of course it has—it must be so, if you keep foreign cattle out altogether. But that is no real plea in favour of the Act, which was a small piece of Protection dressed up to look like an innocent measure solely concerned with the health of our flocks and herds. The fattening of imported cattle used to be an important business with many farmers, who are in consequence injured by this legislation.

THE EFFECT OF THE ANIMALS DISEASES ACT.

As could not fail to be the case, the effect of the Act has been to increase the price of meat. A conference of those interested in the Canadian store cattle trade was held at the Westminster Palace Hotel, London, on October 23rd, 1902, with a view to asking the Government to amend the Act, so as to admit the entry of cattle into this country from Canada without being subjected to slaughter at the port of landing. It is noteworthy that so well-known an agriculturist and Tory as the late Mr. C. S. Read said:—

"He had always protested, with regard to this question, against Canada being treated as a foreign nation. Canada and our colonies ought to be treated as an integral part of Great Britain. He asserted that stock was not only decreasing in this country, but its quality was deteriorating through the restrictions imposed on the entry of foreign stock."—(*Westminster Palace Hotel, October 23rd*, 1902.)

It cannot seriously be pretended that there is any disease in Canada, and, as Sir Albert Rollit said, "there ought to be free trade in cattle as well as in other matters in this country." Mr. Hanbury (at that time Minister of Agriculture) refused, however, to do anything:—

"Not only Canadian store cattle, but those of all countries alike are prohibited from entering this country by the provisions of the Act of 1896, and I have no intention of proposing to repeal them."—(*House of Commons, November 3rd*, 1902.)

The best comment on this is contained in a letter to the *Times* of November 28th, 1902, from Lord Burghclere:—

"The Act forbids for all time and from all parts of the world the introduction of store cattle into this kingdom. It is said, of course, that

the consumer does not suffer, owing to the large importation of dead meat from the colonies and elsewhere; but it must be remembered that dead meat is practically the manufactured article, and store cattle the raw material, and to admit one and unnecessarily exclude the other is surely to violate the elementary canons of free trade. The chief argument put forward in favour of the Bill was that there might arise in the dim and distant future some Minister of Agriculture who would imperil the interests of the nation in defiance of his statutory obligations; but the advocates of the Bill forgot that, whilst they undoubtedly tied the hands of any possible President of the Board with regard to the admission of cattle beyond the ports of the country, they left the larger question of admission to the ports entirely at his discretion. To be consistent the Act should have excluded all importation of animals whatsoever to Great Britain, otherwise the argument based upon the weakness and wickedness of future Ministers falls to the ground. For my part, I have always been a warm advocate of locking the door against disease, but I have a strenuous objection to subsequently throwing the key out of the window."

In 1905 the Canadian Senate passed a resolution asserting that "the continued prohibition of the importation of Canadian cattle on the pretext that there is danger of the spread of those particular diseases among the British herds, is an unjust imputation on the condition of Canadian cattle." The Canadian request that Canadian cattle should be admitted Mr. Lyttelton refused, for reasons given in a Memorandum drawn up by the Board of Agriculture. Suspiciously enough the Memorandum says (the italics are our own):—

"The enormous losses which British Agriculturists have suffered during the last thirty years, *mainly by reason of the increased pressure of Colonial and foreign competition*, make it more than ever necessary that every possible precaution should be taken against the introduction of disease, consistent with the reasonable requirements of Colonial producers and the interests of consumers at home."

It is an odd form of "Imperial thinking" to say to Canada (as this most assuredly does): "We don't propose to let in cattle from *you* who have proved such formidable competitors." It is a little piece of Protection, for which the sanitary plea is only intended as a cloak.

THE SALE OF FOOD AND DRUGS ACT, 1899.

Everybody is agreed that it is desirable that the purchaser should know what he is buying. He ought not, for instance, to be given Australian mutton and told that it is English; the butcher who commits such a fraud deserves and gets no one's sympathy. But it is a fallacy to proceed and argue that, if you insist on commercial honesty and get the mutton labelled, the purchaser in all cases will always insist on buying the higher-priced English, and thus help English agriculture. Everybody now knows that "Made in Germany" has been the finest possible advertisement for German goods. The same considerations apply to the sale of food and drugs. Everybody is agreed that fraud should be prevented—that "skim milk" should *not* "masquerade as cream." But a great many other people have been anxious that the law should be so framed as to favour home agricultural produce—that butter, for

instance, should be encouraged and margarine discouraged. Mr. George Whiteley explained the matter very well in a letter to the *Times* on May 6th, 1898:—

"I was for some time a member of that committee (*the Food Adulteration Committee of the Central Chamber of Agriculture*). It was notoriously animated and swayed by agricultural sympathies; indeed, some of its members, burning with bucolic zeal, did not scruple to hint that the sale of margarine should be prohibited altogether unless it were coloured blue! How the working classes would relish the consumption of blue butter did not seem to occasion grave concern. The main features of its report were that margarine should not be coloured, and likewise that its mixture with butter should be rendered illegal. Much butter has colouring matter added to it. That, however, it was not proposed to touch. Margarine is not coloured to resemble butter any more than butter is coloured to resemble butter. Both alike are treated to bring them to a shade most pleasing to the purchasing eye. All butter mixtures, whatever they contain—be it 90 per cent. of butter and 10 per cent. of margarine—are obliged by law to be labelled and sold as margarine. These butter mixtures, sold as margarine, are a staple article of food largely, I might say universally, bought by the very poorest classes in the land, and I think I might add by almost all our working classes. No one would object to the severest penalties to stop fraud. But what we do object to is that an excellent and wholesome article of general consumption competing fairly with butter should be placed by legislation under great disadvantages and disabilities. Were these agricultural ideas carried into legislative effect, every poor man and poor woman wanting a cheap and wholesome substitute for butter would either have to pay the price of pure butter or eat what could only resemble white fat; or they would be obliged to purchase the two in the exact relative proportion suitable to their palates and purses, and unskilfully and laboriously mix them at home preparatory to the humble spreading of their scanty crust of bread. To my thinking, Mr. Chaplin has adopted broad and generous ground upon this question, and, further, I am sure any proposal to introduce clauses into a Bill giving effect to this selfish white fat crusade and proposal would raise a storm of indignation over the whole of the country."

The Act passed by the Government in 1899 was not opposed by the Opposition, for though it smacks at times of Protection it does not go nearly so far in that direction as many Tory agriculturists desired. We are saved at all events from "blue butter," but Clause 8 is in its own way monumental. It makes it "unlawful to manufacture, sell, expose for sale or import any margarine which contains more than 10 per cent. of butter." You must not contaminate good honest margarine by putting butter into it! The original fraud was to pass off margarine as butter; now it is to pass off butter as margarine.

AGRICULTURAL HOLDINGS.

In 1896, 1897, 1898 and 1899, the Queen's Speech contained the promise of an Agricultural Holdings Bill; in none of those years was any Bill ever introduced. At last, in the Session of 1900, a Bill was actually brought in.

It is of the highest importance that farmers should be encouraged to do their best with the land. This they will not and cannot

do if they are to risk losing, when they quit, the money which they have invested in improving their holdings. Farmers need to be secured by law full compensation for all improvements that add to the letting value of the holding.

THE AGRICULTURAL HOLDINGS ACT, 1900.

The Act of 1900 fell far short of this. It made, it is true one or two useful changes. It simplified and cheapened the procedure for settling by arbitration the amount of compensation to be paid. It gives compensation for corn grown and consumed on the holding. It limits the right of distress to rents due within the previous twelve months. But that is practically all.

Farmers are still to have no compensation for *permanent pasture* if they have failed to get the landlord's consent before laying it down.

In the same way they are to get nothing for leaving behind them "*two years and elder seeds*, if a good plant and the land is clean and in good heart."

They are to get nothing for having raised the value of the land by *continuous good farming*.

The landlord's *claim for dilapidations* is not limited, as it should be, and as the tenant's claims are limited, to certain scheduled items. And the landlord is to be allowed to *contract out* of the whole procedure for arbitration laid down in the Bill!

The Act was framed by the Landlord Party more in the interest of the Land-owning Class than in that of the tenants. It contrasts very unfavourably with Mr. Lambert's Bill, accepted by the Liberal Government of 1895. The Central Chamber of Agriculture declared:—

"That in several very important respects the Bill fails to carry out the recommendations adopted by the Council in 1894 as a fair compromise between the land owning and the land occupying interests; *and it will be necessary that the Bill should be amended in these particulars if it is to satisfy the requirements of the agricultural community.*"

The Bill was not so amended.

INSUFFICIENT AND COMPLICATED.

The Act was correctly described by Lord Cross, when moving its second reading in the House of Lords, as a "small amending measure"—an official description of it which should not be forgotten when all kind of credit is claimed for it by Tory candidates. It is at once (1) insufficient and (2) complicated:—

(1) Sir F. C. Rasch (C) said:—

"He admitted that it was not a perfect Bill, but very few things in this world were perfect. He had himself taken particular care not to move any amendments, but that did not mean that he thought the Bill absolutely perfect. He could, however, have made some suggestions which it would have been well to embody in the Bill. He could have suggested that a man should be allowed to cultivate the soil as he liked so long as its fertility was not impaired; that there should be no penal rents unless actual damage was proved, and that there should be compensation

for continuous good farming. He hoped that in the next Parliament from one side of the table or the other the Minister of Agriculture would introduce a Bill to carry out these suggestions. For the rest, he could only say that he was extremely glad the Bill had been brought in, though he could not say that it would be accepted with effusive gratitude."—(*House of Commons, July 10th*, 1900.)

What criticism could be stronger than to declare an amending Bill is necessary before the Bill it is to amend is even law?

(2) The Bill is complicated and difficult to understand. Mr. Strutt (C) (Maldon) said:—

"One blemish on the Bill was its incomprehensibility. It was almost impossible for a layman, reading the Bill by itself, to understand what the law was. If the Government would, in a future Session, bring in a Bill to codify the measures dealing with tenant farmers' rights they would confer a great boon upon the tenant farmer class.—(*House of Commons, July 19th*, 1900.)

Mr. Gibson Bowles, M.P. (C), said: —

"It was the most remarkable example of referential and allusive legislation he had ever come across. As it stood, the Bill was an absolute cryptogram, and nobody could possibly approach to an understanding of it until he had provided himself with nine other Acts of Parliament. Without these it was as much a mystery as the hieratic writing of Egyptian priests would be to the Attorney-General. Yet the Act was intended for plain men, and to enable landlords and tenants to understand their positions and relations to each other."—(*House of Commons, July 2nd*, 1900.)

Nor should it be overlooked that the Act, if unsatisfactory to England, is even more so to Wales, where the land question is more acute and where the tenants have grievances, expressly admitted by the unanimous findings of a Royal Commission.

REJECTED AMENDMENTS.

1. Mr. Channing (L) (*July 2nd*, 1900) moved the following new clause:—

"Every contract of tenancy entered into after the commencement of this Act shall contain a scheduled record of the agricultural condition of the holding and its several parts, and of the buildings, fences, roads, and drains at the beginning of the contract of tenancy. At any time during a tenancy existing at the commencement of this Act, either party may require a record in similar form to be made by an arbitrator. Copies of all such records shall be deposited in the office of the registrar of the County Court, and either party shall be entitled to inspect the same at all reasonable times, and to take copies thereof."

Lost by 142 to 46 (majority 96).

2. Mr. Channing (L) (*July 10th*) moved a new clause providing for compensation for disturbance in case of eviction and notice to quit for unfair or capricious reason. Lost by 207 to 111 (majority 96). The precise wording of this clause received the assent of the Welsh Land Commission.

3. Mr. Gordon (C) (*July 10th*) moved a new clause with the object of extending the benefits of the Act to crofters' improvements in non-crofting counties. Lost by 196 to 123 (majority 73).

4. Mr. Buchanan (L) (*July* 10*th*) moved an amendment with the object of removing the schedules, in which were tabulated the improvements for which compensation could be claimed, so that the claim for compensation might be laid down in general terms. Lost by 170 to 91 (majority 79). Mr. Channing, in supporting the amendment, said :—

"The amendment had the sanction of the Market Gardeners' Compensation Act and there it was the outcome of a custom which had grown up among the fruit growers of the vale of Evesham, recognising the absolute right of tenants to carry out improvements in their own way. Several practical farmers, including former chairmen of the Central Chamber of Agriculture, were in favour of abolishing the schedules establishing the general presumption of the right of the tenant to improve, and it had strong support among the fruit-growing interest in Kent."—(*House of Commons, July* 19*th*, 1900.)

5. Mr. Yoxall (L) (*July* 10*th*) moved the addition to the clause of the following provision :—

"And the tenant of a holding, being an allotment or cottage garden, shall be entitled to obtain from the landlord compensation in money for fruit trees, fruit bushes, drains, and for any outbuildings, pig-sties, fowl-houses, or other structural improvements made by the tenant upon his holding to the extent of one-third of their gross value ; provided always that this compensation shall not exceed £10, and that the tenant shall have the right to remove such fruit trees, fruit bushes, outbuildings, pig-sties, and fowl-houses, in addition to the right to the aforesaid compensation, and that, if the tenancy be determined after notice given by the tenant, no right to compensation in money shall exist."

Lost by 134 to 76 (majority 58).

6. Sir C. Welby (C) (*July* 10*th*) moved a proviso that in estimating the value of any improvement no account should be taken of any part of the improvement made by the tenant which is "justly due to the inherent capabilities of the soil." Lost by 186 to 24 (majority 162). The minority were very anxious to carry this amendment in the interest of the landowners, but the Government at first refused to give way. The House of Lords, however, inserted the words, and they were (*August* 6*th*) retained in the Commons (by 94 to 54) at the instance of the Government.

7. Mr. Channing (L) (*July* 11*th*) moved the omission of words requiring that the arbitration should, in the first place, be in accordance with any agreement between landlord and tenant, and, in default of and subject to any such agreement, in accordance with the provisions of the Act. Lost by 168 to 70 (majority 98). The Bill, as it stands, therefore permits, and even invites, "contracting out" so far as its procedure is concerned.

8. Mr. Buchanan (L) (*July* 11*th*) moved to leave out the words "unless the parties otherwise agree." Lost by 189 to 77 (majority 112). The amendment was designed to secure that there should be no alternative to the single arbitration—according to Sir R. Finlay himself the "best form of arbitration."

9. Earl Percy (C) (*July 12th*) moved an amendment omitting from the schedule the provision allowing tenants to make and plant, without the landlord's consent, osier beds "not exceeding one acre." Lost by 231 to 53 (majority 178). This small piece of liberty to the tenant was much resented by the more Tory of the Tories who made up the minority. The House of Lords, however, struck out the osier-bed provision, and their action was (*August 6th*) confirmed, at the instance of the Government, in the Commons, by 96 to 56. The Lords also struck out the permission to make a garden, and this action was in the same way confirmed by 95 to 57.

10. Sir W. Wedderburn (L) (*July 13th*) moved to amend the schedule by providing that the consent of the landlord to the reclaiming of waste land should be required only when the reclamation exceeded an acre. Lost by 126 to 60 (majority 66). A very reasonable amendment. Even Mr. Vicary Gibbs (C) said:—

"He failed to see why if a man might get compensation for an orchard cultivated without the landlord's consent he should not obtain it for an acre of bogland."—(*House of Commons, July 13th*, 1900.)

11. Mr. Seale-Hayne (L) (*July 12th*) moved to insert in the schedule the words "erection or enlargement of buildings for the purpose of the trade or business of a farmer," the object being to provide that the farmer should be protected if he went to expenditure upon shelter for cattle and sheds for machinery. Lost by 112 to 45 (majority 67).

MR. LAMBERT'S BILL, 1901.

On May 8th, 1901, Mr. Lambert (L) (South Molton) moved the second reading of his Land Tenure Bill. The Bill provided:—

1. Compensation for improvements made by the tenant that add to the agricultural value of an holding. (If an alteration was worth nothing the tenant would get nothing—the landlord, therefore, was secure.)

2. That failure to obtain the landlord's consent should not prevent compensation being claimed for repairing buildings, laying down permanent pasture, planting orchards or other plants for fruit or vegetable culture.

3. Compensation for damage by game that the tenant had not the lawful right to kill.

4. For the abolition of the limitations as to the use of only one gun in killing ground game.

5. That, provided the primary condition—the fertility of the farm—is maintained, no restriction should be placed on freedom of cropping, cultivation, or sale of produce.

6. That any loss the tenant suffered by unreasonable eviction should be paid for by the landlord.

7. Perfect equality in making claims, neither tenant nor landlord having an advantage.

8. For a saving of law expenses by the Board of Agriculture appointing one arbitrator to settle disputes.

9. The landlord's right of distraint for rent should be limited to one year.

10. For the keeping of a record of the agricultural condition of the holding.

The Bill was supported by the only practical farmer on the Ministerialist side—Mr. J. W. Spear (LU) (Tavistock)—but it was opposed by the Government and rejected by 225 to 164 (majority 61). The late Mr. Hanbury said:—

"The Government recognised that the farmer was entitled to compensation for improvements. But that principle, they maintained, was thoroughly carried into effect by the Act of last year. It was said that that Act was meant by the Government only as an instalment. On the contrary, *it was meant to represent the final view of the Unionist party as to the rights of tenants and landlords.* He believed that was the opinion of the tenant-farmers also. They were thoroughly well satisfied with the Act. They desired a period of rest from this political agitation. He doubted whether agitation had ever done anything for any interest, but certainly it had done least of all for the agricultural interest."—(*House of Commons, May 8th*, 1901.)

He also deplored "that the time of the House should be *wasted* on such a Bill." Farmers will take note of this declaration that the Act of 1900 is the "final view of the Unionist party."

SMALL HOLDINGS AND ALLOTMENTS.

The Tory record here is like that of the famous chapter on Snakes in Iceland. The Government has done nothing to facilitate the acquisition of either small holdings or allotments. It may be interesting, however, to quote here from two Parliamentary returns, 1898 (17—price 5½d.) and 1903 (182—price 4d.), which tell us, amongst other things, the Parish Council record in the matter of allotments. Here are the total figures for eight years given in the returns. It should be noted that December 27th, 1894, is the day before the District and Parish Councils Act came into existence.

December 27th, 1894—*March 31st*, 1902.

1. *Land for Allotments.*

Total Number.		Amount of Land Acquired. A.	R.	P.	No. of Tenants.
61	County Councils	33	0	38	45
61	Councils of County Boroughs ...	249	3	23	1,167
	Councils of other Boroughs ...	107	2	14	1,048
963	Urban District Councils ...	2,346	2	5	11,154
692	Rural District Councils ...	243	2	2	464
6,361	Parish Councils	15,548	0	29	30,224
5,733	Parish Meetings	64	1	10	124
	Metropolitan Borough Councils (in 1898 Report, Metropolitan Vestries)	9	2	15	167
		18,602	3	16	44,393

There were twenty-two cases in which compulsion had to be resorted to in order to obtain land.

2. *Land for Small Holdings.**

Between December 27th, 1894, and March 31st, 1902, only six County Councils in nine parishes, and one Borough Council (County) in one parish acquired land for small holdings. The total acreage amounted to 221A. 1R. 10P., and it was let to 184 tenants.

3. *Land for Other Purposes.*

364 Parish Councils acquired land for various purposes, the total acreage amounting to 1,560A. 2R. 29P. The purposes for which the lands were required included 212 recreation and 82 burial grounds. Other purposes for which land was required are:—

Village green.
To widen corner of road.
Common pasture.
For diversion of a dangerous foot-path previously over a level crossing on a railway.
Pleasure gardens.
Drying ground.
Zigzag path up the cliff.
New well, pump, horse trough, and roof for same.
To erect a parish hall.
Landing staith to allow of loading and unloading boats.
Cricket ground.
Sewerage works and filtering.
Site for parish pump.
To make a cartway.

This list is interesting incidentally as showing what a Parish Council can do.

As showing also how much the Parish Councils Act has done in getting land for the people the following parallel is instructive:—

Under the *Tory* ALLOTMENT ACTS of 1887 and 1890.	Under the *Liberal* PARISH COUNCILS ACT OF 1894.
Local authorities acquired	Parish Councils acquired
2,249 acres	15,548 acres
for 5,536 tenants	for 20,224 tenants
in 7½ years.	in 7½ years.

These figures speak for themselves: they are eloquent of the amount accomplished under the great Liberal Act of 1894.

THE BUDGET OF 1894 AND AGRICULTURAL LAND.

It is a common Tory complaint that Sir William Harcourt's Budget of 1894 bears hardly on agricultural land; but Mr. Gibson Bowles, M.P., has shown that the 1894 Budget favours agricultural land as compared with other forms of property. Mr. Bowles, in a letter to the *Times* (May 29th, 1899), took the five largest of the Salisbury Plain properties bought by the Government for military purposes, together with a sixth instance on account of its singularity, and shows how the principal value for estate duty (or

* From a Parliamentary return, dated August 11th, 1895, it appears that the 483 acres of land had been provided by County Councils under the Small Holdings Act, 1892; so that from 1892 to 1902 only about 700 acres had been provided for this purpose. The small total is due to (1) absence of compulsory powers and (2) the requirement that the land should be sold and not let to labourers—save under exceptional circumstances.

17 years' purchase of the gross rentals, as given in the returns) compares with the principal value or the actual price of the same properties as agreed by the War Office on behalf of the State:—

Owner.	Acres.	Present Rental.	Principal value for Estate Duty at 17 years' purchase.	Principal value as actually agreed to be paid by the War Office.
Kelk, Sir John	6,618	£1,682	£28,594	£95,000
Beach, Sir Michael Hicks- ...	7,818	2,531	43,027	93,411
Hill, J. L....	1,917	758	12,886	36,800
Antrobus, Sir E....	2,384	742	12,614	35,800
Normanton, Lord	2,973	550	9,350	31,828
Wyndham's Trustees	822	50	850	7,943

Mr. Bowles comments on these figures as being "extremely eloquent." They are indeed, and we agree that they "show by an accidental, unprepared, concrete instance, the enormous advantage given to land by the special method adopted of arriving at its principal value as compared with other property, and the relatively small amount of estate duty which land pays as compared with such other property."

III.—POINTS AND FIGURES.

Mr. Chamberlain on "A Fair Rent."

"The English farmer pursues a will-o'-the-wisp in the shape of Protection, and he excites himself very much about the relief of local taxation. Well, he must be a very foolish person to imagine that the people of this country will ever again submit to the terror of the small loaf, and he must be a very sanguine man who imagines that any relief of local taxation will make much difference to the local rates. But even if the farmer could get all he desired in these two respects, that would not benefit him one iota, though it might enable his landlord to extract a higher rent. There is only one thing that can benefit the farmer, and that is a fair rent fixed by a judicial tribunal—with the right of free sale of the goodwill of the undertaking, just the same as any other trader."—(*Hull, August 5th,* 1885.)

The "Farmers' Friends"!

Professor James Long (the Unionist Candidate for South Molton in 1895) speaking on June 6th, 1905, at the Central and Associated Chambers of Agriculture, said:—

"It was a great reflection upon the party now in power that they gave so little attention to agricultural questions, and especially to questions which had been discussed by this Chamber. It must be patent to every member that questions were discussed from time to time and afterwards introduced to the Prime Minister without the slightest possible result. They might as well ask Mr. Balfour to cut his own head off as assist agriculture. *Mr. Balfour ought to be told to his face by the Chamber that he was no friend of agriculture, and until he showed himself their friend he was unworthy of the support of a single farmer.*"

CHAPTER III.

EDUCATION.

I.—THE TORY RECORD, 1895-1901.

A.—1895-1900.

The policy of the Tory Government elected in 1895 was soon shown to be one of disturbing the Compromise of 1870, and of unduly favouring denominational schools. In 1895 the following resolution of the Church Parliamentary Committee was sent to Mr. Balfour:—

"That this committee desire to represent to her Majesty's Government that, since the parents of a large number of children prefer that they should be educated at those public elementary schools which are attached to the particular denominations to which the parents themselves belong, these schools are entitled to receive further assistance to defray the heavy and increasing cost of education; and this committee hope that legislation with this object may be undertaken at an early date."

To which Mr. Balfour replied on August 22nd, 1895:—

"I am extremely anxious that something effectual should be done to relieve the almost intolerable strain to which these schools are now subjected; and this is, I believe, the general wish of the party and of the Government."

This was followed up by the Church of England Memorial which was presented by the two archbishops and twenty-seven bishops on November 20th, 1895, to Lord Salisbury and the Duke of Devonshire. The following are the more important points that were then urged:—

(1) The right of parents to determine the character of the religious instruction provided for their children and the safeguarding of the right both in Board and Church Schools. [This aimed at the abolition of the "Cowper-Temple Clause" forbidding the use in a Board school of any denominational catechism or formulas.]

(2) The abolition of the 17s. 6d. limit, and of the other limitation on the grant in Article 107. [Done by the Act of 1897.]

(3) An increase of contributions from public sources sufficient to meet the general increased cost of education throughout the country, to be administered in such a manner as will prevent what is harmful in the competition between Voluntary and Board schools.

[The Duke of Devonshire on this point said to the deputation:—

"If, on the one hand, any such increased fixed grant could be applied by School Boards to the increase of salaries and other expenditure it would be a very extravagant expenditure and nothing would then be done to relieve the Voluntary schools from that competition; and, indeed, that competition might to some extent be increased. If, on the other hand,

that addition to the fixed grant should be applied by the managers of our Voluntary schools to reduction of subscriptions, the aim which you have in view of competing on more equal terms with the Board schools would not be attained. I observe with great pleasure that it has been stated in the memorial and it has been repeated by the Archbishop of Canterbury, that Churchmen had no wish to relieve themselves from the sacrifices which they have been and are still making. But, still, statistics of the Education Department do show that, while the cost of education per child has been increasing, nevertheless the voluntary subscriptions have diminished. I am aware that it has been pointed out that very large sums have been spent by various religious denominations in initial expenditure on schools. Nevertheless, it is a fact that the cost per head which is voluntarily subscribed for the maintenance of these schools is a diminishing quantity. I think on that ground no increase in the fixed grant should be applied in the direction of still further reducing them."—(*November* 20*th*, 1895.)

This reads oddly enough in the light of the Act of 1902.]

(4) The revision of School Board precepts by some superior public authority.

(5) Increased facilities for federation of Voluntary schools. [Given by the "Associations" of the Act of 1897.]

(6) That classes, scholarships, and other educational advantages provided by School Boards at the cost of the public shall be open to the teachers or scholars of Board and Voluntary Schools on the same terms.

(7) Provision that all reasonable facilities shall be afforded for the separate religious instruction of children in Board or Voluntary schools whose parents may desire it, in the spirit of the Industrial Schools Act of 1866.

(8) Liberty to provide in any district "annual grant" schools where the Department is satisfied that no satisfactory provision exists for the children for whom the school is intended, regard being had to the religious belief of the parents.

THE EDUCATION BILL, 1896.

The recommendations of the Church of England Memorial were largely adopted in the Education Bill which was introduced on March 31st, 1896, by Sir John Gorst. After a waste of some eleven days of valuable public time, it was withdrawn by Mr. Balfour, destroyed by the scathing destructive criticisms which it received at the hands of Ministerialists as well as of the Opposition. The briefest summary of its objects will therefore be sufficient.

New Educational Authorities were to be erected throughout the country, elected by the County Councils, and consisting of a majority of County Councillors. The new authority was to administer a New Special Aid Grant and existing Parliamentary grants, inspect schools, alter the Code to meet local needs, be a School Attendance Committee for all places not having a School Board, and take the place of a School Board in places where Voluntary schools break down.

To relieve Voluntary schools an additional Aid Grant was pro-

vided of 4s. per child in average attendance for all Voluntary schools, and for Board schools in necessitous places. [Sir John Gorst calculated that this would cost £500,000.] Primarily this was to be applied in improving the teaching staff, and the educational fittings and apparatus of the school. The statutory obligation to provide "local income" (subscriptions, etc.) was abolished, and statutory limit was placed upon the Parliamentary grants. Voluntary schools were to be exempted from payment of rates.

It limited the School Board rate to whichever was the higher of (*a*) the existing rate of annual maintenance per child, or (*b*) 20s. per child.

As to the religious question, the Bill provided that if the parents of a reasonable number of the scholars attending the school require that separate religious instruction be given to their children, the managers should, so far as practicable, whether the religious instruction in the school were regulated by any trust deed, scheme, or other instrument or not, permit reasonable arrangements to be made for allowing such religious instruction to be given, and should not be precluded from doing so by the provisions of any such deed, scheme, or instrument. Any questions arising out this were to be finally decided by the Education Department.

These provisions would of course have repealed the Cowper-Temple clause, which provided that in all schools established by means of local rates, no catechism or religious formulary which was distinctive of any particular denomination should be taught.

THE VOLUNTARY SCHOOLS ACT, 1897.

Next Session (1897) the Government contented themselves with a handsome "dole" to the Voluntary schools, given by the Voluntary Schools Act. (This Act is repealed by the Education Act of 1902.) It may be briefly summarised as follows:—

(1) *Additional State Aid to Voluntary Schools only: Voluntary "Associations."*

The amount to be 5s. per head (instead of 4s. in the 1896 Bill)—estimated total amount, £616,500. But this amount was an *average* only. Some schools got more, others less.

The distribution to be made by the Education Department, subject to the following provisions:—

(1) The Voluntary schools to form themselves into Associations and these Associations to form schemes for the distribution of the money, "to guide the discretion of the Department."

(2) The extent of this discretion was absolute so long as the total money distributed in England and Wales did not exceed 5s. per child in average attendance, "due regard" being had to the "maintenance of Voluntary subscriptions." The Department could give 1s. per child in one place, and 9s. per child in another.

(3) An express instruction was given with regard to this discretionary power to the effect that a distinction might be drawn between town and country. Associations with more urban schools would in that case get more than 5s. per child, and associations with more rural schools less.

Schools "unreasonably" refusing to join associations to be cut off from the additional grant. Any sums thus saved to be added to the grants to associations. Schools "reasonably" refusing to join associations to be aided individually. In the case of all schools receiving grants under this Bill the Education Department "might" (but not "should") insist on the accounts being audited.

(2) *Voluntary and Board Schools to be freed from the 17s. 6d. Limit.*

The old system was that the Parliamentary Grant was permitted to reach 17s. 6d. a head without any condition as to other income, but that no grant could exceed that amount unless met by a corresponding amount from other sources.

(3) *Rates on Voluntary Schools Abolished.*

The Liberal objections to this Act can be summarised as follows:—

(1) The violation of the principle of statutory equality.

(2) The Associations.—The coercion of local independence by giving the administration of public funds to these new organisations who had the distributing of these funds without the check of local control.

(3) The repeal of the only existing Parliamentary security for local contributions (*i.e.*, the 17s. 6d. limit).

(4) No security that the increased grant was used for advancing education (*a*) by improving the teaching staff, (*b*) a more liberal curriculum, (*c*) better premises or improved sanitation and equipment, (*d*) in any other way.

(5) The exemption of Voluntary schools from rating, while maintaining the obligation for Board schools, an unjust discrimination pressing with special hardness on rural Boards.

(6) The maintenance and intensification of the injustice done to parents throughout the rural districts, in their being compelled to send their children to privately managed schools, over which they have no effective control.

(7) The perpetuation of the injury done to conscience and to efficiency by the continued imposition of denominational tests on those who desire to become teachers, whilst the grievances of Nonconformists, who are forced to send their children to Voluntary schools, were left untouched.

(8) The power given to the Education Department to discriminate between town and country schools.

The Government refused to allow a word or comma of the Bill to be altered. It was carried by a more drastic use of the closure than has been applied to any Bill of similar length. It was discussed for 69¼ hours, during which 48 amendments were refused, the object of this being to avoid the Report stage; the closure was asked for 17 times and actually given 15 times.

THE NECESSITOUS SCHOOL BOARDS ACT, 1897.

In pursuance of Mr. Balfour's promise to deal with Board schools, "if time permit," Sir John Gorst introduced this Bill, which was read a first time on April 8th, 1897. Its general effect

was to give the School Boards an estimated additional sum of £110,602 (which proved to be an underestimate by some £70,000). The amount payable under the Bill was estimated at £153,895, but from that must be deducted the sum of £43,283 previously paid under the old Section 97 of the Act of 1870. By the Voluntary Schools Act an estimated sum of £616,000 had just been granted to the Voluntary schools. A proportionate sum for Board schools would have been £470,000. The actual sum given was £110,000. In other words, the principle of statutory equality was so much departed from that the Voluntary schools were treated just four times as well as the Board schools.

To come to details. By Section 97 of the Act of 1870, where a rate of 3d. in the £ did not produce a sum equal to 7s. 6d. for each Board school child in average attendance, the State undertook to pay the amount of the deficiency. This was taken as the basis of the Act of 1897, but a sliding scale was introduced, and whilst the amount of the test rate was still kept at 3d., the sum of 7s. 6d. varied according to the amount of the School Board rate in each particular town. If the rate is 3d. the amount was kept at 7s. 6d. But for every penny in excess in the rate in the £ an additional 4d. was added to the 7s. 6d.

The Liberal objections taken to the Act were:—

(1) It distributed about 1s. 2d. per head for the Board School children, whereas the Voluntary Schools Act gave 5s. per head to the Voluntary school children.

(2) It created a burden on urban districts and boroughs, the benefit of which went chiefly to rural districts.

(3) Owing to the particular mode of relief adopted, glaring irregularities were created.

This Act was also repealed by the Education Act of 1902.

THE 1899 CODE AND PUPIL TEACHERS.

The 1899 Code contained two articles dealing with pupil teachers. Article 37 provided:—

"After January 1st, 1900, no pupil teacher will be recognised in a school in which there are not at least two adult teachers employed, except with the special consent of the inspector."

By Article 42, two, instead of three, pupil teachers were allowed to each principal teacher. The effect of these alterations, by decreasing the opportunities for cheap child labour, would have been materially to increase educational efficiency. But the effect would also have been to increase the cost of conducting some of the Voluntary schools now "run on the cheap." Accordingly, on April 17th, 1899, Mr. Jeffreys moved an address to her Majesty to strike out these objectionable articles—and the Government at once consented to do it, but not before Sir John Gorst had satisfied the House that on the merits the Government proposals were absolutely and entirely justifiable. On the vote he walked out of the House

rather than vote with his own Government for the abandonment of the attacked provisions of the Code.

THE BOARD OF EDUCATION ACT, 1899.

This Act was passed in the Session of 1899, after having been first introduced in the House of Lords. It established a Board of Education, charged with the superintendence of matters relating to education in England and Wales, to consist of a President and of the Lord President of the Council, the principal Secretaries of State, the First Commissioner of the Treasury, and the Chancellor of the Exchequer. At the next vacancy the office of Vice-President of the Committee of Council on Education (the office then held by Sir John Gorst) was to be abolished. That has since taken place, and Sir William Anson, Sir John Gorst's successor, is Parliamentary Secretary to the Board of Education.

The Board of Education took (April 1st, 1900) the place of the Education Department (including the Science and Art Department).

The Board of Education was empowered to inspect any school supplying secondary education and desiring to be so inspected, for the purpose of ascertaining the character of the teaching in the school and the nature of the provisions made for the teaching and health of the scholars.

The Council of any county or county borough were to be able, out of any money applicable for the purposes of technical education, to pay or contribute to the expenses of inspecting under this section any school within their county or borough.

A Consultative Committee could be established by Order in Council consisting (as to not less than two-thirds) of persons representing Universities and other bodies interested in education. This Committee has since been duly established.

THE SECONDARY EDUCATION BILL, 1900.

A Secondary Education Bill was introduced by the Duke of Devonshire in the Lords on June 26th, 1900, and read a second time on July 23rd. It never got any further. It is sufficient to point out

(1) that it gave the Councils of counties and county boroughs limited powers as to Secondary Education, and

(2) that it left elementary education entirely untouched.

This was the last word of the Government on education before the General Election of 1900.

B.—1900-1901.

A new situation was created by the Cockerton judgment,* delivered late in 1900. In a case in which the London School Board was the defendant, the Court decided that, broadly speak-

* Mr. Cockerton was the eagle-eyed auditor who detected that the expenditure was illegal.

ing, School Boards could, out of the rates, only provide elementary instruction for children. This made illegal all the work done in the higher grade, continuation and evening schools—work done because of its pressing necessity, with the full consent of the Education Department and Board of Education.

THE EDUCATION (No. 1) BILL OF 1901.

In the King's speech of February 14th a Bill was announced "for Amendment of the Law relating to education." On April 1st the Court of Appeal affirmed the decision of the Divisional Court in the Cockerton case. On April 25th the London School Board decided to accept this judgment and not to carry the case to the House of Lords. On May 7th the Government Education (No. 1) Bill was introduced by Sir John Gorst. Shortly summarised, it was as follows:—

A new Educational Authority was set up to be the Council of a county or county borough acting through an *education committee.* This committee to be constituted by scheme, made by the Council and approved by the Board of Education. A majority of the Education Committee to be members of the Council.

The operations of this committee were strictly defined to be outside elementary education—the School Boards were left to do their work, as defined by the Cockerton judgment. The committee might deal with all other kinds of education, and took over the work of the *Technical Instruction Committees.*

The provision of money rested with the *Council.* The financial powers which the *Council* might exercise in favour of the *Committee* were as follows :—

(*a*) The "whisky money" *might* (not *must*) be spent on education.

(*b*) A rate not exceeding 2d. in the £ in any year.

(*c*) The Council might borrow money.

Existing schools carried on *ultra vires* by the School Boards (the Cockerton schools) might be still carried on by the Boards, provided permission was obtained from the Education Committee who was to settle how much could be spent on such schools.

This Bill proved so controversial that on June 27th, 1901, Mr. Balfour announced its abandonment to a meeting of Ministerial members. He said the Bill was introduced to meet the situation created by the Cockerton judgment, and described it as a "measure which constituted a permanent central authority for secondary education." He promised a "very early and a very honourable place to an Education Bill" in the Session of 1902. The vital and important points here are that this Bill was expressly designed to meet the situation created by the Cockerton judgment, and that it was a Bill which did not touch elementary education. It is idle, therefore, to plead that the Education Bill of 1902 is the inevitable product of the Cockerton judgment, since the Government themselves in 1901 propounded a solution which left the School Boards still in existence, and gave the new Education Authority secondary powers only.

THE EDUCATION ACT, 1901.

The question of the Cockerton schools was solved for a time by the Education (No. 2) Act which empowered the County and County Borough Councils to allow the School Boards to carry on the schools for a year, all surcharges for past illegal expenditure being at the same time condoned.

II.—THE EDUCATION ACT OF 1902.*

THE INCLUSION OF ELEMENTARY EDUCATION.

How was it that the Education Bill introduced in March, 1902, was found to deal with elementary education? What was it that had induced the Government suddenly to alter its course? Was it that the Duke of Devonshire and Sir John Gorst decided that, in the interests of Education, further large sums of money—this time out of the rates—must be dealt out to the Voluntary schools? Or did the Church of England, the chief proprietor of the denominational schools, exert pressure on the Government? The Bishop of Truro said, early in 1902:—

"Nobody was so open to pressure as the Cabinet, and he believed that on this question (*Education*) the Cabinet was not united. It was not to be expected that men like Mr. Chamberlain, brilliant and able as they were, who only knew the Church from outside, would feel exactly on this matter as those connected with the Church of England did, but if such men were convinced that the country had made up its mind on the matter, they would be prepared to support any (*Education*) Bill that might be desired."—(*Bodmin, February* 5*th*, 1902.)

This looked a little ominous at the time, and when the Education Bill was introduced it was all too clear that the "pressure" referred to by the Bishop had been successfully exercised. What was the precise machinery by which the pressure was exercised? Well, the following circular will show:—

THE CHURCH COMMITTEE FOR CHURCH DEFENCE AND CHURCH INSTRUCTION.

Church House, Westminster, S.W., April, 1902.

DEAR SIR,—You will doubtless remember that in October last the Executive Committee invited local secretaries to convene their committees for the express purpose of considering the position of Voluntary schools and of urging the Government to include elementary education in a comprehensive measure, to be brought forward in the present Session of Parliament.

In the month of November a further communication was sent, in which a form of petition to the Government was enclosed, and it was suggested that, in view of the urgency of the question, prompt efforts should be made to obtain signatures, and that the same should be dispatched to

---

* For Act of 1903 extending Act of 1902 to London, see subsequent Chapter on "London."

the Leader of the House of Commons. The response to this request was so immediate and satisfactory that, in addition to the six or seven thousand petitions originally dispatched, nearly three thousand more were forwarded upon the written request of secretaries and clergy all over the country. The petitions were numerously signed, and the Committee had the satisfaction of feeling that through their organisation they had been the means of focussing and expressing the almost unanimous opinion of Church people in this matter.

It was with no ordinary pleasure, therefore, that the Committee observed in the King's Speech at the opening of Parliament this year a specific announcement that proposals for the co-ordination and improvement of primary and secondary education would be made, a pledge which the Government have since redeemed by the introduction of their Bill in the House of Commons. This, the Committee venture to think, is in no small degree due to the earnest representations which, through their organisation, they were enabled to press upon the consideration of the Government, and they are sure that this result will be felt to be some encouragement and recompense by those clergy and secretaries who, at the cost of much personal trouble, were instrumental in obtaining signatures to the petitions. . . .

We are, yours faithfully,
(*Signed*) ASHCOMBE, *Chairman.*
T. MARTIN TILBY, *Secretary.*

(*By direction of the Executive Committee.*)

The Church Committee are to be congratulated on the result of their labours, but they were unkind to "give away" Mr. Balfour. For when we complain that that the Act of 1902 is a Voluntary Schools Relief Act we are always assured that it is in reality the result of long excogitation on the part of educational "experts." To the naked eye it looked much more like the handiwork of expert Churchmen.

THE PROVISIONS OF THE ACT.

First of all let us give the provisions of the Act, the figures in square brackets being references to the section and subsection.

It is important to remember that:—

A PROVIDED school means a school provided by the local education authority. All *Board* schools become *provided* schools.

A NON-PROVIDED school means a school not provided by the local education authority. "*Voluntary*" or *Denominational* schools become *non-provided* schools.

ELEMENTARY EDUCATION is education given in "public elementary schools" to scholars who, at the close of the school year, are not over 16. An elementary school does not include an evening school [22 (1) and (2)].

HIGHER EDUCATION is "education other than elementary." The power to supply or aid the supply of it includes the power to train teachers, and to supply or aid the supply of any education not elementary education [22 (3)].

The New Educational Authority.

(*a*) Its Constitution.

The new Educational authority is to be the Council of a county or county borough [1] (for case of non-county boroughs and urban districts, see page 7) who have to establish an Education Committee (or Committees). This Committee is to be constituted in accordance with a scheme, made by the Council and approved by the Board of Education [17 (1)]. The scheme does not, like an Endowed School Scheme, come back to Parliament. Till the Board approve, no scheme can become law. Afterwards there is no appeal. If the Council makes no scheme within twelve months after the passing of the Act, the Board may make a Provisional Order for the purposes for which a scheme might have been made [17 (7)], and this Order has to pass through Parliament in a Provisional Order Bill [21].

A majority of the members of the Education Committee must be elected by the Council and be members of it, unless in the case of a county the Council determines otherwise. There are to be other members (proportion not specified) nominated or recommended (where it appears desirable) by other bodies including Voluntary schools associations and who are to be persons of experience in education or persons with knowledge of schools in the district [17 (3) (*b*)]. The scheme must provide for the inclusion of women on the Committee [17 (3) (*c*)] and for the appointment, if desirable, of existing School Board members as members of the first Committee [17 (3) (*d*)].

All persons who, through pecuniary interest (such as holding office or being interested in a contract), are disqualified from sitting on the Council, are also disqualified from being members of the Committee. This does *not* apply to teachers [17 (4)].

In Wales and Monmouthshire the county governing bodies under the Welsh Intermediate Education Act of 1889 are abolished, their functions becoming merged in those of the new local education authorities [17 (8)].

There may be joint Education Committees for a combination of counties, boroughs, or urban districts, or more Education Committees than one for any one county [17 (5)], but due regard must be paid to the general co-ordination of all forms of education [17 (6)].

(*b*) Its Powers.

The supreme power resides with the Council, but except as regards levying a rate or borrowing money, all educational matters stand referred to the Education Committee. The Council, except in case of urgency, must consider their report before taking action. The Council may delegate to the Education Committee, with or without restrictions, any of their powers under the Act except those of raising a rate or borrowing money [17 (2)].

(i.) *Higher Education.*

The Act instructs the local education authority to consider the educational needs of their area, to take such steps as it deems desirable to supply or aid the supply of education other than elementary (including the training of teachers), and to promote the general co-ordination of all forms of education [2 (1) and 22 (3)]. The existing *Technical Instruction Committees* are abolished and their work passes to the new education authorities.

(ii.) *Elementary Education.*

The local education authority (the Council)—

(*a*) takes over the powers and duties of the School Board and School Attendance Committees, which are by the Act abolished, and

(*b*) becomes responsible for and has control of all secular education in non-provided schools [5].

Except for the provision and maintenance of the school-house (which does not include the teacher's house), the non-provided schools have to be maintained by the Council out of money obtained from the taxes and rates, the amount of control secured by the Council being—

- (*a*) the right of giving directions to the managers concerning secular instruction (including the number and qualification of the teachers and their dismissal on educational grounds) and of themselves carrying out such instructions in case the managers fail to carry these out, but no direction is to interfere with reasonable facilities for religious instruction during school hours [7 (1) (*a*)];
- (*b*) the right of inspection [7 (1) (*b*)];
- (*c*) the right of veto upon appointment of teachers, to be exercised "on educational grounds" only, and the right of veto upon dismissal of teachers unless the dismissal be on grounds connected with the giving of religious instruction [7 (1) (*c*)];
- (*d*) the appointment of pupil teachers when there are more candidates than posts to be filled [7 (4)];
- (*e*) the right of appointing managers, but so that the number of foundation managers appointed by the denomination still remains in the proportion of four out of six [11]. (*See below.*)
- (*f*) the right to use for educational purposes (where no suitable accommodation exists in provided school) the school-house out of ordinary school hours not more than three days in the week [7 (1) (*e*)].

Disputes on any of these points between the managers and the Education Committee to be settled by the Board of Education [7 (3)].

(*c*) ITS FINANCE.

All expenditure (to be kept in separate accounts) will be subject to Local Government audit—Borough Council accounts by express

enactment in this Act [18 (3)] and accounts of other Councils by existing legislation. Where money which any Council has to pay or receive is paid or received through the managers, the receipts and payments are to be accounts of the Council [18 (5)].

(i.) *Higher Education.*

The financial powers which the Council may exercise for the purposes of Higher Education are as follows:—

(*a*) The "whisky money" *must* be used for higher education [2 (1)].

(*b*) A rate may be levied—in a county borough not limited in amount, in a county not exceeding in any year 2d. in the £, or such higher rate as the County Council, with the consent of the Local Government Board, may fix [2 (1)].

(*c*) The Council may borrow money [19].

A County Council may specially charge any parish specially benefited by higher education given in their schools [18 (1) (*a*)].

(ii.) *Elementary Education.*

The Council will have at its disposal for Elementary Education:—

(*a*) The proceeds of a rate (not limited in amount), to be levied by the Council, which will settle its amount. (The Council may also borrow money [19].)

(*b*) The annual Parliamentary grants at present paid to the School Board, or Voluntary school managers.

(*c*) The new aid grant, replacing the grant at present paid under the Voluntary Schools Act and Necessitous School Boards Act (both passed in 1897). This grant is to consist of:—

(1) A *fixed* amount of 4s. per child in average attendance;
(2) A *variable* amount per child of 1½d. for every complete 2d. by which the amount produced by a 1d. rate falls short of 10s. a scholar.

Also provided that if the product of a 3d. rate is more than the amount to be raised locally for elementary education after the new aid grant (calculated as above) is paid, the total of the new aid grant is to be reduced by one-half of the difference between these two amounts* [10].

The effect of this is that the Voluntary school managers will have only to provide the school-house (which does not include the teacher's residence) and keep it "in good repair," making also "such alterations and improvements" as the local education authority may "reasonably" require [7 (1) (*d*)].

---

* This may also be put as follows: Let the product of a penny rate be x shillings per child in average attendance. Then the amount receivable of aid grant per child is 11s. 6d. $- \frac{3}{4}x$ (if x be not an even number of pence, then the next higher even number must be used), but never less than 4s. and subject to following proviso: If £y is the total product of a penny rate and £z the amount raisable locally for elementary education after aid grant is paid, then if $3y$ is more than z the aid grant is to be reduced by £$\frac{3y-z}{2}$.

For the expenses there will be a general rate over the whole of the area of the local education authority [18 (1)] but not less than one-half nor more than three-quarters capital expenditure or rent in respect of the provision or improvement of a public Elementary school building is chargeable to the area served by it [18 (1) (*c*)]. The same conditions apply in taking over existing School Board liabilities, which (except as here provided) remain those of the old School Board area [18 (1) (*d*)].

Endowments and Fees.

Endowments of non-provided schools remain in the hands of the managers, except that endowments left specifically for those purposes for which the local education authority has to make provision are given to the local education authority, disputes as to apportionment being determinable by the Board of Education [13 (1)]. The local education authority is to give the area of the endowed school the benefit of the endowment paid to it by either reducing the education rate or paying the sum to the overseers in relief of poor rate [13 (2)].

Fees in non-provided schools may be abolished by the local education authority, but if continued are to be shared by that authority and the managers, the Board of Education deciding in case of dispute. In this case the benefit of the fees goes to the whole area of education authority [14].

Management of Public Elementary Schools.

Appointment of Managers.

A.—Provided Schools.

In a *county*, for each provided school, managers are to be chosen in the proportion of *four* to be appointed by the County Council, and *two* by the Borough, Urban District, or Parish Council (or parish meeting), as the case may be, of the area served by the school [6 (1) and 24 (2)]. There are not to be more than six managers unless the circumstances of the school make it necessary, and the proportion between the two classes of managers must be maintained [6 (3) (*b*)].

In a *county borough*, *borough* (*over* 10,000 *population*), or *urban district* (*over* 20,000 *population*), the Council (so long as it remains the local education authority) may (but only if they think fit) appoint, for any of their provided schools, any number of managers they like [6 (1)].

B.—Non-Provided Schools.

All non-provided schools are, in place of existing managers, to have managers to be chosen in the proportion of *four* foundation managers [6 (2)] and *two* are to be appointed:—

(*a*) In a *county*, one bv the County Council and one by the Borough, Urban District, or Parish Council (or parish meeting), as the case may be, of the area served by the school [6 (2) (*a*) and 24 (2)].

(*b*) In a *county borough, borough* (*over* 10,000 *population*), or *urban district* (*over* 20,000 *population*), both by the Council (so long as it remains the local education authority) [6 (2) (*b*)].

"Foundation managers" are defined to be managers appointed under the provisions of the trust deed of the school [11 (1)], where trust deed includes any instrument regulating its trust or management [24 (5)]. If there is no trust deed or its terms make the appointment of managers under the Act impossible, the Board of Education is empowered to make an order meeting the case [11 (1)].

Rules are laid down regulating the procedure to be followed in making this order. (*See* Section 11, Subsections (2)-(8) on page 16.)

POWERS AND OBLIGATIONS OF MANAGERS IN NON-PROVIDED SCHOOLS.

The managers in a non-provided school have (subject to the power of the local education authority—*see* page 3) the exclusive power of appointing and dismissing teachers [7 (7)]. The managers may, if they think fit, appoint assistant and pupil teachers without reference to religious creed and denomination, whatever the trust deed may say to the contrary. Pupil teachers, when there are more candidates than one, are appointed by the local education authority [7 (5)].

Religious instruction is to be given "as regards its character in accordance with the provisions of the trust deed (if any) relating thereto," and is to be "under the control of the managers." Nothing in the clause is to affect "any provision in a trust deed for reference to the Bishop or other superior ecclesiastical or denominational authority so far as such provision gives to the Bishop or authority the power of deciding whether the character of the religious instruction is or is not in accordance with the provisions of the trust deed" [7 (6)]. (*This is the famous Kenyon-Slaney clause.*)

All that managers are under obligation to provide is the schoolhouse (which does not include the teacher's residence), and "out of funds provided by them," keep it in good repair, and make such alterations and improvements in the buildings as the local education authority may reasonably require. Such damage as the education authority consider to be due to fair wear and tear during elementary education school hours to be made good by authority [7 (1) (*d*)]. Managers' payments and receipts for these purposes are not subject to any audit, but all other payments and receipts are to be made by or to the local education authority, who may, however, transact their financial business, using the managers as agents [18 (2) and (5)].

GROUPING OF SCHOOLS UNDER ONE MANAGEMENT.

The local education authority may group under one body of managers provided schools and (with the consent of managers) non-provided schools. But the two classes of schools cannot be grouped together [6 (3) (*a*) and 12 (1)].

In the case of provided schools the local education authority settles the number and composition of the managers of the grouped schools. In the case of non-provided schools their managers and the local education authority must agree upon a scheme, the Board of Education settling differences [12 (2)]. Such a scheme lasts three years, unless ended previously by the consent of the parties to it [12 (4)].

In a county, the local education authority is to take care to ensure the due representation of local authorities, who would have the right to appoint managers to the schools if not grouped [12 (3)].

Religious Instruction.

For schools giving higher education it is expressly provided that sectarian schools may be subsidised. The Cowper-Temple Clause (which forbids denominational teaching at the cost of the rates) is applied to higher schools provided by a Council which may, however, permit denominational teaching not paid for by themselves. There is a conscience clause for both day and evening scholars, but not for boarders [4].

For elementary education the Cowper-Temple Clause in provided schools, and the Conscience Clause in non-provided schools are left untouched.

Non-County Boroughs and Urban Districts.

The Council of any non-county borough or urban district *may*, over and above the rate levied by the County Council, spend on higher education a sum not exceeding a rate of 1d. in the £ [3]. In this case the Council need not establish an education committee if they decide that its appointment is unnecessary [17 (1)].

Special provision is made for (1) *boroughs* with a population of over 10,000, and (2) *urban districts* with a population of over 20,000. Their Borough and Urban District Councils become the local education authority for elementary education under the same conditions as the Councils in the counties and county boroughs; they must also establish an Education Committee [1]. In this case the County Council can raise no money for elementary education in the area controlled by the Town or Urban District Council [18 (1) (*b*)].

Provision of New Schools.

Where the local education authority or any other persons propose to provide a new public elementary school they are to give public notice of their intention, and the managers of any existing schools and the local education authority (where they themselves are not to provide the new schools) and any ten ratepayers in the area for which it is proposed to provide the school, may, within three months after the notice is given, appeal to the Board of Education on the ground that the proposed school is not required, or that a school, provided by a local education authority or not so provided as the case may be, is better suited to meet the wants of

the district than the school proposed to be provided; and any school built in contravention of the decision of the Board of Education on such appeal is to be treated as unnecessary, in which case it would receive no grants of public money [8 (1)].

If, in the opinion of the Board of Education, any enlargement of a school is such as to make it a new school, it is to be subject to the same notices, appeals, etc., as if it were a new school [8 (2)].

A transferred school is to be treated as a new school [8 (3)].

The Board of Education is to determine, in case of a dispute, whether a school is necessary or not, and in so determining, and also in deciding on any appeal as to the provision of a new school, shall have regard—

(*a*) to the interest of secular instruction;
(*b*) to the wishes of parents as to the education of their children; and
(*c*) to the economy of the rate;

but a school for the time being recognised as a public elementary school is not to be considered unnecessary in which the number of scholars in average attendance, as computed by the Board of Education, is not less than thirty [9].

This is a wide departure from the existing law, under which a deficiency in school accommodation has to be proved before a new school can be built and recognised.

Delegation of Powers.

An education authority may, on terms, delegate to any County Borough, District, or Parish Council (whether a local education authority or not) any of its powers relating to the control and management of a school in that Council's area [20 (*a*)].

The Council of a non-county borough or urban district may agree to yield up to the County Council any of its powers under the Act. If the powers relate to elementary education the area of the borough or district becomes part of the area of the county [20 (*b*)].

Failure to Perform Duties.

If the local education authority fail (*a*) to fulfil any of its duties as to elementary education, or (*b*) to provide any necessary additional school accommodation, the Board of Education may, after holding a public inquiry, make any necessary or proper order for the purpose of compelling the authority to fulfil their duty, such order to be enforceable by *mandamus* [16].

Miscellaneous.

A woman is not disqualified, either by sex or marriage from being a manager or a member of an Education Committee [23 (6)].

A local education authority may pay for vehicles or the reasonable travelling expenses of teachers or children, where the local conditions require such a course [23 (1)].

For higher education a Council may provide such education outside their area where the interests of their area are served by so doing. Scholarships and fees of students belonging to the area may be paid for at an institution within or without that area [23 (2)].

Areas and Authorities.

The following table shows the different education authorities according to the area taken :—

COUNTY BOROUGH.

	Authority		For
One Education Authority...	County Borough Council	—for	Elementary Education. Higher Education.

NON-COUNTY BOROUGH (population over 10,000).
URBAN DISTRICT (,, over 20,000).

	Authority		For
Two Education Authorities...	(1) Borough or District Council...	for	Elementary Education. Higher Education. (Amount spent on latter not to exceed sum raised by 1d. borough or district rate.)
	(2) County Council ...	for	Higher Education. (Amount spent not to exceed sum raised by 2d. county rate, except by sanction of Local Government Board.)

The County Councillors representing area of the borough or urban districts may not vote on any question affecting Elementary Education only, since their area has a local education authority of its own [23 (3)].

NON-COUNTY BOROUGH (population 10,000 and under).
URBAN DISTRICT (,, 20,000 ,, ,,).

	Authority		For
Two Education Authorities...	(1) Borough or District Council...	for	Higher Education. (Amount spent not to exceed sum raised by 1d. borough or district rate.)
	(2) County Council ...	for	Higher Education. (Amount spent not to exceed sum raised by 2d. county rate, except by sanction of Local Government Board.) Elementary Education.

COUNTY (outside Boroughs and Urban Districts).

	Authority		For
One Education Authority...	County Council	for	Elementary Education. Higher Education. (Amount spent on latter not to exceed sum raised by 2d. county rate, except by sanction of Local Government Board.)

THE ACT CRITICISED.

For a detailed history and criticism of the Bill we must refer our readers to "The Parliamentary History of the Act," published by the Liberal Publication Department.* Here we can best criticise the Act by taking 12 objections originally taken to it when it was introduced, and by seeing how far they were removed or intensified. They were "Twelve reasons why the Education Bill must be mended or ended."

1. *Because the Bill is not so much an Education Bill as another Voluntary Schools Relief Bill.*

This became abundantly clear during the time during which the Bill was converted into an Act. Indeed, so audacious did the denominationalists become that the "bargain" as the result of which their schools are now comfortably quartered on the rates is declared to be a hard one, because the school-houses have to be kept in good repair as well as provided.

2. *Because, while professing to make provision for Secondary Education, the Bill only gives the new educational authority permissive powers and casts no obligation or duty of any sort upon it to provide Secondary Education, admittedly the kind of education for which it is imperative that further provision should at once be made.*

In this respect the Act is admittedly an improvement upon the Bill, though it is still true that the local education authority has no obligation cast upon it to provide higher education. But it is now directed to consider its area's educational needs and empowered to take such steps as "seem" to it "desirable." This is far short of what a satisfactory measure would have enacted.

3. *Because so far from promoting Secondary Education, the Bill will block the way towards progress in it, since it will make a heavy additional rate compulsory for the maintenance of denominational schools, and the new educational authority will hesitate to impose a double burden upon the ratepayers.*

The prospect of this double burden caused such consternation amongst the country Tories (*e.g.*, Mr. Chaplin) that the Government consented to ease the future "intolerable strain" upon the ratepayer by giving an additional yearly aid grant of £1,300,000 out of the taxes. This, of course, will help the ratepayer, as ratepayer, but even so in the counties a rate has now to be paid for elementary education, often for the first time, and it is certain that progress in higher education will be timid and hesitating.

---

* Price 1s. 3d. *post free* from 42, Parliament Street, S.W.

4.—*Because the Bill, so far from creating "one authority" will produce a multiplication of authorities, with powers and duties so complete and conflicting that administrative chaos is the first and almost certain result.*

The compulsory, instead of optional, abolition of School Boards helps the one authority idea, but, as opposed to that, the Act (unlike the Bill) permits the Council of *every* town and urban district to be a higher education authority. The gains that accrue from the so-called "one authority" are out of all proportion small to the sacrifices that have to be made to get even this semblance of it—of which sacrifices the abolition of the School Boards is not the least.

5. *Because the Bill allows education to be handed over to so-called education "committees" not a single member of which need be directly elected by, or responsible to, the ratepayers or the people.*

In this respect the Act differs very materially from the Bill, since words were introduced which clearly leave the supreme control with the Council, not the Committee. It remains to be seen whether this control will really reside with the Council (considering all the other duties it has to perform), or whether it will in practice come to the Committee. A majority of the Committee must now be members of the Council, though the Council of a county, if they think it desirable, may still decide otherwise. Theoretically in such a case no member of the Committee need statutorily be a member of the Council, though we are not saying that that is likely to happen.

6. *Because the Bill permits and encourages the immediate destruction in all parts of the country of the School Boards, which have done such splendid service in the cause of education during the last third of a century.*

The Act not merely permitted and encouraged the destruction of the School Boards—it destroyed them all.

7. *Because the Bill permits the entire cost of the maintenance of the Voluntary schools (except that of the up-keep of the school-house) to be taken from the taxes and rates without leaving the ratepayers any effective right of control or management.*

The Act does something more to give control—through the local education authority—than did the Bill; but the management still remains two-thirds in the hands of the denominationalists, though their sole contribution is the use of a suitable building, kept in proper repair.

8. *Because the Bill will leave the great majority of the denominational schools precisely as they are now, except that the cost of maintaining them will be thrown upon the rates, which will be enormously increased to save the pockets of the Voluntary school subscribers.*

We have already explained that the burden on the rates has been eased to the extent of £1,300,000 given out of the taxes, but subject to that this objection to the Bill is not removed by the Act. Indeed, extra care was taken to save the pockets of the voluntary subscribers, since at the last moment the denominationalists were given :—

(*a*) The rent of the teacher's residence;

(*b*) A share of the endowment;

(*c*) A share of the school fees; and

(*d*) The right to shift the burden of wear and tear repairs on to the local authority.

The value of these concessions—none of them in the Bill as introduced—is probably not less than half a million a year. Is it any wonder that the Bishop of Hereford spoke out bravely and strongly against the "game of grab"?

9. *Because the Bill, if passed, so far from getting rid of denominational strife, will lead to increased sectarian bitterness.*

Can anybody doubt this, now that the Bill *is* passed?

10. *Because under the specious guise of decentralisation, the Bill gets rid of the control from Whitehall which in backward counties has hitherto proved the one element of stimulus towards educational progress and efficiency, with the result that the backward counties will be more backward than ever, thus working grave injustice to the children who happen to live in them.*

The Act does nothing to get rid of this criticism of the Bill.

11. *Because the Bill, in the provision as to new schools, so arranges matters that practically all new schools will be denominational, whilst it encourages the multiplication of small schools, a policy educationally unsound.*

The New School Clauses have been passed in their original form. Looked at from any and every point of view, they form one of the very worst and most reactionary features of the Act.

12. *Because the Bill recognises and permits in schools which are to become rate-maintained the imposition of a religious test for teachers a condition of employment in such schools.*

This is still absolutely true of all head teachers in these schools. As to assistant and pupil teachers, the managers are allowed, if (but only if) they think fit, to elect persons not of the denomination with which the school is in connection. The one real improvement is as to pupil teachers. If there is more than one candidate for the post, the local education authority elects.

III.—THE TORY RECORD, 1903-5.

THE EDUCATION ACTS AT WORK.

It is already only too clear that the education question has been anything but settled by the Education Acts of 1902 and 1903. The resistance to the Acts has taken two forms:—

(1) In *England* the Acts have been met by passive resistance—ratepayers have refused to pay their education rate voluntarily, and have compelled the local authorities to distrain for the amount. The number of summonses is already (October, 1905) over 62,000; whilst 160 individuals have suffered imprisonment—two of them five times! That so many of the most law-abiding citizens we possess have felt compelled on conscientious grounds to come into conflict with the law is truly a monument of Tory statesmanship.

(2) In *Wales* the responsibility of protesting against the Act has been taken by the County Councils. As the result of the last elections, every County Council in Wales now contains a majority of members pledged not to vote money out of the rates to any provided school, inasmuch as such a school is not under popular management.

MINISTERS AND THE ACTS.

The administration of the Acts was discussed in the House of Commons on March 14th, 1904.* The defence was entrusted to Sir William Anson, who thought the Act of 1902 a "fair" "compromise." The spirit in which he dealt with the subject may be guessed from the following elegant extracts from his speech :—

"Speaking at a passive resisters' luncheon at Portsmouth the hon. member for Carnarvon (*Mr. Lloyd-George*) said they had never given trouble in the past, but were now going to begin. With every respect for conscience and its genuine expression, which he had no doubt found its place in some part of the passive resistance movement, he felt justified, in view of so much stimulation being required, in regarding the movement as a political movement rather than as a spontaneous expression of conscience. . . .

"He found it impossible to argue further with people who applied such solemn expressions to a question of paying possibly a few halfpence of rates in order to enable children of parents who wished them to have a particular

---

* It may be noted that in the course of the debate, discussing possible lines of a settlement, Lord Hugh Cecil said :—

" . . . He thought that . . . there was a prospect of a settlement which might be not unacceptable to all parties. Supposing they could adopt the system he indicated in the amendment which he proposed when the Bill was in Committee—supposing they allowed every local authority to teach any religious system they liked, supposing the parents expressed a wish for the religious system they preferred, and supposing they threw the duty on the local authority to carry out their wishes so far as it was practicable, he believed they would have gone a long way towards solving the problem. He did not believe local authorities would be unwilling to work such a system. It was worked in Germany and in the industrial schools of this country. The truth was the practical difficulties were grossly exaggerated."—(*House of Commons, March 14th*, 1904).

form of religious instruction to have that teaching. His own feeling was that he would willingly have contributed to any form of religious teaching which would have imparted to the inspirers of that resolution some of the elements of Christian truthfulness and Christian charity. . . .

"He doubted whether the country would approve of those actions, stimulated as they were by political animosities and religious bigotry, by the political animosities and the religious bigotry, he might almost add the personal ambition, of certain members of the Nonconformist body in Wales." —(*House of Commons, March 14th*, 1904.)

Mr. Balfour, when he came to speak, did little more than repeat what he has said on a good many occasions—we freely concede that on this subject he has "settled convictions," one such being that the Act is one for which the Nonconformists ought to be grateful, as a boon and a blessing. For passive resistance he had only a sneer—the "very cheap illegality, because in the history of the world there has never been a less expensive form of martyrdom than the present." As to the case of Wales, he had mere vague and general words. If illegality was persisted in, "some remedy must be devised":—

"I think he will allow, speaking as an educationist, and not as a Nonconformist, that to allow the children of Wales to go without their proper books and without the necessary machinery of education, to make it doubtful whether the teachers will be paid, and to leave the schools unheated and unrepaired is a state of things which no man, whatever his religious views may be, can contemplate with equanimity, and in which no Government can acquiesce. I hope that without any legislative interference on our part this lamentable state of things can be brought to an end. But if it cannot be brought to an end by those primarily responsible, then it seems to me that a clear duty lies before us, and we must take some measures which shall be effectual to see that the children of Wales do not lack the education given to the children in every other part of his Majesty's dominions."—(*House of Commons, March 14th*, 1904.)

THE WELSH COERCION ACT, 1904.

Later in the Session the threat implied in Mr. Balfour's words was made good by the introduction of the Education (Local Authority Default) Bill. This was a Bill of one clause:—

(1) The Board of Education, without prejudice to their right to take any other proceedings, may, if they are satisfied that it is expedient to do so on account of any default of a local authority in the performance of their duties as respects any elementary school—

(*a*) make orders for recognising as managers of that school any persons who are acting as managers thereof, and for rendering valid any act, thing, payment, or grant which in the opinion of the Board might otherwise be invalid by reason of the default of the authority, and every such order shall have effect accordingly; and

(*b*) if it appears to the Board that the managers of that school have, for the purpose of maintaining and keeping efficient the school, incurred any expenses for which provision should have been made by the local education authority, pay to the managers such amount in respect of these expenses as in the opinion of the Board was properly incurred.

(2) Any sums paid by the Board of Education under this Act shall be a debt due to the Crown from the local education authority, and, without

prejudice to any other remedy, may be deducted from any sums payable to that authority on account of Parliamentary grants.

(3) Any order or payment may be made under this Act as respects matters occurring whether before or after the passing thereof.

The Bill was read a second time on July 15th by a majority of 131 (235 to 104), the largeness of the majority being due to the fact that all the Nationalist members present voted for the coercion of Wales. True that the Bill applies to England as well as to Wales, but this does not in any way disguise the fact, to which the debate further bore evidence, that the Bill owed its existence purely to the educational situation in Wales. It was the Government's confession (*a*) that the Education Act of 1902 had completely broken down in Wales, and (*b*) that the Government dared not use the power of proceeding by *mandamus* against defaulting authorities provided in that Act. That both things would happen was pointed out to the Government again and again in the course of the debates two years ago, and the necessity they find themselves under of introducing the present Bill is an excellent measure of their statesmanship. Mr. Bryce went to the root of the matter when he said :—

"The true remedy was to be found not in this Bill, but in the removal of the grievances which the Act of 1902 created. They should get rid of the religious disabilities which attached to the mastership of schools ; of the deficient element of popular control ; of the distrust felt in many quarters of the religious education given in voluntary schools. They must get rid also of the practice of passing Acts which carried no moral authority with them. If the Government would insist on keeping in office for the sake of keeping their party together let them not use office as a means of passing statutes opposed to the will of the people. No Government had ever gone so far in passing Acts which lacked that element of moral authority which our legislation ought to have ; and nothing was more injurious to the principles of the British Constitution which the party opposite at one time professed to respect than this practice."—(*House of Commons*, *July* 15*th*, 1904.)

THE COMMITTEE STAGE.

The Committee stage, taken on August 5th, was the occasion of a notable protest against Mr. Balfour's high-handed conduct of the Bill. The story of the proceedings which culminated in the Welsh members (supported by practically all the Liberals present) walking out of the House and refusing to take further part in the discussion of the measure, is a highly significant one.

The Bill was so drawn that, apart from its title, the three matters with which it dealt (Board of Education powers, the finance arrangements, and the scope of application—both prospective and retrospective) were, although entirely distinct, combined in one clause. As a protest against this "abuse of drafting," Mr. Griffith moved to omit subsection (1). After a brief discussion, Mr. Balfour moved the closure, which the Chairman (Mr. Lowther) accepted. Mr. Whitley then moved to provide that the Board should only exercise the powers conferred upon it "after holding a public inquiry at which all persons interested have been heard."

On Sir W. Anson's opposition to this thoroughly reasonable proposal, Mr. Bowles—a supporter of the 1902 Act—commented thus:—

"Surely nothing more reasonable could be submitted than that before the powers conferred by the Bill were exercised a public inquiry should be held. The hon. baronet spoke about this suggestion as if the procedure was both monstrous and unknown. He recalled many cases where Government Departments, having had powers conferred upon them, held local inquiries. . . . The arguments of the hon. baronet were not only pitiable, but they suggested alarming views as to the proper functions of the Department. The hon. baronet said that the Act of 1902 had been successful, and that the instances in which it had been unsuccessful were really few. If that was the case, then why did the Government want this Bill? The Bill was intended to remedy the cases where it had not been successful, and the hon. baronet said that a *mandamus* was a long and difficult process. But if the cases were few, surely it was not too much to expect the Education Department to adopt the same course which the private citizen had to adopt when he was aggrieved."—(*House of Commons, August* 5*th*, 1904.)

Mr. Balfour closed the debate by again moving the closure, which Mr. Lowther again accepted. After the divisions on this and on the amendment, Mr. Balfour at once proposed that the five first lines of the clause be closured, and again Mr. Lowther accepted the motion. During the afternoon Mr. Balfour rose four times—once to make a few remarks, and thrice to move the closure. The "limits of human endurance" had been reached, and the Welsh members, with many of the Liberals, refused to leave the House for the division. Mr. Lloyd-George protested against the wholesale closuring of substantial amendments. After an irregular discussion, Mr. Lowther named a number of members for having disregarded his order, and then, on the House resuming, reported them, as Deputy-Speaker, to the House. After a further discussion, Mr. Lloyd-George intimated that he and his friends would absolutely refuse to take any further part in the proceedings. Mr. Asquith then said:—

"I do not know that we are strictly in order; but I am quite certain that we all feel that it would be desirable to avoid any of these unseemly scenes. Therefore, I am glad to hear what my hon. friend said, although I entirely sympathise with him and those who are associated with him in the protest he has made. If my hon. friend takes the course he has suggested, we on this bench shall leave the House also and take no further part in the discussion."—(*House of Commons, August* 5*th*, 1904.)

In all the circumstances it was fitting that this notable result of Mr. Balfour's attempt to coerce the House of Commons should come through his attempt to coerce a nation.

MR. BALFOUR ON COERCING LOCAL AUTHORITIES.

We give here an extract from a speech of Mr. Balfour's in 1900, which is extremely pertinent to the purpose of the Bill. Speaking of the Housing Question, he said:—

"How is it to be remedied? According to the Leader of the Opposition it is to be remedied by giving greater powers to the local authorities. . . . But if the local authorities do not use the powers placed in their hands, then they are to be compelled to do so. How are you going to compel the Corporation of Manchester, let us say for the sake of example,

to do something which the central authority thinks it ought to do, but which the Corporation, freely elected, thinks it ought not to do? Are you going to put them in prison? Are you going to execute the law over their heads? A wilder scheme than that of having a central governing authority which is to compel great municipalities like Manchester, Liverpool, and Leeds to do what they do not wish to carry out—a wilder scheme never seems to have entered into the head of a practical statesman."—(*Manchester, September 25th*, 1900.)

There is a singular irony in the fact that the far wilder scheme of compelling, not a municipality, but a nation, to do what it does not wish to do, has been left to Mr. Balfour to conceive. Judged by his own criteria, he hardly seems to be a "practical statesman."

THE BISHOP OF ST. ASAPH'S BILL, 1904.

On May 9th, 1904, the Bishop of St. Asaph introduced in the Lords his Education (Transferred Schools) Bill, consisting of the following one operative clause:—

(1) Notwithstanding anything in any Act to the contrary, an arrangement for the transfer of a school to a local education authority under section 23 of the Elementary Education Act 1870, or otherwise, may, amongst other things, provide:

(*a*) That religious teaching, which is not distinctive of any particular denomination, shall be given in the transferred school during school hours at such times and of such character as may be specified in the arrangement;

(*b*) That facilities shall be afforded for the giving of religious teaching, distinctive of any particular denomination, to the children of such parents as desire it in the transferred school, during school hours at such times and in such manner as may be specified in the arrangement, but not at the cost of the local education authority; and

(*c*) That facilities shall be afforded by the local education authority for the giving of religious teaching distinctive of any particular denomination to the children of such parents as desire it during school hours in such schools provided by them at such times and by such persons as may be specified in the arrangement, but not at the cost of the local education authority; and

(*d*) For any pecuniary consideration being paid in respect of the transfer either by way of a capital or an annual sum;

and any such arrangement shall have effect accordingly, but, if not otherwise subject to the consent of the Board of Education, shall, as far as it provides for the matters mentioned in this section, be subject to that consent.

(2) The governing body of any association of Voluntary schools may make an arrangement under this section for the transfer of any schools belonging to that association if authorised to do so by the managers of those schools.

(3) Any sum paid under any arrangement under this section shall be applied for such purposes as the managers determine, subject to the consent of the Board of Education.

(4) The provisions of subsection 3 of section 8 of the Education Act, 1902, shall not apply in the case of the retransfer of a school on the expiration of any arrangement under this section if the arrangement was made for a period of not less than five years.

[It will be noted that subsection (*c*) would repeal the Cowper-Temple Clause in Council schools in a district where the "arrangement" contemplated took place.]

The Bill was read *nemine contradicente* a second time in the Lords on July 4th and never heard of again. There were at least three notable declarations in the course of the debate. The Bishop of St. Asaph himself said :—

"Great as were the claims of the Voluntary schools, when he found that before 1870 public funds contributed only 37 per cent. of the total cost of maintenance and that now they would contribute 90 per cent., he frankly admitted that justice demanded that control should go to the paymaster."—(*House of Lords, July 4th*, 1904.)

Lord Londonderry said :—

"This measure could not be considered a Government measure. It was a measure of which the Government as a whole could neither approve nor disapprove. The question was one on which he could not pledge any individual member on the front bench. He wished, however, on his own behalf, to say that the right reverend prelate had his sincere sympathy. He recognised the right reverend prelate's good intentions. If the matter were pressed to a division he would certainly go into the Lobby in support of the Bill. But he asked the right reverend prelate not to go to a division."—(*House of Lords, July 4th*, 1904.)

The Bishop of Rochester said :—

"The second reading of this Bill in the meantime could do no more than affirm the general desire that the ultimate solution would be a solution arising not from the victory of one party or the other, but from something which would do justice to the feelings of the different contending parties."—(*House of Lords, July 4th*, 1904.)

IV.—EDUCATIONAL ADMINISTRATION, 1895-1905.

No administrative department has such a free hand as the Board of Education. It can endow any school with a handsome income, or can deprive it of every penny from rates and taxes; it holds the power of life or death, and itself creates from day to day the fateful laws which it administers. Nearly all progress in national education throughout the century has been accomplished through the action of the Education Department. Without its consent nothing could be done; without its initiative or approval little would have been done in many parts of the country.

Till the present Government came into power the Education Department has, through successive ministries of different political colour, maintained effectively traditions of progress. Under the present Government the "free hand" has been utilised to "put back the clock," or to retard its progress when reaction was impossible.

As soon as the present Government took office the Bishops of the Church of England arranged a deputation to Lord Salisbury, and on November 20th, 1895, presented a memorial setting forth their views and demands on the Education question. These were nine in

number. They can best be described by a sentence taken from the Church newspaper, *The Guardian*, of August 2nd, 1893: "In order to keep going our own Church schools we are obliged to block, whenever we can, the general advance of the education movement." The demands of the Bishops, with the exception of one dealing with religious instruction, were designed (1) to relieve inefficient Church schools from the penalties for inefficiency, and (2) in the interest of denominational schools (which are the most inefficient part of the national system) to "block the general advance of the educational movement." These demands raised the biggest storm of popular opposition which this Government has had to face; but by quiet and insidious changes in administration and legislation, all these demands were, in the course of a few years, partly or completely granted, and have been accompanied by other reactionary changes. Instead of assisting any district which desired to have a School Board, the Government systematically threw difficulties in the way of the electors, or even refused their request. When a Board school was desired and required, the Department again and again obstructed or refused, and compelled the ratepayers to meet pressing needs by private voluntary effort. The right to receive education without payment of fees, which it is the statutory duty of the Department to secure for every child requiring it, was in numbers of cases flatly refused; and, if given, was given grudgingly, or offered under unacceptable conditions; and in many cases schools which have been free for years were allowed to re-impose a fee on some of the children, and to continue to receive the fee grant given by Parliament in place of the fee.

These are only common types of innumerable administrative acts "which block the general advance of the educational movement," and they served no purpose whatever except to "keep going" certain inefficient clerical schools. It is hardly necessary to mention here that the Act of 1870 preserved an absolute monopoly, free from competition, to every Voluntary school which could maintain a minimum standard of efficiency, but provided that schools which failed should be either transferred to the ratepayers or replaced by a rate-provided school. Under the present Government the Education Department protected bad schools which, with unsuitable buildings and inadequate staffs, were far below the prescribed standard of efficiency. The interests of the children, and the rights of the ratepayers, were sacrificed to the convenience of clerical managers. A striking object-lesson was afforded by the debate on the new code in 1899. The inadequacy of the staff of rural schools has long been a glaring scandal. The regulations at present permit a school of one hundred and fifty children, divided into six or more classes, to be taught by one teacher and three absolutely unqualified child-apprentices. The new code contained regulations which would have substituted "an adult" for one of the apprentices, not necessarily a qualified adult, but merely an untrained "woman" of eighteen in place of one of the incompetent children of fourteen. The suggested

reform was ludicrously trivial and inadequate, but it was rejected by the majority of the House of Commons after a set debate in which Mr. Balfour, Lord Cranborne, and other leading members took a prominent part. The proposal was in effect that a small fraction of the large "aid grant" just given to the Voluntary schools should constitute a small instalment of long overdue reforms. It was cynically rejected. We specially mention this incident because the whole proceeding and the speeches and votes, and the avowed motives, stand on record in the Parliamentary debates. It is but one item amongst hundreds, many of them far more disastrous. It may stand as the type of the anti-educational administration of the present Government.

Two incidents, however, deserve to be specially recorded, as showing in the clearest possible way how the Government have failed to deal with the most important educational questions arising during their tenure of office. These are connected with the Cockerton judgment and the higher elementary school minute. For many years School Boards had most reasonably and usefully provided schools of a secondary type to help to meet that deficiency in the supply of secondary education which is still the gravest defect of our national education system. These schools had always been needed, and had been carried on with great success and great efficiency. They supplied a different type of education from that provided by the grammar schools, and thus succeeded in prolonging the education of many thousands of children up to the age of 16 or 17, who would otherwise have discontinued their education when they left the elementary schools at 13 or 14. But complaints of overlapping and unfair competition were raised, partly by managers of voluntary schools, who were unable to supply such efficient higher grade schools as those which had been provided by school boards, partly by the governors of the older secondary schools, who thought that they could not keep up their number of pupils if any other type of school were allowed, and partly by private schools and other educational agencies, who were really injured by the provision of cheap and good education. The obvious duty of the Government under these circumstances was to further, within proper limits, the supply of this cheap and good education, for which there was so great a demand, and to lay down proper lines of delimitation between the different types of school. Even to do nothing would have been but a fault of omission. But in both directions the action of the Government was harmful and retrogressive.

Mr. Cockerton, one of the Local Government Board auditors, declared that the higher grade schools of the London School Board were carried on illegally, and his opinion was upheld by the Judges of the High Court. In preparing the case against the School Boards, the persons interested in limiting their work were much assisted by the Education Department. Under these circumstances, if the Board had not been willing to deal with the whole question comprehensively, they should, at least, have let things go on as before by

legalising the action of the School Boards. Instead of this, they took the first step towards their destruction by an Act making it necessary for a School Board to obtain the permission of the Town or County Council before continuing the schools, and to close them unless this permission was obtained. This action effectively checked the provision of new schools of the type which had been so useful, and put back the clock of educational progress. The Government's action in the direction of delimitation was even more disastrous. It took the form of authorising a new type of school called a higher elementary school by a minute of the Board of Education in 1900. The immediate cause which led to the production of the minute was the universal outcry against the injustice of the block grant code of the same year, which, while giving the inefficient schools more grants than they had had before, gave those which were highly efficient a good deal less. The minute, therefore, laid down conditions under which schools might earn higher grants, by providing systematic courses of instruction for children between eleven and fifteen years of age. Schools of this sort are most necessary in any scheme of education. They have been a great success in Scotland, and are to be found in one form or another in nearly every moderate sized town in foreign countries. But what the Board of Education seemed to be giving with one hand they took away with the other by a piece of most absolutely unfair administrative action. The minute on paper offered a principal grant of a reasonable amount on reasonable conditions, and an extra grant for practical work, and this seemed to offer the prospect that every place would be able to establish the type of school that suited it best. As administered, however, no school was recognised unless it was equipped in the most expensive way for practical work in science and many other subjects, and unless it was prepared to adopt a curriculum with a very strong bias in the direction of science. Such a bias in such schools is absolutely opposed to the principles on which similar schools are conducted in Scotland, Germany, and America, principles in which Sir John Gorst rightly said he was a firm believer, but which the Government refused to allow to be applied to the improvement of English education. The result has been that only a mere handful of schools have been allowed to earn the grants offered, instead of their provision, as ought to have been the case under sound administration, in all towns with a population of over forty or fifty thousand. It is hardly necessary to point out the motive of the Government's action. Their whole procedure was a most successful trick, having as its object the discouragement of popular education in favour of outside interests.

In many other directions the action of the Government in educational administration has been equally retrograde and partisan. Faults in our educational system are universally admitted, and it is also clear that a Conservative Government with a large majority and many years of assured office has unequalled opportunities for dealing with them. Yet, though the faults every year become

clearer and more serious, things were in many ways much better in 1895 when Mr. Acland left office than they are now. He, for instance, had made provision for a slight decrease in the maximum size of the class that might be taken by a single teacher, but his successor at once dropped this most beneficial reform at the instance of the Church party. It is also much to be feared that the Government's block grant code of 1900, which is the chief reform for which they take credit, has effected no improvement in elementary education. This code provided for two scales of grant and two only, viz., 21s. or 22s. per child. Unless, therefore, a school is so inefficient that all grant is withdrawn, it must receive the grant of 21s. As a matter of fact the grant is hardly ever withdrawn, and the practical effect, therefore, is that a school is safe of the grant however inefficient it may be. Human nature is not yet sufficiently perfect for such a system to produce good educational results, though, in relieving the pockets of denominational managers, it had just the result the Government wanted.

The failure to touch the pupil teacher system—a system, it is said, prevailing in Russia, Turkey, and England, alone among civilised nations—has been sufficiently commented upon. It was admittedly discreditable in the extreme that the Government did not proceed with the most moderate measure of improvement which they had proposed in their own code, but preferred to give way at once to the anti-educational Clerical pressure.

There has been similar neglect of everything in the nature of improving the supply of trained teachers. Even the much muzzled Inspectors of the Board of Education have, over and over again, in their annual reports, made clear how terrible are the results of the dearth of trained teachers in our schools. But nothing has been done, and here, again, the Clerical party has stood in the way of improvement. The Church has under its control a great majority of the Training Colleges, which are supported by Government grants. Some of them are far from being efficient, but, so long as the demand for training greatly exceeds the supply of proper facilities for it, even the most inefficient diocesan establishments must remain full, and the Church party and, therefore, the Government have been quite satisfied so long as this object was secured, although thousands of students annually were willing to be trained, and thus to become efficient servants of the State, if only places were provided for them.

Even where action might have been taken without any possible strain upon denominational resources, the Government for many years encouraged bad systems and failed to deal with evils as they arose. In secondary education their system of grants had the effect of uprooting the older educational methods of the grammar schools which, under good conditions, produced excellent results, and replacing them by an over-weighted one-sided curriculum which produced neither good general education nor the strictly utilitarian training which seemed to be its object. For the evening schools a

most dangerous step was taken in removing the requirement of local responsibility and support for classes earning national grants. For elementary education, though "hooliganism" appeared as one of the effects of overcrowding in the towns, and though the decay of the agricultural industry is the effect of the depopulation of the country, the Government has tried no remedial measures of any value in the schools where, if anywhere, both evils might be combated.

In every direction the Government's action, if not retrograde as in the Cockerton case, has culpably failed to produce improvement in education, which is one of the branches of our national work in which steady improvement and progress is of the most vital importance.

The Cockerton Conspiracy and its results paved the way for the Act of 1902. In order to remove any possible difficulty in administering the Act in the interests of the Church, the Government did not hesitate to commit a grave act of injustice to Civil servants of the Crown. They therefore decided to remove from the Board of Education all those principal officers of its staff who had been concerned in the administration on the old equitable lines, and whose advice might possibly be based on considerations of educational progress, rather than of denominational interests. Six officials were accordingly got rid of within a few months, and their places were supplied with new men, whom it was not necessary to wean from the educational tradition of 1870-1895.

If the action of the Government was taken with the intention of getting rid of all officials who might put the smallest difficulty in the way of the administration of the Act in the interests of the Church it has been amply justified by its results. For apparently they and their officials have worked together in hearty accord to maintain the domination of the Church over education. They began by rushing the County Councils. They were bullied, called up to the Education Office, and cajoled to make their schemes and accept "appointed days" for taking over the schools on the earliest date possible, so that the denominational schools might be put on the rates without delay. This pressure was put on, not for the benefit of education (for educationally due preparation for taking over the schools was most desirable), but because the voluntary subscriptions were disappearing and the debt on the denominational schools was increasing. Then the schemes themselves were objected to for denominational reasons. Many County Councils were induced to modify their schemes by threats of the intended exercise of powers which the Board of Education did not possess. Needless to say, the Board's influence was always thrown against public control. A certain number of Councils successfully resisted the pressure of the Board and maintained their authority to frame such schemes as they pleased within the four corners of the Act. In this they were completely successful, for when they came to Parliament for "provisional orders" the Board ignominiously gave way. Nevertheless,

the evil effects were two-fold: first, the early energy and enthusiasm of the authorities was wasted in a struggle with the Board, instead of being devoted to education; secondly, many schemes were made which may have to be revised by a Liberal Government, not without fresh friction and loss of energy.

The next direction in which the partisan leanings of the Board were displayed was that of denominationalising the managing bodies of the voluntary schools. There is hardly a case in which the Board's power of making an "order" for the appointment of foundation managers has not been used to make the trust deeds more sectarian, and to restrict any existing elements of popular choice. These "orders" cannot now be altered except by the consent of the House of Lords, and in this case again a most difficult task will lie with the Government's successors, if it is found necessary to make a comprehensive revision of them.

The Government also issued a circular encouraging the perpetuation of the diocesan and other associations of voluntary schools, which were formed in order to distribute the dole given by the Voluntary Schools Act of 1897. Now that the duty of maintaining the denominational schools has been thrown upon the ratepayers, the dole is no longer given, and the associations cease to have any official position. But the circular suggested that they should be continued, and pointed out several uses to which they could be put in the interests solely of denominational bodies. This was an action that no Government department ought to have taken, but it shows clearly how strong is the present partisan bias in administration. The associations in many counties have already put successful pressure upon several managers of voluntary schools who were willing to hand the schools over to the authorities, and have prevented the transfer from being made, and in this they have been encouraged by the Board. The right policy in the cause of uniformity and efficiency of administration would have been to encourage transfers, which was done with much success in Scotland in 1872.

How many fresh opportunities the Act affords the Government of exhibiting administrative bias the preceding analysis of its provisions will have shown. One of the most pressing of the duties of the local authorities is to see that the dilapidated and out-of-date schools are made both sanitary and convenient for teaching purposes, or are replaced by new buildings. But, as in the case of denominational schools, this will have to be done at the expense of the managers, it could hardly be expected that the Board of Education would take active steps to co-operate with the authorities in effecting the improvements required. Lord Londonderry indeed, some time ago, indicated that, in his opinion, buildings were of very secondary importance compared with teaching. We may reasonably wonder if this would have been his attitude if repairs and improvements had had to be provided from the rates, and a share of salaries from denominational funds. The opinion was promptly followed by action. Schools were allowed to continue

which ought long ago to have been condemned, and the most reasonable requirements of the authorities as to repairs were relaxed or modified by the Board in order to help the denominational managers. It is only fair to say that the right action would have been difficult for the best intentioned officials, owing to the long-continued policy of permitting a far lower standard in matters of space and sanitation in Voluntary than in Board schools. Further points worthy of mention are that no obstacle has been imposed by the Education Office to the most serious decrease of popular control over the Board schools, and that in many cases where a question has arisen between a denominational body and a public authority as to the provision of a new school, the Board has leaned its weight heavily on the denominational side. The greater part of the harm in these cases was done by the Act itself, but it may be noted as a serious evil that it should be possible for a single individual (the local county councillor) to appoint the majority of the managers of a school, wholly provided and maintained by the public. It may safely be said that with regard to (1) the constitution of public authorities, (2) the trust deeds of Voluntary schools, (3) the transfer of schools to the public, (4) the permission of inadequate buildings, (5) the management of the people's schools, and (6) provision of new buildings, the tide has been turned back. The Act of 1870 set it in the direction of a national system under public control; the Act of 1902 has set in the direction of a denominational system under private and sectarian control.

Unluckily many of the matters in which the Board of Education is proving itself a Board of reaction are too technical to admit of brief and simple treatment, but certain matters may be mentioned as showing the direction of the current.

1. No steps have been taken to encourage managers of Voluntary schools to appoint their assistant teachers without regard to denominational tests. It may safely be said that not in one case in a hundred will the Act produce the appointment of a Nonconformist, however efficient, where a "Church" teacher can still be obtained.

2. The statistics published by the Board have been so "re-arranged" as to suppress nearly all the information which used to be given with regard to Voluntary schools separately. In view of the struggle in Wales, for instance, it is of the greatest importance to know the number of children in the "provided" and the different sorts of "non-provided" schools, but this is now impossible. The Board of Education have lost their previous fine record as providers of statistical information.

3. The abolition of previous restrictions of grant to the Training Colleges has removed the last vestige of security for voluntary support, and the increase of grant for Students in Hostels mainly denominational, attached to the undenominational Day Colleges, though not for other Students attending those Colleges, is only one instance of a determined attempt further to denominationalise all the avenues of training.

4. A by-law has been introduced which, where adopted, allows children to be taken to church in school time. This is a distinct departure from the Act of 1870, and from the old traditions of the Education Office.

5. The Government at the end of 1902 gave way to the pressure of the "conscription" party, and introduced into schools a model course of physical exercises, which proved to be only a slight alteration of that laid down in the Army Drill-book. It was wholly unsuitable to growing girls and boys, and was withdrawn in favour of a better system, similar to that which had been used for years by many of the best School Boards; but not before it had caused two years' chaos in that department of school work.

6. There has been no check to the process of curtailing and discouraging the "higher instruction of the industrial classes" in evening schools and higher day elementary schools.

What is there to set against this record? Mainly a great quantity of excellent intentions expressed in lengthy introductions to the various volumes of school "Regulations." But good intentions signify little when belied by narrow, partisan actions, and even when we come to the actual changes, no re-naming of the different grades of teachers can wholly conceal the fact that they are less thoroughly trained than those of any other civilised country, and that hardly anything is being done to provide better and increased training—the root essential of efficiency in elementary education. It is true that Sir William Anson in his statement on the Education Vote (August 1st, 1905), showed some anxiety in regard both to the training of teachers and to higher elementary schools, but there is yet very little sign that adequate funds for either of these objects will be provided. And though the grants to secondary schools have been again remodelled, there has been no adequate increase, and for lack of funds the voice of Matthew Arnold, "Organise your secondary education," remains a voice in the wilderness.

Well may educational reformers, of all the various schools, say, "Oh, for five years of administration by men who know the needs of the children, and have the courage to provide for them, with a single eye to the future efficiency of the nation."

CHAPTER IV.

THE TORY SOCIAL PROGRAMME.

I.—THE TORY PROMISE.

"We have had Commission after Commission inquiring into social questions, seeking if in these ways may be found a programme of social reform. I blame no one for the appointment of these Commissions. When Governments, either for their own will or the necessities of their position, are forced to spend their existence in a close political conflict, it is not likely that they can find time or energy to spare to the consideration of those questions which are not political. Royal Commissions are invaluable as a means of obtaining information on the subjects that have to be inquired into, but these subjects, for the purpose of practical action, require the attention, not of any irresponsible bodies of Royal Commissioners, but the attention which we Unionists desire to give if we are permitted to return to power."

The Duke of Devonshire at DARLINGTON,
General Election, 1895 (*July* 8*th*).

"We believe that we are in a position, which our opponents are not, to give our whole attention to those great social questions which underlie the happiness and the welfare of the masses of the people."

Mr. Chamberlain in NORTH LAMBETH,
General Election, 1895 (*July* 6*th*).

"I observe that Lord Rosebery is always sneering at me as an inventor of programmes. There is only one thing I will say, and that is that my programmes have a very happy knack of being carried out."

Mr. Chamberlain in NORTH LAMBETH,
General Election, 1895 (*July* 6*th*).

"I have expressed more than once my full approval of the principles involved in Mr. Chamberlain's proposals."

Lord Salisbury, Letter dated *January* 14*th*, 1895.

"These and other things I could have put before you; but there is a question, gentlemen, that comes before them all, and which you have first to decide. That question is—Do you want to have social legislation? Do you want to have social legislation, or do you desire, on the contrary, once more to continue in the course of revolutionary, destructive reforms in our Constitution and in our great institutions? It is the choice which you have to make at the present election, and it is upon your decision, I believe, on that point that your votes will be given."

Mr. Chamberlain at BIRMINGHAM,
General Election, 1895 (*July* 10*th*).

"Let us see what Lord Salisbury says about Mr. Chamberlain's programme. He was writing to a correspondent who had sent him a copy of a speech delivered by a Gladstonian, and he says: 'I have not seen any report of the speech to which you refer. I understand from you that the speaker represented me as saying that I thought Mr. Chamberlain's programme was not exactly robbery, but that I hated it. If he attributed any such statement to me he was amusing himself with an extravagant invention. I have never said anything at all resembling what he appears to have imputed to me, and I have expressed, more than once, my full approval of the principles involved in Mr. Chamberlain's proposals.' After that what is the good of our opponents saying time after time that it matters not what are the proposals which I have put before you, and which I have advocated, because the Conservative party are unanimously opposed to them? I tell you if I have joined this Government it is not because I have changed my opinions which I have expressed to you with regard to those questions of social reform, which I shall hold to be of the highest possible importance; but it is because I believed that in my present position—with the additional influence which it gives to me, with the additional knowledge, with the additional opportunities—I may be able to do more to further that policy than I could do as an independent member."

Mr. Chamberlain at BIRMINGHAM.
General Election, 1895 (*July* 10*th*).

"I am not going to make wild promises that I cannot fulfil, nor to give pledges that I know must be broken."

Mr. Chamberlain at WALSALL,
General Election, 1895 (*July* 15*th*).

"In my opinion the time of Parliament should now mainly be devoted to a subject which is of peculiar interest to England—the improvement of the condition of the people on the basis of our existing social organisation."

Sir M. Hicks-Beach, 1895 Election Address in WEST BRISTOL.

"The leaders of both sections of the Unionist party have declared that it is their duty to promote such social legislation as will advance the interest of the working classes and of the whole community, and I should, if elected as your representative, be prepared to give them in carrying out this policy my most earnest support."

Sir R. B. Finlay, K.C., (Attorney-General),
1895 Election Address in INVERNESS BURGHS.

"In spite of the changes which have taken place, in spite of the great loss we have sustained in the withdrawal of Lord Salisbury's ripe experience from our councils, it is still the same party and the same Government which is in power."

Mr. Austen Chamberlain at BIRMINGHAM,
(*January* 6*th*, 1903).

II.—WHAT THE TORIES HAVE DONE.

We deal in the next succeeding chapters with the Tory social promises in detail, but the above extracts will show what was the general character of the Unionist promise in 1895. The electors

were told to vote for the Unionists, who would give their "whole attention" (*Mr. Chamberlain*) to Social questions. The elector's "first" question was to be, "Do I wish to have social legislation?" If he said "Yes," he was bidden by Mr. Chamberlain to vote Tory. He was further told that from the Unionists he might expect "practical action," not more Royal Commissions (*the Duke of Devonshire*). Could any more scathing criticism of the actual Tory record well be imagined?

The two detailed statements of the Social promises of 1895 are to be found in (1) Mr. Chamberlain's "Social Programme" Speech at Birmingham and (2) Mr. Balfour's Poll Card.

MR. CHAMBERLAIN'S PROGRAMME.

Liberal Unionist Leaflet.

(*Issued from Head-quarters.*)

SOCIAL REFORM.

MR. CHAMBERLAIN'S PROGRAMME.	PERFORMANCE BY LEGISLATION. [*Up to the end of Session of* 1905.]
This is the programme Mr. Chamberlain unfolded to his constituents at Birmingham in his annual address on October 11th, 1894:—	
1.—Improvement of the houses of the working classes. Purchase of their houses by artisans on favourable terms, giving them the same advantage as Irish tenants enjoy.	1.—Housing Acts, 1900 and 1903. The unused Small Houses (Acquisition) Act.
2.—Power given to the Government to deal with alien immigration.	2.—Aliens Act, 1905.
3.—Old Age Pensions.	3.—Nothing.
4.—Shorter hours in shops.	4.—The slightly used Shop Hours Act, 1904.
5.—Compensation to workers for every injury they suffer whether caused by negligence or not.	5.—Compensation to *some* workers for *some* injuries they suffer.
6.—An experimental Eight Hours Day in the Mining industry.	6.—Nothing.
7.—Temperance Reform.	7.—The Licensing Acts, 1902 and 1904.
8.—Creation of a judicial tribunal in all industrial centres for the settlement of disputes.	8.—The Conciliation Act of 1896.

MR. BALFOUR'S 1895 ELECTION CARD.

THE PROGRAMME OF THE UNIONIST PARTY.	PERFORMANCE. [*Up to the end of Session of* 1905.]
1.—An "Imperial" foreign policy.	1.—Which has proved rather costly.
2.—A strong Navy.	2.—Naval expenditure enormously increased.
3.—The Referendum.	3.—Nothing.
4.—Poor-law Reform (*a*) by the classification of paupers, and (*b*) old age pensions.	4.—Nothing.
5.—Employers' Liability, with universal compensation for all accidents.	5. — Employers' Liability, with partial compensation for some accidents.
6.—The improvement of the dwellings of the poor.	6.—Nothing.
7.—The extension of small holdings.	7.—Hardly anything.
8.—The exclusion of pauper aliens.	8.—The Aliens Act, 1905.
9.—Poor-law and School-board rates to be charges on the Imperial Exchequer.	9.—The Education Act, 1902.
10.—Church defence.	10.—The Benefices Act.
11.—Registration reform, with a redistribution of seats so as to secure "one vote, one value."	11.—Nothing.
12.—Facilities to enable working men to purchase their own dwellings.	12.—The unused Small Houses (Acquisition) Act.
13.—Fair wages for Government workmen.	13.—Hardly anything.
14.—Scotland: (*a*) Public works on the west coast, (*b*) the local management of private Bill legislation.	14.—(*a*) A slight attempt to start public works, (*b*) Act passed.
15.—Ireland: (*a*) Local government, (*b*) public works.	15.—Local Government Act of 1898 passed, part of which gives £300,000 a year directly to Irish landowners.

CHAPTER V

OLD AGE PENSIONS.

I.—THE TORY PROMISE.

A.—1895.

"My proposal is more modest than that, and therefore it is a more practical one. I want to see, then, in the first place, a distinction made in the administration of the Poor Law, between those who have good characters behind them and those who have been brought to poverty by their own fault. I want, in the second place, to assist friendly societies. I want to enable them to secure Old Age Pensions to their members, and to secure them at a cost which will be within their means. My proposal, broadly, is *so simple* that anyone can understand it. I suggest wherever a man has acquired for himself in a friendly society or other society a pension amounting to 2s. 6d. a week, that the State should come in and double the pension."

Mr. Chamberlain at HANLEY.
General Election 1895 (*July 12th*).

"IV. Poor Law reform (*a*) by the classification of paupers and (*b*) Old Age Pensions."

Mr. Balfour's EAST MANCHESTER Election Card,
General Election 1895.

"We believe that much yet remains to be done . . . . for enabling them (*the people*) to make provision for old age."

The Duke of Devonshire at DARLINGTON,
General Election 1895 (*July 8th*).

"The present provisions of our Poor Law, declared by Mr. Balfour to be 'a blot on our civilisation,' will be considered with a view to enable the aged poor to spend their later years in a state of reasonable comfort."

Mr. Jesse Collings, M.P. (late Under-Secretary Home Office),
1895 Election Address in BIRMINGHAM (BORDESLEY).

"The Unionist leaders have announced their intention of devoting the time of Parliament to measures which include Old Age Pensions. . . ."

The Earl of Dalkeith (Tory M.P.), 1895 Election
Address in ROXBURGHSHIRE.

"There is also . . . the pension scheme for the deserving aged poor."

Mr. R. S. Donkin (Tory M.P.), 1895 Election
Address at TYNEMOUTH.

"I shall support Mr. Chamberlain's scheme for Old Age Pensions."

Mr. H. C. Richards, K.C. (Tory M.P.), 1895 Election
Address in EAST FINSBURY.

"I stand as a supporter of the Unionist Government, who are pledged to devote their attention to social reforms such as provision for old age for the industrial classes. . . ."

Mr. W. Thorburn (Liberal Unionist M.P.), 1895 Election Address in PEEBLES and SELKIRK.

B.—1900.

"I am accused very often of bringing forward programmes, and my opponents—Sir William Harcourt, for instance, and others who have given as many minutes to these questions concerning the welfare of the working man as I have given days and weeks—these men say, 'Mr. Chamberlain brings forward programmes, but he does not carry them.' That is absolutely the reverse of the fact. Every single thing of importance which I have brought forward at different times, for which I myself have prepared proposals and schemes in order that they may be practically carried out, every one of those has been carried into law except the Old Age Pensions. But we have not done with Old Age Pensions. I am not dead yet. . . . I will now go back to what we were talking about—Old Age Pensions. I do not like very much the use of that word; it misrepresents what I have said to you on many previous occasions here. . . . . What I promised was not universal Old Age Pensions, which I do not believe in; what I promised was to do my utmost to enable working men to make better provision for their old age. My principle is to help those who help themselves. It has turned out to be, I perfectly freely admit, a much more difficult matter than it seemed to be at first. I have given days and nights and I have made more than one proposal, but the basis of my proposal substantially has always been this—if a working man could show, when he had got to the age of sixty-five, that he had lived a decent, industrious, honest life, if he had made any provision for himself, then the State should come in and increase that provision and he should be put in a better position. Now Councillor Stevens comes down and taunts me with having done nothing. As I have said, the tale is not quite told yet. Perhaps, if he will give me time, I shall be more fortunate than I have been in the past. . . ."

Mr. Chamberlain at BIRMINGHAM, General Election 1900 (*September 29th*).

"I regret that it has not hitherto been possible to find a practicable system of State-aided Pensions for the aged poor, but I continue to believe that some system can be devised, and I should gladly support it."

Mr. H. W. Forster (Tory Whip), 1900 Election Address in SEVENOAKS.

"There are reasons for believing that it (*the Government*) will deal next with the improvement of the condition of the deserving poor. . . ."

Mr. F. Platt-Higgins (Tory M.P.), 1900 Election Address in SALFORD (NORTH).

"I believe the Unionist party will do their best to carry out a scheme of Old Age Pensions if they are returned to power."

Mr. J. S. G. Pemberton (Tory M.P.), 1900 Election Address in SUNDERLAND.

"I am not unmindful of other matters which await solution—Old Age Pensions . . . and various other kindred subjects remain to be dealt with."

Mr. R. A. Yerburgh (Tory M.P.), 1900 Election Address in CHESTER.

II.—WHAT THE TORIES HAVE DONE.

Mr. Chamberlain has made all kinds of explanations about Old Age Pensions (set out elsewhere, at page 115), but the Government record from 1895 to 1905 consists in the appointment of (1) an Expert Commission, (2) a Select Committee of the House of Commons, and (3) a Departmental Committee. The subject has never got as far as a mention in the Queen's or King's Speech. All that has been done has been that Ministers have tried by hook or by crook to get someone to invent the scheme they could (or would) not invent themselves.

THE "EXPERT" COMMISSION.

The "Expert Commission" was appointed in July, 1896, and consisted of five Government officials, one actuary, and two representatives of the Friendly Societies, presided over by Lord Rothschild. Its Report (July, 1898) can be summed up very shortly:—

(1) In response to an advertisement for schemes the Committee received upwards of 100. Of these the Committee found themselves able to recommend none.

(2) The Committee tried their hand at formulating a scheme of their own. After a prolonged discussion they gave up the matter as a bad job.

(3) They had, therefore, nothing to recommend except that the working man should have recourse to "prudence, self-reliance, and self-denial," in which case he would get along capitally without any Old Age Pensions. The Committee's own words in their report are:—

"We have now described the course which our inquiry has followed, the substance of the evidence which we have had before us—including that taken by the Royal Commission on the Aged Poor—and the effect which a close examination of that evidence has had upon our minds.

"We approached our task with a deep sense of the importance of the question into which we were charged to inquire, and of the benefit which would be conferred upon the community if a scheme could be elaborated giving encouragement to the industrial classes by the exercise of thrift and self-denial to make provision for old age, while it fulfilled the several conditions prescribed by the terms of our reference.

"It is only very slowly, and with very great reluctance, that we have been forced to the conclusion that none of the schemes submitted to us would attain the objects which the Government had in view, and that we ourselves are unable, after repeated attempts, to devise any proposal free from grave inherent disadvantages.

"The steps by which we have arrived at this conclusion are already stated, and we will not repeat them, but before closing our report we desire to refer to one consideration which the course of our inquiry has strongly impressed upon us. It is that a large and constantly increasing number of the industrial population of this country do, already, by prudence, self-reliance, and self-denial make their old age independent and respected. We entertain a strong hope that the improvement which is constantly taking place in the financial and moral conditions of labour

will do much to deprive the problem we have had to consider of the importance now attaching to it."

These conclusions provoke the kind of criticism that when the sky falls it will catch all the larks. The subject of Old Age Pensions has for a good many years past provoked much discussion, and up to a certain point that discussion was conducted on non-party lines. It was felt to be of so much complexity and difficulty that what was wanted was that all interested in social reform should put their heads together to try and devise some scheme for bettering the lot and condition of the workman in his old age. The Liberal Government appointed a Commission to consider the whole subject of the lot of the aged poor. That Commission discussed, amongst other things, the question of Old Age Pensions without being able to agree upon any definite proposal that fell within the range of what was practicable and possible. This was in 1894, but in the autumn of that year Mr. Chamberlain put Old Age Pensions into the "Social Programme" which he promulgated at Birmingham, and the question by the time the General Election was fought was one upon which the Unionist party were without doubt pledged. This pledge (as will be seen from the extracts already given at page 108) was not to enquire whether anything *could* be done, but actually to *do something*. Just as an invitation to dinner is not a promise to advertise for a cook, so the invitation at the General Election of 1895 to vote for Jones (the Tory Candidate) "and Old Age Pensions" was not a mere promise that the Tory party would grope about and devise an Old Age Pension scheme if they could, but a definite undertaking that the Unionist Government would legislate on the subject. This was also the view taken by a number of Unionist Members of Parliament. Upwards of a hundred accordingly signed (July, 1898) a memorial in the following terms:—

"In view of the inconclusive results of the enquiry undertaken by the Committee on Old Age Pensions and the restricted character of the reference to that Committee,

"And having regard (1) to the importance of securing some better provision for the aged poor than now exists; (2) to the expectations of legislation aroused among the electors at the last election; and (3) to the length of time which has elapsed since then without any progress having been made towards the solution of the question,

"The following Members of Parliament, supporters of the Government, respectfully submit

"That a definite attempt should be made by the Government next Session to legislate in fulfilment of the pledges given at the last General Election by members of the Government on the subject of Old Age Pensions."

THE SELECT COMMITTEE OF THE HOUSE OF COMMONS.

On March 22nd, 1899, Mr. Lionel Holland (for Sir Fortescue Flannery) moved the second reading of an Old Age Pension Bill. The Government thereupon promised to appoint a Select Committee

of the House of Commons on the subject. Mr. Chamberlain spoke, deprecating the subject being made "an instrument of political controversy," which only meant that he felt that it was no longer possible for *him* to make any party capital out of it. He also tried, with his customary audacity, to show that it was the Liberal party which had promised Old Age Pensions, but the real facts are:—

(1) That the Tory party, through its leaders, was definitely committed to legislate on Old Age Pensions—we do not say to a universal scheme, but (say) to the "so simple" scheme mentioned at Hanley in July, 1895. Mr. Chamberlain, the "spokesman," put Old Age Pensions in his programme, which was definitely approved by Lord Salisbury.

(2) Certain individual Liberals said that they were in favour of Mr. Booth's scheme—the universal one. As a party the Liberal party was committed to nothing—not because in principle Liberals do not approve of Old Age Pensions, but because they had, as a party, no definite scheme to offer. If you invite a man to dinner, it is not sufficient to approve of eating "on principle." The man who was invited to vote for the Tory "and Old Age Pensions" was "so simple" as to imagine that when Mr. Chamberlain talked about a "scheme" he meant something definite which Mr. Chamberlain, if returned to power, would carry through. Yet on March 27th, 1899, he said in a letter:—

"I think we are now well acquainted with all the facts, and what are now wanted are practical recommendations."

On April 24th the Select Committee was actually set up after a debate rendered memorable by Mr. Asquith's retort to Mr. Chamberlain's interjected remark that his own 1895 speeches constituted "a proposal, not a promise." Mr. Asquith said:—

"I am greatly indebted to the right hon. gentleman for the distinction. I think it will be sufficient to maintain an action for breach of promise."—(*House of Commons, April 24th*, 1899.)

The Committee was nominated on May 1st, and the importance attached to the question by the Government may be gathered from the fact that they put Mr. Chaplin to preside over its deliberations. In its Report (July, 1899), the Committee, acknowledging its indebtedness to the scheme framed by the Charity Commissioners, the results of which have proved, after many years of trial, to be productive of good effects, set forth that a scheme for Old Age Pensions should include the following conditions:—

WHO ARE TO HAVE THE PENSIONS.

"Any person who satisfies the pension authority that he—

(1) Is a British subject;

(2) Is sixty-five years of age;

(3) Has not within the last twenty years been convicted of an offence and sentenced to penal servitude or imprisonment without the option of a fine;

(4) Has not received poor relief other than medical relief, unless under circumstances of a wholly exceptional character, during twenty years prior to the application for a pension;

(5) Is resident within the district of the pension authority;

(6) Has not an income from any source of more than ten shillings a week; and

(7) Has endeavoured to the best of his ability, by his industry, or by the exercise of reasonable providence, to make provision for himself and those immediately dependent on him;

shall receive a certificate to that effect, and be entitled to a pension.

"With reference to the exercise of reasonable providence, we think that the authority should be bound to take into consideration whether, and how far, it has been shown, either by membership of a benefit society for a period of years, or by the endeavour of the applicant to make some provision for his own support by means of savings, or investments, or some other definite mode of thrift. The expression 'person' means either man or woman."

THE MACHINERY OF THE SCHEME.

The general plan suggested by the Committee was as follows:—

"(1) That a pension authority should be established in each union of the country, to receive and to determine applications for pensions.

"(2) That the authority for this purpose should be a committee of not less than six or more than twelve members appointed by the Guardians from their own number in the first instance.

"(3) That the committee, when so appointed, should be independent of the Board of Guardians, and that other members should be added to it, subject to regulations to be made by the Local Government Board, and that it is desirable that other public bodies within the area should be represented on the committee, and that a majority of the committee shall be members of the Board of Guardians.

"(4) That the cost of the pensions should be borne by the common fund of the union, and that a contribution from Imperial sources should be made to that fund in aid of the general cost of the Poor Law administration, such contribution to be allocated not in proportion to the amount distributed in each union in respect of pensions, but on the basis of population, not to exceed one-half of the estimated cost of the pensions.

"(5) That the amount of the pensions in each district should be fixed at not less than 5s. nor more than 7s. a week, at the discretion of the committee, according to the cost of living in the locality, and that it should be paid through the medium of the Post Office.

"(6) That the pension should be awarded for a period of not less than three years, to be renewed at the end of that period, but subject to withdrawal at any time by the pension authority, if in their opinion the circumstances should demand it."

THE COST.

No Old Age Pension scheme is practicable apart from its finance. But as to that the Committee said:—

"We think . . . that this branch of the subject should be further investigated during the recess by competent experts on the basis of the proposal that we recommend."

The final division on this report was as follows:—

For.	Against.
Mr. Anstruther.	Mr. Cripps.
Mr. Davitt.	Lord Edmond Fitzmaurice.
Sir Fortescue Flannery.	Sir Walter Foster.
Mr. Hedderwick.	Mr. Lecky.
Sir Samuel Hoare.	
Mr. Lionel Holland.	
Mr. Lloyd-George.	
Mr. A. K. Loyd.	
Mr. Woods.	

THE DEPARTMENTAL COMMITTEE.

The Government appointed a Committee, consisting of Sir Edward W. Hamilton, K.C.B. (chairman), Mr. (now Sir) Edward William Brabrook, C.B., Mr. Samuel Butler Provis, C.B., and Mr. Noel A. Humphreys, to arrive at some estimate of the cost which such a scheme as that recommended by the Select Committee, if put into operation, would involve. This Committee reported in the early part of 1900. The following table shows the total estimated cost of giving effect to the Select Committee's recommendations in the three parts of the United Kingdom together:—

	England and Wales.	*Scotland.*	*Ireland.*	*United Kingdom.*
	No.	No.	No.	No.
Estimated number of persons over 65 years of age in 1901	1,517,000	221,000	278,000	2,016,000
Deduct:				
(1) For those whose incomes exceed 10s. a week	561,000	77,000	103,000	741,000
(2) For paupers	410,000	35,000	70,000	515,000
(3) For aliens, criminals, and lunatics	25,000	3,500	3,500	32,000
(4) For inability to comply with thrift test	52,000	10,500	10,200	72,700
Total deductions.........	1,048,000	126,000	186,700	1.360,700
Estimated number of pensionable persons	469,000	95,000	91,300	655,300
	£	£	£	£
Estimated cost.....................	7,316,000	1,359,000	1,331,000	9,976,000
Add administrative expenses (3 per cent.)	219,000	41,000	39,000	299,000
Total estimated cost ...	7,535,000	1,400,000	1,340,000	10,275,000
In round figures	7,550,000	1,400,000	2,350,000	10.300,000

In a summary of the estimated financial effects (in round figures) of the pension scheme propounded by the Select Committee on the several assumptions that the pensionable age is fixed (1) at 65, as recommended by the Committee, and also (2) at 70, and (3) at 75, the report gives the following figures for the United Kingdom:—

On the assumption that the pensionable age is—

	65	70	75
	£	£	£
1901 ...	10,300,000 ...	5,950,000 ...	2,950,000
1911 ...	12,650,000 ...	7,450,000 ...	3,700,000
1921 ...	15,650,000 ...	9,550,000 ...	4,950,000

MR. CHAMBERLAIN'S OLD AGE PENSION RECORD.

1. *April 4th*, 1894.—Voted for an Old Age Pensions Bill, not because he approved all its details, but because *he could not conscientiously lose a chance of supporting the sacred principle involved in it.*

2. *September 5th*, 1894.—*Attacked the Liberal Government* (at Liverpool) for having (as he declared) voted against Old Age Pensions by not assenting to second reading of this particular Bill.

3. *October 11th*, 1894.—Old Age Pensions deliberately included in *the Social Programme*, promulgated to the whole country at Birmingham.

4. *July 12th*, 1895.—Said in the course of the General Election at Hanley: "*My proposal, broadly, is* SO SIMPLE *that anyone can understand it.*"

5. *July*, 1895.—The "so simple" electors believed this, and elected the Government of which Mr. Chamberlain was (on social questions) the "spokesman."

6. *June 26th*, 1896.—Subject found to be "*most complicated,*" and Mr. Chamberlain, *now Colonial Secretary*, said that he *never* "PROMISED" *anything.*

7. *January 11th*, 1897.—Everything must "*necessarily await*" report of *Old Age Pensions Expert Commission.*

8. *January 30th*, 1897.—Mr. Chamberlain explains to a Romford elector that he *never* "*promised*" *Old Age Pensions;* all he did was to "*advocate a proposal to assist the poorer classes to obtain them . . .* "!

9. *March 23rd*, 1898.—Mr. Chamberlain's Government *oppose the second reading of the same Old Age Pensions Bill for which Mr. Chamberlain voted in* 1894.

10. *July*, 1898.—The Old Age Pensions Expert Commission at last reports, says that *nothing can be done*, and that nothing need be done if the workmen will only trust to "PRUDENCE, SELF-RELIANCE, AND SELF-DENIAL."

11. *July 11th*, 1898.—All that Mr. Chamberlain can say is that "*the resources of civilisation*" *are not exhausted.*

12. *November 15th*, 1898.—Mr. Chamberlain once again denies (at Manchester) having "promised" anything:—

"But what I urged at the time of the General Election was that a committee of experts should be appointed in the hope that they would

find some practical solution of the difficulty, and *I did not myself make any promise that went beyond that*, namely, that I would use my influence to secure the appointment of that committee, and, as you know, one of the first acts of the Government was to appoint a committee, the composition of which was as good and as careful as it possibly could be made."

13. *February*, 1899.—Mr. Chamberlain declares that he is too much "OCCUPIED" at the Colonial Office to discuss Old Age Pension schemes.

14. *March 22nd*, 1899.—Mr. Chamberlain admits that the only chance of doing anything is to appoint a Select Committee. This Committee has produced a scheme which it is found will cost far too much to permit of its being carried.

15. *September 29th*, 1900.—Mr. Chamberlain declares (at Birmingham) that he "has not done with Old Age Pensions—*I am not dead yet*," but objects to the phrase, "Old Age Pensions." "I do not like very much the use of that word." We don't wonder.

16. *May 27th*, 1901.—Mr Chamberlain declares, to Oddfellows at Birmingham, that the matter has been made, what it should never have been made, "a subject of party controversy." Another instance of the Devil rebuking sin.

17. *October 25th*, 1901.—Mr. Chamberlain complains that "one of the falsehoods which are told" about him—"they are like the sands of the sea, you can never count them"—is that he promised Old Age Pensions. "I never promised anything of the kind." (See Nos. 3 and 4.)

18. *January 6th*, 1902.—Mr. Chamberlain (at Birmingham) definitely washes his hands of Old Age Pensions until a "practical scheme" is produced by somebody else.

19. *February 12th*, 1903.—Mr. Austen Chamberlain, Postmaster-General, having had his attention called by a correspondent to a report that his father, the Colonial Secretary, had in hand a revised scheme of Old Age Pensions, replied "that he did not think there was any likelihood of the subject of Old Age Pensions being dealt with by the Government this year."

20. *May 22nd*, 1903.—Mr. Chamberlain declared in the House of Commons that the question of Old Age Pensions was not "dead," and that the money would be procured from a "review of our Fiscal system"—*i.e.*, by Protective and Preferential Tariffs.

21. *June 3rd*, 1903.—Mr. Chamberlain writes that he "would not look" at Preferential Tariffs if they did not give money for Old Age Pensions.

22. *June 26th*, 1903.—Mr. Chamberlain, saying that Old Age Pensions are merely his "favourite hobby," declares they are "no part whatever" of his Fiscal scheme.

23. *February*, 1905.—Mr. Chamberlain writes (to Sir F. Milner): "I have never in my life made a definite promise of Old Age Pensions." (Once more, see Nos. 3 and 4.)

IN OPPOSITION AND—IN OFFICE.

On March 3rd, 1898, Mr. Bartley's Old Age Provident Pension Bill came up for second reading in the House of Commons. Mr. (now Sir G. T.) Bartley reminded the House that this Bill had come up for discussion once before:—

"He had introduced this Bill in previous years, and under the late Government was fortunate enough to secure a discussion, which was adjourned because a Commission on the subject was then sitting."—(*House of Commons, March 3rd*, 1898.)

On the present occasion there was only an hour for the Bill to be discussed in, and no division was taken. But two things happened. The more prominent members of the Government (*e.g.*, Mr. Balfour and Mr. Chamberlain) stayed away; but Mr. T. W. Russell, on behalf of the Government, opposed the Bill. Mr. Russell said:—

"He could not assent to the second reading of the Bill for two reasons. One was that a commission of experts had its subject under consideration, and the other was the imperfect character of the measure. This was the first time a proposal had been made to provide Old Age Pensions out of the rates, and the hon. member who had moved the second reading had not given the House the slightest estimate of the probable cost of his scheme. The charge upon the rates would be enormous, and he did not believe the House was prepared to sanction a plan which would have that result."—(*House of Commons, March 3rd*, 1898.)

That is to say, the Government declined to vote for the second reading because they did not approve of the Bill. But, as Mr. Bartley pointed out, this was the second time that the House of Commons had discussed this same Bill. On April 4th, 1894—when the Liberal Government was in power—Colonel Dampier Palmer moved its second reading. Mr. Shaw-Lefevre, on behalf of the Government, said:—

"I have every sympathy with the hon. member's object, which is to alleviate the condition of the aged poor; but the present scheme is so full of difficulties that I cannot ask the House to accept it."—(*House of Commons, April 4th*, 1894.)

Mr. Shaw-Lefevre, in fact, said in 1894 for his Liberal Government what Mr. T. W. Russell said in 1898 for his Tory Government. But, on the other hand, Mr. Chamberlain said:—

"Without pronouncing any opinion on the details of this Bill, I may say that I am, and I was before I was appointed a member of the (*Aged Poor*) Commission in favour of the principle of Old Age Pensions, and I am glad to have an opportunity of saying so on this Bill. There is only one offer, it seems to me, which can be made by the Government which ought to prevent the hon. member who brought in this Bill from carrying it to a division, and that is that they will give another day for the discussion of the whole question, or, if you like, for the discussion of this Bill, without making any condition as to what the Report of the Royal Commission may be."—(*House of Commons, April 4th*, 1894.)

Sir William Harcourt immediately offered to take this course, but, in spite of this, Mr. Chamberlain (1) voted against the adjournment

of the debate, and (2) afterwards misrepresented the division as being one in which the Government voted against the principle of Old Age Pensions. For he said at Liverpool:—

". . . It was a Bill for establishing the principle that it was the duty of the State to offer facilities in order that this provision might be made to a much larger extent than it is at the present day. And what did the Government do? Assisted by those who call themselves the representatives of Labour in the House of Commons, they summoned their forces, and with the Irishmen at their back they defeated the second reading of a Bill that would have established the principle for which I have been contending."—(*Liverpool, September 5th*, 1894.)

We have pointed out how disgracefully unfair this was to the Liberal Government, but what are we to think of it when we find Mr. Chamberlain's Government opposing the same Bill for the same reasons?

AGED PENSIONERS BILL, 1902.

A Bill to provide Pensions for the Aged Deserving Poor was brought in, in 1902, by Mr. Raymond-Greene (C), Mr. Goulding (C), Mr. John Hutton (C), Mr. Remnant (C), Mr. J. W. Wilson (LU), Mr. Bull (C), Mr. Carlile (C), Mr. Hay (C), and Mr. Morrison (LU). It was read a first time on January 21st, and a second on March 19th, but never got any further.

The Bill proposed to provide pensions for the aged and deserving poor, through the existing machinery of the Poor Law administration, by empowering the pensions committee of the Guardians, with the help of Parliament, to grant pensions which shall not involve any electoral disability, nor convey the reproach of pauperism. The Bill was framed on the reports of the Select Committee on "Aged Deserving Poor," 1899, and of the Select Committee on "The Cottage Homes Bill" of the same year.

The aged pensioner was to be entitled to a pension of not less than 5s. per week, nor more than 7s. If he elected to live in the workhouse or special cottage home, he was to receive special treatment in lieu of an old age pension. The pensioner had to be selected by a committee appointed by the Board of Guardians, not less than half of such committee to be Guardians. The qualifications for being an aged pensioner were those recommended by the 1899 Select Committee (see page 112).

A person whose name is on the pensioners' list was not to be deprived of any right to be registered as a Parliamentary or county voter by reason only of the fact that he or she has been in receipt of Poor Law relief; but such person is not to be entitled to vote at any election for the Poor Law Guardians or for a District Councillor in a rural district.

Of the cost of the pension, £6 a year was to be provided out of the taxes, the rest out of the rates.

No scheme such as this can, however, become law without Government assent. Well, here is what Mr. Walter Long, speaking on behalf of the Government, said:—

"Did they believe in their hearts that the Chancellor of the Exchequer could at this time easily find the additional taxation which was required for this purpose? He could not believe that they did, but he thought he had given them some ground for consideration in connection with the rating question. The Colonial Secretary and the Prime Minister

had said that the Government believed a reform of the Poor Law in the direction of the establishment of some system by which they could provide for the very poor and deserving without casting them on the Poor Law was a step in the right direction. They had done their best to find a solution of the question, and they had hitherto failed. They were not likely to put themselves in opposition to the principle of a proposal with which they were so much in sympathy; but *they could not hold out the smallest hope that, if the House thought fit to read this Bill a second time, they could look to the Government for a financial system, without which the Bill could not possibly be carried into effect.* The Government shared to the full the sympathetic views which had been expressed as to the condition of the poorer of our wage-earning class. He thought there had been some little exaggeration as to the position of the wage-earning class. He did not believe that people realised how great had been the improvement. Suffering there was, and, he was afraid, always would be; but the position of the wage-earning class had materially improved—they were stronger in themselves, they were better off than they were; and he hoped no step would be taken in the direction of Poor Law reform which would tend to weaken the spirit of independence and self-reliance that had done so much to make our people what they were and to build up our national character. He did not say that any proposal for pensions would undermine the national character, but such a proposal must be most carefully considered and applied; and the expenditure must be provided in a way that would cast the burden equally and fairly over the whole community. These conditions had not been fulfilled in the Bill. He did not agree with the proposition that no contribution ought to be required from the persons applying for pensions; but criticism of detail was of small importance when we knew that, however sympathetic we might be, no scheme was possible unless the necessary money could be found. *The House could not expect the Government in regard to this or any similar scheme to provide the funds*; and even if they did, the injustice to the ratepayers would still be very great."—(*House of Commons, March* 19*th*, 1902.)

PENSIONS BY PREFERENTIAL TARIFFS, 1903.

(*a*) First Stage—On.

Mr. Remnant's Aged Pensioners Bill (its provisions were practically identical with those of the Bill of 1902) was read a second time in the House of Commons, on May 22nd, 1903, without a division. It was merely a demonstration, because Mr. Long frankly said that the Government could not find the money, without which the Bill is, of course, impossible. The novelty of the discussion was the speech of Mr. Chamberlain, who "came in accidentally" as he had "other serious work to do." Coming in, he found Mr. Lloyd-George making a very vigorous and wholly justifiable attack upon him for having for electioneering purposes raised expectations in the minds of the poor which he had never attempted to fulfil, even in the years before the war when there were handsome surpluses, out of which, as a fact, large "doles" were provided by the Government for their "friends." Mr. Chamberlain's reply was the old one—that he had never made it a party matter, and that he is as interested as ever in the subject. We have already exposed

the hollowness and inaccuracy of this plea and we need not do so again. Mr. Chamberlain ended by saying that the money would be found by a revision of our Fiscal system:—

"Before any Government can consider a scheme it must know where it is going to get the funds. I do not think the question is a dead question, and I think it may not be impossible to find the funds. For that, no doubt, there will have to be the review of our Fiscal system which I have indicated as necessary and desirable at an early date."—(*House of Commons, May* 22*nd*, 1903.)

Mr. Chamberlain followed this up by writing to a working man on June 3rd:—

"As regards Old Age Pensions, I would not myself look at the matter unless I felt able to promise that a large scheme for the provision of such pensions to all who have been thrifty and well-conducted would be assured by a revision of our system of import duties."

That is to say, on June 3rd, Mr. Chamberlain says that he would not go in for Preferential Tariffs at all if the result was not to yield money for Old Age Pensions.

(*b*) Second Stage—Off.

This Old Age Pension bribe, however, did not catch on—it was particularly displeasing to some of Mr. Chamberlain's "associates" (as the *Standard* called them). Accordingly, about three weeks later, Mr. Chamberlain proceeded to drop them out of his scheme, of which they were (on second thoughts) declared to be "no part":—

"You know I have suggested—it is my own suggestion, and no one else is answerable for it—that inasmuch as any alteration of our Fiscal system must necessarily largely increase the sums received in the shape of indirect taxation, a portion of these sums, at any rate, should be applied in order to provide Old Age Pensions for the poor. Thereupon I am told that this is a most immoral proposition—that it is a discreditable attempt to bribe the working classes of this country. That criticism is hasty, and it is harsh. Those who make it have altogether forgotten my past in this matter. I entered upon an investigation of the subject many years ago; it has always been near to my heart. I believe that such a system would be of immense advantage to the people. I have earnestly desired to make it successful. *Up to the present time I have failed, because it was impossible to see any source from which the money that would be required could fairly and justly come.* As long as we depend so much on our direct taxation, so long as there is an inclination to put every increased expense on this direct taxation, I say it would be unfair to think even of Old Age Pensions if we were to put an enormous increase on the payers of Income-tax, many of whom are already sufficiently straitened in the conditions of life in which they find themselves. That has been my difficulty. Was it not natural, when in connection with this new subject I thought it was probable that large sums might be at the disposal of any future Chancellor of the Exchequer, that I should put in a word for my favourite hobby, if you like to call it so, and that I should ask the working classes—for it is to them I look for the answer—to consider whether it would not be better for them to take the money which is theirs in the shape of a deferred payment and a provision for their old age rather than in the shape of an immediate advantage? That is all I have done, but it has no part whatever in the question of a reform

in our Fiscal policy. That is a matter which will come later. When we have the money then will be the time to say what we shall do with it; and if the working classes refuse to take my advice, if they prefer this immediate advantage, why, it stands to reason that if, for instance, they are called upon to pay 3d. a week additional on the cost of their bread, they may be fully, entirely relieved by a reduction of a similar amount in the cost of their tea, their sugar, or even of their tobacco."
—(*Constitutional Club, June 26th*, 1903.)

Was there ever a more shameless avowal than that contained in the words we have italicised? It is as if you invited a starving man into your house to have a meal, whilst all the time it was "impossible to see any source" from which the food would come. It is only too true that it is difficult to see where the money for Old Age Pensions is to come from, but that should have been thought of before the plan was promulgated which was "so simple" that anybody could understand it. To raise expectations which, on your own admission, you do not know how to get realised, is to gamble with the happiness of the people. But Mr. Chamberlain is always gambling with something or other.

SELECT COMMITTEE, AGED PENSIONERS BILL, 1903.

A Select Committee on Mr. Remnant's Bill (see page 119) was nominated on June 18th, 1903, consisting of Sir Alexander Hargreaves Brown, Mr. Channing, Mr. Crean, Mr. Flower, Mr. Goulding, Mr. John Hutton, Mr. Lloyd-George, Mr. Grant Lawson, Mr. O'Shee, Mr. Pemberton, Colonel Pilkington, Sir Robert Reid, Mr. Remnant, Mr. Shackleton, and Mr. (now Sir T.) Skewes-Cox.

After some criticisms on the Bill before them the Committee made the following general observations:—

"Your Committee desire to express their opinion that the provision of Old Age Pensions for the deserving poor is a matter which might well be proceeded with step by step. If it is not considered possible to provide by taxation the full sum which would be required each year in increasing amounts for the scheme of pensions contemplated by the Bill referred to your Committee, the provision of a considerably smaller sum would, in the opinion of your Committee, meet many of the necessitous cases. This result might be obtained either by raising the age at which a pension might be claimed, or by reducing the amount of weekly income, the possession of which disqualifies for a pension.

"There is some danger that those who are in a position to save money may be discouraged from saving by the reflection that the more they have the less they will receive in the form of a pension. It may be advisable to intrust those who have the distribution of pensions with a discretion as to amount, so that the pension awarded may not be so reduced as to deprive applicants of the fruits of their own thrift. In no case, however, ought any pension to be granted where it is not really needed.

"Your Committee are of opinion that all the materials available, apart from actual experiment, for the purposes of enabling Parliament to arrive at a decision upon the subject of Old Age Pensions have been exhausted in the numerous inquiries that have already taken place.

Nevertheless, it must be admitted that there is still much uncertainty upon several points. For example, the number of those in workhouses over a given age who could be properly attended to outside a workhouse, the number of those not now receiving Poor Law relief who require and deserve pensions, the possibility of obtaining reliable information in crowded communities if an applicant's antecedents are to be inquired into, the degree to which a pension scheme would transfer the cost of maintaining the aged poor from the rates to the taxes, and the sums needed for the various schemes propounded, are all matters of considerable doubt. Certainty upon these and other features of importance cannot be attained without actual experiment.

"Your Committee are of opinion that the reduction on Poor Law Expenditure will be considerably less than has often been represented. . . ."

OLD AGE PENSIONS BILL, 1904.

On May 6th, 1904, an Old Age Pensions Bill, introduced by Mr. Goulding (C), was read a second time without a division, just as Mr. Remnant's similar Bill was in 1903. This was merely another empty demonstration, since the Bill would have cost the Treasury four millions a year and Mr. Long said the money could not be found, although the Government "had not forgotten all that had been said about Old Age Pensions." Nothing, doubtless, could be more consolatory to those who in 1895 were cajoled into voting Tory by the Old Age Pension bribe.

MR. CHAMBERLAIN AND THE "UNKNOWN SCRIBBLER" (1905).

Mr. Chamberlain, taking umbrage at the statement that Old Age Pensions had been "promised in 1895," wrote to Sir Frederick Milner, in February, 1905.

"The statement you ask me to contradict is one of the many falsehoods which, invented by some unknown scribbler, continues for years afterwards to be repeated as gospel truth.

"I did not say a single word about Old Age Pensions in my election address of 1895, nor in the preceding one of 1892.

"I have never in my life made a definite promise of Old Age Pensions.

"On the contrary, in the very height of the election of 1895, I took pains to warn the electors at some of my meetings against expecting too much, or being led away by the irresponsible promises made to them."

We need only deal with the allegation of Mr. Chamberlain, as to the Election Address:—

(*a*) Mr. Chamberlain promulgated his Social Programme at Birmingham on October 11th, 1894. In this programme decidedly the most attractive item was Old Age Pensions.

(*b*) In his Election Address at West Birmingham in 1895, after explaining why he had accepted office under Lord Salisbury, he said:—

"I shall take the earliest opportunity of laying fully before you my views on the present situation, and meanwhile, I ask you to believe that, whether in office or out of it, I shall do my best to further those principles of foreign and domestic policy which have hitherto secured your cordial support."

(*c*) The Election Address further refers us to his speeches if we wish to ascertain what his opinions were. He only made one speech in Birmingham. In the course of that speech he said:—

"After that, what is the good of our opponents saying, time after time, that it matters not what are the proposals which I have put before you, and which I have advocated, because the Conservative party are unanimously opposed to them? I tell you, if I have joined this Government, it is not because I have changed my opinions, which I have expressed to you with regard to those questions of social reform which I still hold to be of the highest possible importance; but it is because I believe that in my present position—with the additional influence which it gives to me, with additional knowledge, with the additional opportunities—I may be able to do more to further that policy than I could do as an independent member."—(*Birmingham, July* 10*th*, 1895.)

Speaking at Wednesbury a little later he said:—

"I will ask you to consider the other principal items of the Unionist policy. . . . We propose also to make better provision for the treatment of the aged poor who have led industrious and thrifty and sober lives. We think it is a shame that a large proportion of the industrious workpeople should in their old age find themselves compelled to go upon the rates for assistance and support."—(*Wednesbury, July* 15*th*, 1895.)

It will thus be seen that the Election Address excuse is a mere exercise in the art of hanky-panky, worthy of the person making it.

III.—POINTS AND FIGURES.

The Two Mr. Chamberlains.

December 6*th*, 1898.

"The pension (*of public officials*) is taken into account in fixing the salaries, and is, in fact, only deferred pay. There is, therefore, not much analogy between existing pensions and anything which may hereafter be proposed in connection with the general population."

November 18*th*, 1891.

"Society as a whole owes something to these veterans of industry. . . . I say that the State has already recognised this claim in regard to its own servants. The soldier and the sailor are pensioned. Yes; but peace hath her victories as well as war, and the soldiers of industry, when they fall out of the ranks in the conflict and competition in which they are continually engaged, have also their claim to the consideration and gratitude of their country."

Passing it On.

In the course of the Reading Election (July, 1898) an elector produced two very interesting letters that he had received from Ministers with regard to Old Age Pensions. The elector, in the first instance, wrote to Mr. Chamberlain—to receive the following reply from a secretary (February 14th, 1898):—

"I am desired by Mr. Chamberlain to acknowledge the receipt of your letter of the 17th inst., and to say that the subject of Old Age Pensions is not in his department, but in the Local Government Board, to the President of which any communication should be addressed."

The elector obediently did what he was advised, and wrote to Mr. Chaplin, who entered into the spirit of the game with great zest—as will be seen from the following letter from his secretary:—

"I beg to inform you that the subject of Old Age Pensions, not being one which directly concerns the Local Government Board, your previous letter to Mr. Chaplin has been forwarded to the Prime Minister. A similar course has been taken with your letter of the 30th ult."

History is silent over Lord Salisbury's reply.

"*Consult the Liberal Unionist Agent.*"

About the beginning of 1893 an interesting leaflet was published "by the Midlands Liberal Unionist Association, Birmingham," headed,

MR. CHAMBERLAIN'S LABOUR PROGRAMME.

UNIONIST POLICY.

"The Right Hon. Joseph Chamberlain, M.P., Leader of the Liberal Unionist party in the House of Commons, has announced (see *Nineteenth Century* Magazine for November, 1892) the following scheme of Reform for the benefit of the wage-earning population of the United Kingdom."

"Limitation by Law of the Hours of Labour" is the first of the eight items, but the most interesting (and amusing) is that relating to Old Age Pensions:—

"5. OLD AGE PENSIONS guaranteed by the State.—Mr. Chamberlain proposes a payment of £2 10s. (before the age of twenty-five) and a subscription of 10s. a year to secure for a man a small pension at the age of sixty-five. Those who pay £5 down and 20s. annually will *also* provide for the payment to their widows and children in case of death before sixty-five. Men who have received a pension of 2s. 6d. a week in a Friendly Society will have their pension doubled by the State. Further information on the Pension Scheme may be obtained from any Liberal Unionist agent."

Clearly the "expert" Committee was wrongly manned; it ought to have been composed of Liberal Unionist agents. The leaflet, after enumerating in detail the unauthorised programme proceeds:—

"Remember that Mr. Chamberlain was the chief advocate of FREE EDUCATION, a scheme now accomplished by a Unionist Government. The reforms he advocated are not like the visionary schemes of those who promise impossiblities, but the proposals of a practical statesman. . . . Remember that the Unionist party is prepared to deal at once with social questions and the interests of England."

Mr. Chamberlain and the Friendly Societies.

I.—"UNDER ANOTHER CHANCELLOR OF THE EXCHEQUER."

On December 6th, 1894, Mr. Chamberlain made a speech on a non-political occasion to a conference of Friendly Society representatives. In the first instance Mr. Chamberlain made a speech in which he discussed the subject on its merits. In acknowledging the vote of thanks, however, he took the opportunity of "improving

the occasion" and practically telling the Friendly Societies that if they really wanted anything done they must know to what quarter they ought to look for assistance. The last sentences of Mr. Chamberlain's speech on that occasion were as follow:—

"I should myself imagine that a great scheme of this kind should not be proposed to Parliament until some Chancellor of the Exchequer shall come who would have a surplus and not a deficit to deal with. You will recollect that we waited a long time for free education, but there comes a time when, under the administration of a Chancellor of the Exchequer whom I will not name because I do not wish to revive political associations, there was a very fruitful surplus, and that surplus was at once applied to give to the working classes the greatest boon which has been given to them during my political time. My hope is that, under another Administration, and under another Chancellor of the Exchequer, whom also I will not name, we may return to a time of prosperity, to a period of surpluses, and my hope and belief is that these surpluses may be used in order to stimulate the provision of those Old Age Pensions which will do more, I believe, than anything else to secure the happiness of the working classes."—(*Birmingham, December 6th*, 1894.)

Well, the Chancellor of the Exchequer at that time was Sir William Harcourt, and he has been followed, first by Sir Michael Hicks-Beach, who had, before the war, the predicted surpluses, not a penny piece, however, of which went for Old Age Pensions or for anything like it, then by Mr. Ritchie, who was much more concerned to relieve the Income-tax payer, and now by Mr. Austen Chamberlain, who does nothing for his father's "so simple" scheme.

II.—A "SUBJECT FOR PARTY CONTROVERSY."

Seven years later Mr. Chamberlain discovered that it had been a great mistake to make the Old Age Pensions question one of politics! Once again at Birmingham he addressed the members of Friendly Societies (this time it was the Oddfellows), and his advice to them was (in effect) to work out their own salvation in fear and trembling:—

"This question of Old Age Pensions, as it is sometimes called, although that is a description of it which I personally dislike—I prefer to call it proposals to assist men to make provision for old age; but these proposals have been before the country now for quite a number of years. I think it was about eight years ago that in the town hall of this city I addressed a very large meeting of friendly societies upon the subject, and explained and defended the proposals which I was then commending for their consideration. But I am afraid it is true that the matter has made no progress; on the contrary, I think it has gone back. The officials of the great societies—I am speaking not of one, but of all—they, generally speaking, turn the cold shoulder and give very little assistance. And the matter has, unfortunately, become what it ought never to have been—a subject of party controversy. And what is the result? The result is, instead of us all setting our minds to solve the problem, which is one of the most complicated that can be presented to the politician and the statesman and the economist—instead of doing that we have been bidding one against the other, each making more lavish promises—promises which, let me say, will never be fulfilled,

promises which raise impossible expectations, and which relegate to a distant future the practical work which might really be accomplished. Now I want, if possible, to see a new start taken. I say the matter has gone back. I think once more we might try to put it again upon its legs. But I am convinced that can only be done with the frank and hearty co-operation of the great societies for the promotion of thrift—the great friendly societies without whose aid, without whose support, without whose influence I, for one, despair of anything practical being accomplished. But if you, through your officials, would take this matter up, take it up as if it were a new question, not prejudiced by anything that may have been said or done before, I believe that you would bring it back to its true proportions, which is the first thing to be done—you would bring it back to the consideration of proposals which as their first condition must encourage thrift, and must not be, as unfortunately so many proposals recently have been, a mere bribe to the electors—I say a bribe to the electors, I should say the offer of a bribe which will never be paid."—(*Birmingham, May 27th* 1901.)

The delegates, being polite people, thanked Mr. Chamberlain for his presence and speech, and in the course of his reply he said:—

"My friend the corresponding secretary, and I think my friend Mr. Forrester, spoke of a scheme which I had put before you. I have put no scheme before you. ("*Oh,*" *and laughter.*) I have put before you two propositions. The first proposition is this—that it is desirable in the interests of thrift, in the interests of the State, in the interests of the country generally that some assistance shall be given to persons who are willing to contribute old age provision for themselves. That is my first proposition. My second proposition is this—that it is desirable that the friendly societies, who have already got a larger experience than anyone else, who have a greater knowledge of the difficulties of the case, should combine together to frame a scheme with this object and to present it to the politicians. I want to get rid altogether of the political character of this movement. I have no vanity as an author. I do not wish any scheme to be in any special sense connected with my name. I ask that the scheme shall be a friendly societies' scheme."—(*Birmingham, May 27th,* 1901.)

As Mr. Chamberlain is fond of illustrations involving the Devil, he will, we are sure, not object to our saying that the spectacle of the Devil rebuking sin would be nothing to that of the ex-Colonial Secretary protesting against the dragging of Old Age Pensions into politics. For he is himself the chief offender.

Mr. Balfour on Old Age Pensions.

"Let it be distinctly understood that we do not consider ourselves bound to wait necessarily for the report of this committee before bringing forward a scheme. We do not think that is a necessary consequence of appointing a committee. We hope that the general lines of such a scheme may be indicated within a period which will enable us to have the full advantage of the weight of the advice of the committee before we present any plan of our own. But even before that period arrives it is quite clear that we may derive great advantage from the labours of the committee even though they have not completed their report, and we should not consider ourselves prohibited, if other circumstances appeared favourable, from bringing forward our own scheme because the labours of the committee had not reached their full termination.

We do not appoint this committee to shift responsibility on to other shoulders that belongs to us, nor to delay legislation on the subject; but we say that, inasmuch as two inquiries already held have proved barren, so far as schemes are concerned, inasmuch as that committee and that commission, though they have collected a mass of valuable materials, have made no concrete proposal, it is wise and prudent to appoint a committee to undertake the task at the point at which those two bodies left it."—(*House of Commons, April 24th*, 1899.)

The "Morning Post" on Mr. Chamberlain and Old Age Pensions.

From the **Morning Post**, *April 25th*, 1899.

"By passing Sir William Walrond's motion for a fresh committee to inquire into the Old Age Pension Question, Ministers have merely fulfilled a promise given by Mr. Chamberlain more than a month ago. The new committee is to consist of no less than seventeen members, a fact of itself sufficient to guarantee disagreement. It is apparently to go over all the ground that has been traversed by Commission or Committee during the last six years. Those who have regretfully watched the plough passing over the sands in one direction will therefore now have the privilege of observing its course as it traverses them in the other. Ministers appear to be actuated by an unpleasant fear of certain proposals or promises—whichever they like to call them—made on this matter at the last General Election. *As for the difference between a proposal and a promise, which Mr. Chamberlain explained with laborious superfluity last night, we are not anxious to discuss it. A proposal on such a matter, put before ignorant men so that, as a matter of fact, it looks to them like a promise, is worse than a promise direct. A bone dangled over a dog's nose will make him more excited than a piece of meat thrown to him once for all; and Mr. Chamberlain probably knows this as well as most people.*"

The italics are our own.

The "Saturday Review" on Mr. Chamberlain and Old Age Pensions.

From the **Saturday Review**, *January 11th*, 1902.

"Mr. Chamberlain, in his Birmingham speech to the members of the West Birmingham Relief Fund, dealt with the general subject of charity more philosophically than is usually to be expected at a charity meeting. But as to Old Age Pensions, to which he referred, it is evident that he continues to abdicate his function of thinking with regard to them. If he had done so in the case of the Workmen's Compensation Act, that Act would not have been passed to this day, and that was as new a departure as pensions would be. It is a novel doctrine that a legislator must wait until his constituents can present him with a working scheme. He is in Parliament to do that for them, if what they wish is practicable, and if it is not, he is there also to tell them so of his superior knowledge. But Mr. Chamberlain does neither, and all his speeches on this subject seem to read as though he brought it up merely to show that he is not afraid of mentioning it. There is not so much courage in that as there would be if he would either say that he finds it to be hopeless, or that he knows to what extent it is practicable, and is determined to carry it out so far. He does neither. . . ."

CHAPTER VI.

THE COMPENSATION ACT.

I.—THE TORY PROMISE.

A.—1895.

"I beg the House to consider whether it is worth while to deal with this subject in a partial way, and whether it would not be possible *once and for all* to settle the right of *every* workman to compensation."

Mr. Chamberlain in the House of Commons,
(Debate on Mr. Asquith's Bill) *February* 20*th*, 1893.

"We believe that every man who in the course of his employment meets with an accident is unfortunate, is deserving of consideration, and ought to be compensated, and we want to secure that—FOR EVERY MAN FOR EVERY ACCIDENT."

Mr. Chamberlain at Birmingham, *May* 3*rd*, 1894.

"My conviction has deepened that no greater boon can be given to the working people of this country than to secure to them as a matter of right and certainty, without the risk of litigation, that in all cases in which they suffer from accidents or injuries received in the course of their employment, they themselves, and their families, shall be fairly provided for."

Mr. Chamberlain, "Social Programme" Speech,
Birmingham, *October* 11*th*, 1894.

"5. Employer's Liability, with universal compensation for all accidents."

Mr. Balfour's East Manchester Election Card,
General Election 1895.

"I hope and believe that we may establish the principle that the cost of providing for those persons who, by no fault of their own but by misfortune, suffer injury to life or to limb in the course of their ordinary employment, may be made a cost upon the industry in which the injury takes place, and, therefore, be paid for by the public in the cost of the goods. In that way we may secure, not as a matter of chance or litigation, but as a matter of absolute certainty and of statutory right, that everybody who suffers in this way, and who is undoubtedly an object for our sympathy and consideration, shall receive such compensation as it is possible to give him at present."

Mr. Chamberlain in NORTH LAMBETH,
General Election 1895 (*July 6th*).

"While he (*Mr. Asquith*) will deal with this subject incompletely, inefficiently, I propose to deal with it once for all, and completely. I propose to say that every workman who is injured, without fault of his own, shall be entitled, as a matter of right, to reasonable compensation —to such solace in his misfortune as pecuniary assistance can give; and I propose, not to make that a question of litigation, not to send him into the courts to get it, but to make it a matter of statute, about which there can be no possible uncertainty."

Mr. Chamberlain at WEST BIRMINGHAM,
General Election 1895 (*July 10th*).

"A measure for ensuring compensation to the employed in all cases of accident is an urgent necessity."

Mr. Ritchie, 1895 Election Address at CROYDON.

"We know that it (*the Unionist Government*) means compensation to workmen for all accidents in their employment; thus doing away with much costly and embittering legislation."

Mr. A. Cameron Corbett (Liberal Unionist M.P.),
1895 Election Address at TRADESTON (GLASGOW).

"The Unionist leaders have announced their intention of devoting the time of Parliament to measures which include compensation for injuries in all employments."

Earl of Dalkeith (Tory M.P.),
1895 Election Address at ROXBURGH.

B.—1900—1905.

"Last Session the Government extended the (*Compensation*) Act to agricultural labourers and had promised to make a much larger extension to other trades and industries and to remedy many of the points which in the working of the Act had been found to be unsatisfactory and anomalous."

Sir M. White (the late **Lord**) **Ridley** at BLAGDON PARK,
September 8th, 1900.

"As to the complaints which had been made as to the working of the (*Compensation*) Act, that was a matter which was engaging the attention of the Government, and they would make it the subject of further investigation and deal with the matter in an amending Act."

Mr. Ritchie (as Home Secretary) to MINERS DEPUTATION, *March* 5*th*, 1901.

"They acknowledged that there were various points which were unsatisfactorily dealt with; they were carefully watching all these various schemes with a view to bringing forward an amending Bill, and when that Bill was brought forward they would also have to consider the question whether it should be extended to other trades, and, if so, to what trades."

Mr. Ritchie (as Home Secretary) to TRADES UNION CONGRESS DEPUTATION, *February* 6*th*, 1902.

"It would be generally understood, he thought, that the Government were prepared to accept the spirit of this motion, but, as he pointed out in February to a deputation from the Trades-Union Congress, and as the members of that deputation agreed, there were certain inquiries which it was necessary to make before they would be in a position to introduce anything more than a very flimsy Bill indeed. He had every hope and intention, however, of introducing a Bill next Session which would deal with the question of amendment and of what extension was possible. . . . In addition to the request for an amending Act there was the request for the extension of the Act. The Act applied only to persons engaged in or about mines, quarries, factories, and engineering works; to certain classes of building works; and to persons employed in agriculture. He fully recognised the desirability and necessity of a further extension of the Act, at any rate, to all industrial employments. It had already been intimated by his right hon. friend that they proposed to proceed tentatively; but there were certain classes which at present were wholly excluded from the Act. There were, for instance, the seamen and the fishermen. This was a subject which he should like to have seen discussed that night, but he was afraid he should be ruled out of order if he entered into that question. Perhaps the House, therefore, would excuse his going further. There was a point raised by the member for Derby, however, to which he wished to refer—the question of inland transport service, carriers, and others. There were also classes connected with the building trade, and some of these classes, although small in point of numbers, were amongst those who suffered most under exclusion from the existing Act. Very often in regard to numbers they were in inverse degree to their liability to accidents. All these points would be very carefully considered, and they were being considered now. He could say they would be seriously considered during the present year."

Mr. Akers-Douglas (Home Secretary), in the HOUSE OF COMMONS, *May* 13*th*, 1903.

II.—WHAT THE TORIES HAVE DONE.

It is abundantly clear from the above extracts that the Tory promise in 1895 was to provide compensation to *all* workmen for *all* accidents; nothing could be more explicit than the declaration of Mr. Chamberlain, the "spokesman," as Lord Salisbury himself declared, of the Unionist party on this subject. But the Workmen's Compensation Act passed in the Session of 1897 provided compensation only for *some* accidents to *some* workmen. It left the law of Employers' Liability where it found it. What was done was that in the case of the included employments, the worker was given (1) an alternative right to compensation in case of an accident for which already he has a right under the existing law, and (2) a new right to compensation in the case of accidents not covered by the existing law. The worker in the excluded employment was left exactly where he was before. Whatever else was meritorious in the Government proposals, it is impossible to defend (1) the failure to cure the admitted defects of the law which the Act did nothing to repeal, and (2) the exclusion of probably a majority of the workers from the scope of the Act.

Whilst Liberals heartily welcomed the Bill in so far as it was a just recognition of the claim of the workman to be compensated in case of injury, it must not be forgotten that Mr. Chamberlain has always admitted that the two questions of (1) preventing accidents, and (2) compensation for accidents are "absolutely distinct." It is difficult, therefore, to see how this Compensation Act can do anything more than help the worker after the accident has occurred. This is no unworthy object—far from it,—but it is prevention that the workers, through their representatives and Trade Unions, have always insisted upon as of primary importance; as a fact, all the available returns go to show that accidents are on the increase rather than the decrease. In the next place, despite all the efforts made on the Liberal side to strengthen the measure in its passage through Parliament, it passed in a partial and incomplete form. For this there were no satisfactory reasons. The Tory pledge through their "spokesman" was compensation to "every workman" for "every accident," and twelve years ago Mr. Chamberlain said that it was not "worth while" to have a "partial" settlement. No; "once and for all" he asked the House "to settle the right of every workman to compensation." Yet large classes of workers—agricultural labourers and seamen are instances—were then excluded and left to the mercies of the old unreformed law. As to "contracting-out," the Government claimed that the effect of the Act was to make it impossible for an employer to save a single penny by any private scheme. This was impudently asserted to have been the effect of the Dudley Amendment to Mr. Asquith's Bill in 1894. Nothing could be more untrue. "Contracting-out" of the Dudley type was good enough to wreck Mr. Asquith's Bill with, but

Ministers did not dare to apply it to their own Bill. In 1894 the Tory party insisted upon destroying Mr. Asquith's Bill, because they said it would kill the London and North-Western Railway Insurance Fund. But that is precisely what the Compensation Act has done. The truth is that the contracting-out which pins the employer down to an equivalent financial liability (which was the Government description of their "contracting-out" claims in 1897) has no sort of relation or likeness to contracting-out of the Dudley pattern. The analogy was used in a vain attempt to get credit for a sham consistency. Nothing could well be more complete than the Tory swing round on this question of "contracting-out." In 1894 it meant "freedom of contract," and a free hand for employers and employed to come to terms outside the law, subject to certain conditions. In 1897 it merely meant (according to the Government themselves) the substitution for the provisions of the Bill of an insurance scheme to which the employer must pay at least as much as he would have to under the Act.

THE COMPENSATION ACT IN PARLIAMENT.

The Act was read a second time on May 18th, 1897, without a division, and received the Royal Assent on August 6th, 1897. It was "amended" by the Lords in several particulars, in every case the Lords' amendments being accepted by the Government. We give a brief account of the more important divisions on the Bill; in every case the Government tellers told with the *majority*.

Compensation for Injuries to Health.

May 24*th*, 1897.—Mr. Tennant's instruction on going into Committee, making it possible for the Bill to give compensation to workmen for injuries to health arising out of, and in course of, their employment. For, 145; Against, 235; the *majority* thus voting against permitting the discussion of amendments designed to include within the Bill injuries to health.

Inclusion of All Trades.

May 24*th*, 1897.—Mr. Nussey's amendment to extend the provisions of the Bill to all classes of trades and employments. For, 157; Against, 235; the *majority* thus voting against a Bill applying to "every workman."

No "Contracting-out."

May 27*th*, 1897.—Mr. Ascroft's amendment making null and void any agreement between employer and employed, for the purpose of contracting themselves out of the provisions of the Bill. For, 99; Against, 172; the *majority* thus voting for "contracting-out."

Making the "Contracting-out" Schemes more beneficial to the Workman.

May 27*th*, 1897.—Mr. Perks's amendment to prevent the employer "contracting-out" of the Act, unless the scheme which the employer proposes to substitute for the provisions of the Act is more

beneficial to the workman than the Act itself. For, 66; Against, 140; the *majority* thus voting against a proposal to make it clear, beyond doubt, that the workman should not be in a worse financial position as the result of having "contracted-out."

Common Employment.

May 27*th*, 1897.—Mr. McKenna's amendment making the employer as liable for injury caused to a workman through the wilful or wrongful act of any fellow-workman, as would be the case had the injured workman not been a servant of the common employer. For, 95; Against, 167; the *majority* thus voting for the retention of the doctrine of "common employment."

Inclusion of Agricultural Labourers.

May 31*st*, 1897.—Mr. Goulding's amendment to include Agriculture within the scope of the Bill. For, 125; Against, 176; the *majority* thus voting for excluding agricultural labourers from the Act.

July 8*th*, 1897.—Mr. H. S. Foster's motion to include agricultural labourers. For, 92; Against, 143.

Inclusion of Seamen.

May 31*st*, 1897.—Sir Francis Evans's amendment to extend the Bill to seamen. For, 119; Against, 211; the *majority* thus voting against giving seamen the benefits of the Act.

Inclusion of Workshops.

June 1*st*, 1897.—Mr. Tennant's amendment to include all workshops within the scope of the Bill. For, 117; Against, 193; the *majority* thus voting against a proposal to include all those employed in workshops within the scope of the Act.

Limiting the Height of Buildings to which the Act should apply.

June 1*st*, 1897.—Mr. S. Woods's amendment that the Act should apply to employment on, in, or about any building without any limitation of the height to 30 feet as proposed by Sir Matthew White Ridley. For, 122; Against, 221; the *majority* thus voting for excluding workmen engaged in buildings less than 30 feet in height.

July 8*th*, 1897.—Mr. Robinson Souttar's amendment to the same effect. For, 113; Against, 177.

Unloading Ships into Lighters.

June 1*st*, 1897.—Mr. Pickersgill's amendment to include the dangerous process of unloading from a ship into a lighter. For, 115; Against, 219; the *majority* thus voting to exclude a class of workmen engaged in a most dangerous employment.

Compensation in a Lump Sum.

June 3*rd*, 1897.—Mr. Chamberlain's amendment proposing that after payments have been made to an injured workmen for a certain length of time, all future liability for this particular accident may, if desired, be redeemed by payment of a lump sum, not exceeding

312 times the amount of weekly compensation. Against 80; For, 174; the *majority* thus voting for a proposal which restricts the sum payable to a workman in the case of permanent injury.

Compensation when the Injury arises through the fault of the Workman.

July 6th, 1897.—Mr. David Thomas's motion to omit the Sub-section disallowing compensation where the accident is solely attributable to the serious and wilful misconduct of the workman. For, 121; Against, 203; the *majority* thus voting against a proposal to omit words which in practice have the effect of letting in the exploded doctrine of "contributory negligence."

Priority for Compensation in Case of Bankruptcy.

July 8th, 1897.—Mr. Billson's amendment that compensation payable under the Act should have priority over ordinary debts in case of bankruptcy. For, 136; Against, 214; the *majority* thus voting against a proposal that the workman should have priority of claim for compensation in the event of his employer becoming bankrupt.

"Contracting-out."

July 30th, 1897.—Sir M. White Ridley's motion in favour of agreeing with the Lords' proposal to strike out the Sub-section which provides that, if the funds of any "contracting-out" scheme were insufficient to provide the compensation, the employer shall be liable to make good the amount of compensation which would be payable under this Act. Against, 68; For, 117; the *majority* thus voting for a proposal which took away from the workmen the certainty of getting in any event his full compensation.

THE EXCLUDED WORKERS.—THE AGRICULTURAL LABOURER.

As we have said, the principal Act applies only to certain selected trades. The workers excluded from its scope include:—

1. All merchant seamen;
2. All agricultural labourers;
3. Many persons engaged in building operations;
4. All domestic servants;
5. All persons engaged in workshops.

Mr. R. T. Thomson in his book on the Act (*Effingham Wilson*) published in 1901, says:—

"This Act extends the benefits of the scheme to a large and important class, but the great majority of workers still remain outside its scope."

A Liberal proposal (Mr. Nussey's—see above) to make the Act apply to all workers was rejected by the Government and lost.

Perhaps the most interesting case of the workers excluded in 1897 was that of the agricultural labourer subsequently included by the Act of 1900 (see next page). In answer to the amendment to

include him, moved by Mr. Goulding (a Wiltshire Tory member), the Government could only say that they could not "overload" the Bill, and that agriculture was not a "dangerous" industry. Mr. Chamberlain, in his defence of the Bill, had completely to throw away logic. Here are two parallel extracts—(1) from an attack on Mr. Asquith's Bill in 1893, (2) from a defence of the Compensation Act—both from speeches in the House of Commons:—

February 20th, 1893.	*May 31st*, 1897.
"The Bill shows a want of logical principle."	"Logic we have long ago given up in connection with this Bill. Indeed, I do think that it is the great advantage of English legislation that it does not pretend to be logical."

Mr. Jeffreys, now a member of the Ministry, gave a really remarkable reason for excluding the agricultural labourer:—

"There was no compensation paid under the present law to agricultural labourers who were injured, but his experience of the country was that, when a labourer did meet with an accident, the landowners invariably made a subscription for him, and he got quite as much money in that way as he would by compensation."—(*House of Commons, May 31st*, 1897.)

AGRICULTURAL LABOURERS ACT OF 1900.

The private members' Bill for extending the Compensation Act to agricultural labourers passed into law in 1900. The following are the terms of the Act, which came into operation on July 1st, 1901:—

(1) From and after the commencement of this Act, the Workmen's Compensation Act, 1897, shall apply to the employment of workmen in agriculture by any employer who habitually employs one or more workmen in such employment.

(2) Where any such employer agrees with a contractor for the execution by or under that contractor of any work in agriculture, Section 4 of the Workmen's Compensation Act, 1897, shall apply in respect of any workman employed in such work as if that employer were an undertaker within the meaning of that Act.

Provided that where the contractor provides and uses machinery driven by mechanical power for the purpose of threshing, ploughing, or other agricultural work, he, and he alone, shall be liable under this Act to pay compensation to any workman employed by him on such work.

(3) Where any workman is employed by the same employer mainly in agricultural but partly or occasionally in other work, this Act shall apply also to the employment of the workman in such other work.

The expression "agriculture" includes horticulture, forestry, and the use of land for any purpose of husbandry, inclusive of the keeping or breeding of live stock, poultry, or bees, and the growth of fruit and vegetables.

It will be noticed that the Act applies to the agricultural employer who "habitually" employs one or more workmen. Sir E. Strachey (the Liberal member for South Somerset) moved (on June 10th) to omit the word "habitually" on the ground that it was unfair to

confine the benefits of the Bill to the bigger farms, and that labourers employed (say) for the hay harvest ought to be protected. The Government refused to accept the amendment, which was lost by 205 to 120 (majority 85). It should be noted that this all refers to occasional employment, as distinct from casual labour. As to the latter, Mr. Long said:—

"If it was desirable to include casual labourers in agriculture, ten times more desirable must it be to include those in other industries, who were far greater in number. The whole question of compensating casual labourers was involved, and that was too large to be discussed at that hour."—(*House of Commons, June 10th*, 1900.)

It will not be forgotten that the Courts have decided that the Compensation Act does not include the casual labourer. So that now in agriculture we still have two classes of labourers not compensated:—

(1) Those working for an employer who does not "habitually" employ.

(2) Those working casually for *any* employer.

TORY MISSTATEMENTS ABOUT THE ACT.

(1) *The Scope of the Act.*—It is constantly being said by Tories, on the strength of a statement made in a Tory leaflet,—

"That whereas Mr. Asquith's Bill would have covered only some ten cases out of 100 injuries, the Compensation Act covers about eighty cases in every 100 of persons injured by accident."

The claim here advanced is that the Compensation Act (as passed in 1897) covered eight times as much ground as Mr. Asquith's Employers' Liability Bill.

This is absolutely untrue. What are the facts? First of all, as to the Compensation Act, alleged to cover eighty accidents out of every hundred. Now Mr. Chamberlain, speaking to a deputation of colliery owners, said:—

"As it is now under the Bill, whether the accident lasted two weeks or one year, the first two weeks would in no case be paid for, and the result of that was to exclude altogether at least 25 per cent. of the whole of the accidents that took place, and to exclude two weeks' compensation from all the rest. As the average of incapacity was very small, in a vast majority of cases these two weeks cut off had practically reduced the amount of compensation by 30 per cent. That was a very large reduction."—(*July 2nd*, 1897.)

That is to say, the two-weeks clause excludes 25 per cent. of the accidents. This is a minimum estimate, and taking into account the other excluded cases we may fairly say that 30 per cent. would be a low estimate for the excluded accidents. So we get to this, that the Act includes, not eighty accidents (the Tory figure) out of every hundred, but only seventy.

So much for the Compensation Act. Now as to Mr. Asquith's Employers' Liability Bill, which Tories say covered only ten accidents out of every hundred. Here, again, Mr. Chamberlain can be called as a witness:—

"The present law provides for about 20 per cent. of the total accidents which take place. The new law proposes to provide for one-third of the total—33 per cent.—and thus you have 53 per cent. provided for, and 47 per cent. entirely left without any provision whatever."—(*House of Commons, February 20th*, 1893.)

That is to say, with Mr. Asquith's Bill law, fifty-three accidents (not ten, the Tory figure) out of every hundred would have been covered, according to Mr. Chamberlain's own estimate.

Nor is this all. The Compensation Act applies only to six million workers in the more dangerous trades. Mr. Asquith's Bill would have applied to twice that number. Taking this into account the Compensation Act does not cover eight times the ground of Mr. Asquith's Bill, but *at most* only covers as much.

(2) *The passing of the Act in the House of Commons.*—Another Tory allegation is that the Liberal party did "all they could to oppose and defeat" the Compensation Act—these are Sir Edward Clarke's words at Plymouth on October 5th, 1897. Mr. Chamberlain has said very much the same thing in a letter:—

"The reason why some members of the Opposition professed such anxiety to extend the Act to the agricultural labourers and some other trades which had been omitted by the Government lies in their insidious opposition to the principles of the measure and their scarcely concealed desire to prevent its passage into law."

What are the facts? There was no division on the first reading, second reading, or third reading. In Committee the Liberal party did all they could to extend and improve the Bill, as is proved by the nature of the amendments we have given above (page 132). The Tories, however, affect (absurdly enough in view of the fact just mentioned that the three readings of the Bill passed without division) to regard these amendments as so many attempts to wreck the Bill. Mr. Chamberlain, for instance, said that the effort to include the agricultural labourers was an attempt to wreck the Bill by "members of the Opposition." This, by the way, was a peculiarly unhappy illustration of his point, since the amendment to include the agricultural labourers (although mainly supported by Liberals) was moved in Committee by Mr. Goulding and on Report by Mr. Harry Foster, neither of them "members of the Opposition," but both strong Tories belonging to the party of which Mr. Chamberlain is the "spokesman."

The following parallel, too, is instructive on this point:—

MR. CHAMBERLAIN. (*Committee Stage, June 3rd*, 1897.)	SIR M. WHITE RIDLEY. (*On the First Reading, May 3rd*, 1897.)
"I do not accuse hon. gentlemen opposite of acting as an opposition as a whole—that is to say, as being opposed to this Bill—although certainly their welcome on its first introduction was *anything but encouraging*.	"I have only, I am sure, to express on my own behalf, and on behalf of the Government, our appreciation of the impartial, and I might say *friendly*, spirit in which our proposals, startling and novel as they are, have been received.'

(3) *Easy Insurance or Accident Prevention Act?*—Credit is often claimed for the Compensation Act because it is so easy, cheap, and convenient for an employer to insure out of it. For instance, Mr. Balfour has said:—

"One more advantage it has to the employers, of which, I think, perhaps, sufficient account has not been taken. Under what I have described as the rival scheme, compensation was an absolutely uncertain quantity, dependent upon an accident of a particular jury or a particular tribunal. It was therefore extremely difficult and extremely costly to insure. We have devised a plan by which the *maximum* liability is clearly defined. Therefore an employer will find it easy to insure against it, and will know exactly where he stands in connection with the liabilities incidental to his business; and that, though I do not put it on a par with the moral advantage which I have just described, is a technical and a financial advantage which I think it is very easy indeed to underrate."—(*Manchester, January 10th,* 1898.)

But Lord Salisbury—who said in the House of Lords on July 30th, 1897, that the "great attraction" of the Compensation Act was that it was "a great machinery for the saving of life"—said when discussing Mr. Asquith's Bill:—

"When it is said that the existence of the Act will be a great inducement to employers to prevent accidents, I think those who say so have forgotten how easy it is for employers to protect themselves from the pecuniary results of their accidents by insurance."—(*London, November 24th,* 1893.)

Lord Salisbury in 1893 said that if you could insure against accidents, you did nothing to prevent them. Mr. Balfour in 1898 claimed credit for his Easy Insurance Act, forgetful, apparently, of the fact that Lord Salisbury claimed credit for it as an Accident Prevention Act. In his "Social Programme" speech, too, Mr. Chamberlain's whole contention was that (*a*) the prevention of and (*b*) the compensation for accidents are two things "absolutely distinct."

THE DEPARTMENTAL COMMITTEE'S RECOMMENDATIONS.

On November 16th, 1903, the Government appointed a Departmental Committee "to inquire into the law relating to Compensation for Injuries to Workmen." It consisted of the following members:—Sir Kenelm Digby (chairman), Sir Benjamin Browne, his Honour Judge Lumley Smith, K.C., Captain A. J. G. Chalmers (of the Board of Trade), and Mr. George N. Barnes (secretary of the Amalgamated Society of Engineers).

The terms of the reference directed them to inquire (*a*) what amendments in the law relating to compensation for injuries to workmen are necessary or desirable, and (*b*) to what classes of employments, not now included in the Workmen's Compensation Acts, these Acts can properly be extended, with or without modification. Their Report was published in August, 1904.

The following is a summary (for which we are indebted to the *Times*) of the Committee's recommendations:—

(A.) *Amendment of the Workmen's Compensation Act* (1897).

1. That the sections in the Act relating to the choice of remedies open to the workman be repealed and that, instead, provisions be enacted to the following effect:—

In view of the illegitimate use of proceedings, or threats of proceedings, at common law or under the Employers' Liability Act in order to force settlements, a practice which appears to be on the increase, especially in Scotland, the employers appear to have just cause of complaint. The practice complained of might be effectively stopped, with benefit to all concerned, by a provision enabling employers to apply to the County Court Judge or Sheriff for a stay of any proceedings actually opened and threatened at common law or under the Employers' Liability Act, on evidence that the workman had an adequate remedy under the Workmen's Compensation Act. A plea to this effect might also be made available as a defence to proceedings at common law or under the Employers' Liability Act. If the Court considered that for any reason the remedy under the Workmen's Compensation Act was under the circumstances of the case inadequate, and that there was good ground for proceeding at common law or under the Employers' Liability Act, the application would be refused. Thus it would probably be held a sufficient reason for allowing proceedings under the Employers' Liability Act or at common law to go on if it were shown that the relief provided by the Workmen's Compensation Act was inadequate.

The acceptance or recovery of compensation under a County Court judgment or agreement registered in the County Court should be a bar to any subsequent proceedings, either at common law or under the Employers' Liability Act. These provisions should apply to infants as well as adults. Infants will be adequately protected against improvident agreements by an extension of the control of the County Court over the registration of agreements such as has been already suggested. Proceedings at common law or under the Employers' Liability Act should preclude any simultaneous or subsequent proceedings under the Workmen's Compensation Act. The power to assess compensation after unsuccessful proceedings under the Employers' Liability Act should be repealed.

2. That the last part of the following section, beginning with the words "but if any such fine," be repealed:—

Nothing in this Act shall affect any proceeding for a fine under the enactments relating to mines or factories, or the application of any such fine, but if any such fine, or any part thereof, has been applied for the benefit of the person injured, the amount so applied shall be taken into account in estimating the compensation under this Act.

3. That the section in the Act which provides that notice of the accident shall be given as soon as practicable and before the workman has voluntarily left the employment, and that claim for compensation shall be made within six months of the accident or within six months of death, be amended to the following effect:—

Notice of the accident should be given within six days, unless the Court sanctions an extension of time. Notice of the claim, if not expressly contained in the notice of the accident, should be given within three months of the accident, unless special leave is obtained from the Court.

4. That the section relating to sub-contracting be amended to the following effect:—

The employer's liability as an "undertaker" to persons not in his own immediate employment should continue to be limited to accidents happening on, or in, or about his own works, or any place where he has control of and is carrying on the work. The object of the provision is substantially secured by the section as it stands at present, and in any amendment which is made care should be taken to preserve the existing limitations on the liability of an "undertaker" by reference to the place where the accident happens to the workmen employed by the sub-contractor.

The right of the "undertaker" to indemnity from the sub-contractor should attach in every case where the "undertaker" is bound to pay compensation under the Act to a workman employed by or through his sub-contractor.

With regard to the procedure for the purpose of securing the necessary indemnity, . . . provision should be made enabling the "undertaker" in every case where compensation is claimed from him by a workman of the sub-contractor to call upon the sub-contractor for indemnity by giving him notice of the claim, whether or not proceedings are threatened or probable, and, where necessary, to bring in the sub-contractor as a party to the proceedings for compensation. The workman, if successful proceedings are taken by him, should have his judgment against both "undertaker" and sub-contractor, and under the same proceedings the "undertaker" should obtain an order for indemnity against the sub-contractor. The object should be to make the "undertaker" in effect guarantee to the workman payment of compensation by the sub-contractor and in case of payment either by agreement or by order of the Court to be able forthwith to obtain his indemnity from the sub-contractor. All that can be fairly claimed on the part of the workman is that he should have from the "undertaker" what amounts, in fact, to a guarantee of the compensation payable under the Act by the sub-contractor.

5. That the section which refers to the obligation of the workman to elect between his claim for compensation under the Act and his right to sue a wrong-doer for damages be so amended that his failure in an action against the wrong-doer shall not disentitle him to compensation under the Act, and that if he fail to get compensation from his employer he shall not be precluded from suing the wrong-doer.

6. That the word "undertakers" should be dispensed with and "employers" substituted as the sole designation of the persons liable to pay compensation.

7. That the Act should be extended so as to cover all building operations.

8. That the word "railway" in the Act should include lines and sidings not used for purposes of public traffic, and also tramways.

9. That with reference to "constructive factories" the paragraph in the Act which classes docks as factories should be repealed, and an enactment substituted declaratory of the results of the decisions arrived at by the House of Lords and the Courts of Appeal.

10. That for the purposes of the Act a wharf should be defined as a place for landing or embarking goods or passengers contiguous to water, and employment "on or in or about" a warehouse should be defined as employment "on or in or about" the storage of goods for sale or safe custody by way of trade or for purposes of gain.

11. That the process of loading, unloading, or coaling a ship in any harbour or canal be dealt with as suggested in the following paragraph:—

Instead of the very artificial sense given to the word "factories" in applying it to the machinery or plant used in the process of loading or unloading or coaling, we think might be substituted the words "Employment in the process of loading or unloading or coaling any ship in any harbour or canal."

12. That laundries subject to the provisions of the Factory Act, 1901, should be included in the term "factory."

13. That the definition of "quarry" be amended so as to include all quarries, whether 20 ft. in depth or not.

14. That under the term "engineering," road-making and mending, well-sinking and repairing, and other excavation as well as the construction or maintenance of telegraphs, telephones, and other electric appliances should be included.

15. That the operations of the Act should be extended to include accidents which happen to the workman engaged on the duties of his employment, but not at the place or premises where the employer has superintendence or control.

16. That workmen whose services are lent should be enabled to obtain compensation under the Act.

17-18. That the "dependants" of the workman injured should include brother and sister, and that Scots Law on the meaning of the word "dependants" should be brought into line with the law in England.

19. That special provision should be made in the cases of persons entitled to compensation, whether as dependants or otherwise, who are not resident or cease to be resident in the United Kingdom.

20. That with reference to the employment of aged, infirm, or mained persons amendments should be made to enable the employer to offer work to such persons without incurring undue risk of paying compensation.

24. That in the case of persons under 21 years of age at the date of the injury it should be within the powers of the arbitrator to award compensation not exceeding 10s. a week when the half-wages now payable under the Act are less than that sum.

25. That after the partial recovery of a workman from an accident, when the revived earning capacity has been ascertained, the compensation should be reduced to one-half of the difference between the wages earned at the time of the accident and the wages which can or could be earned in the new employment.

26. That while it is important that the right of requiring the workman to submit himself to medical examination should be retained, it should be provided that this power should not be exercised at intervals of less than three months without leave of the County Court; and that if the workman's own doctor disputes the accuracy of the examination on the part of the employer the decision of a medical referee shall be final.

30. That the lump sum payable by the employer when weekly payment has been continued for not less than six months and settled by arbitration should not exceed £500.

33. With reference to medical referees the committee make the following recommendations:—

The medical referee should be a public official rather than a medical man in practice. He should be remunerated by salary, not by fees. . . . His services should be available in any particular case without

delay. . . . His *status* and salary should be on a scale corresponding to that of the medical officers in analogous positions in the Civil Service. Medical referees under the Act should take their place as members of the permanent Civil Service.

(B.) *Amendment of the Workmen's Compensation Act* (1900).

36. That "habitual employment" by a farmer should be interpreted in accordance with the following suggestion:—

The test should be whether the employer, in addition to the labour of himself and the members of his family, employs throughout the year at least one workman in "agriculture." . . . The liability to compensate should be general, but the employer might exonerate himself from liability on proof that he has worked, and *bonâ-fide* intends to work, his farm without any permanent hand.

37. That the Act should not apply to casual employment in agriculture—*i.e.*, labour by the hour, day, or "a particular job."

(C.) *Extension of Principle of the Compensation Act* (1897).

38. That the principle of extension to special industries or classes of employment should be adopted after consideration of the circumstances of each class.

39. That having regard to the difficulties attending the extension of the Workmen's Compensation Act to seamen, the principle of that Act should be applied to seamen through an amendment of the Merchant Shipping Act, in the direction of making a provision for the seaman and his dependants consequent on death, permanent or temporary, total or partial, disablement, and continued incapacity for work after being landed in the United Kingdom.

40. That with a view to the extension of the principle of the Act to persons employed as fishermen, special inquiry should be made in the case of this industry.

41. That the benefits of the Act should be extended (*a*) to carriers, not including foot carriers; (*b*) To workers in workshops where five or more persons are employed; (*c*) To persons employed in the care or management of horses and locomotives, including farriers.

42. We also recommend that power should be given to the Secretary of State to extend after inquiry the application of the Act to other industries or kinds of employment, subject to the approval of Parliament.

THE AMENDING BILL OF 1905.

In 1905 the Government brought in a Bill to amend the Acts of 1897 and 1900, based on the Departmental Committee's recommendations. It was introduced in the House of Lords, where it passed its second reading on April 4th, and its third on May 29th. Lord Davey's remarks (in the debate on the second reading) on the litigious nature of the Act of 1897 are worth setting forth:—

"I can assure the noble Lord (*Belper*) from judicial experience of the difficulties of that Act, that certain amendments were much needed, and I think that all the Judges who have had the very tiresome task of endeavouring to make sense of the provisions of the Act of 1897 will cordially welcome a Bill for removing some of those difficulties.

"Another reason why I regret that the course I suggest (*i.e., an entirely new Bill*) was not taken is this, that the old Act was not worth

retaining. The scheme of the Act was faulty, and the details crude and not thought out. In many respects it was obscure, and in some respects the sections contradicted each other, and the definitions which were given in the definition clause for the purpose of explaining the meaning of the words frequently overlapped each other, and as frequently left a gap which was not filled up. I do not wonder that the Act of 1897 has had the unenviable distinction of being called the worst-drawn Act on the Statute Book, and that it has led to a greater amount of litigation of serious character than any other Act in the short space of seven years has done. I do not doubt what the noble Lord said, that the actual number of cases litigated, that is to say, which were brought into Court for the purpose of disputing compensation, is not large compared to the number of cases in which compensation has been paid; but the peculiarity of this Act is the character of the litigation it has occasioned, and the fact that the litigation has been caused almost exclusively by the obscurity of its provisions and the contradictory character of its directions."—(*House of Lords, April 4th,* 1905.)

Though the Bill passed through the Lords thus early in the Session, it got no further. In the House of Commons its second reading was begun on June 5th, but was never finished, and the Government did nothing more for it, although Mr. Akers-Douglas had admitted that it was "necessary to amend and extend" the Act of 1897, and had stated (June 5th) that "the working of seven years had shown that considerable amendment was required."

SUMMARY OF BILL OF 1905.

(A.) *Amendment of the Workmen's Compensation Act* (1897).

1. *Choice of Remedies.*—It is provided that a workman "shall not be entitled to take civil proceedings against the employer both under and independently of this Act in respect of the same injury, and a workman who has entered into an agreement as to the amount of compensation . . . shall . . . . be deemed to have taken proceedings under this Act" [I. (4)]; and that where a workman takes proceedings under the Employers' Liability Act (1880) and the employer admits the liability, then, (i.) such proceedings shall be considered as taken under this Act, (ii.) if the court determines that the employer is not liable under the Act of 1880, it shall award compensation under this Act, deducting any costs incurred in its opinion by proceedings having been taken under the Act of 1880 instead of under this Act, and (iii.) the provisions as to appeals under this Act shall apply [1(4)].

2. *Time for Taking Proceedings.*—Notice of an accident must be given in writing within six days of its happening [II. (1*a*)], and a claim for compensation in writing within three months—in the case of death, by the workman's representatives within six months [II. (1*b*)]. Proceedings to enforce the claim must be taken within three months of its being made [II. (1*c*)].

3. *Recovery of Damages from Stranger.*—Under the Act of 1897, when the injury "was caused under circumstances creating a legal liability in some person other than the employer," the workman had to choose between an action for damages against the stranger and

one for compensation against his employer, failure in the action he chose precluding him from recourse to the other. In the new Bill, "the workman may take proceedings both against that person to recover damages and against any person liable to pay compensation under this Act for such compensation, but shall not be entitled to recover both damages and compensation" [VI. (1)], and in the event of the workman recovering compensation under this Act, the person paying it shall be "entitled to be indemnified by the person so liable to pay damages" [VI. (2)].

4. *Detention of Ship.*—On its being shown to a judge of any court of record "that the owner or master of a ship is probably liable to pay compensation under this Act," he may issue an order for its detention [VI. A.]. This provision is one entirely new to the Compensation Acts.

5. *Application of the Act.*—This is dealt with in [VII. (1)], which is as follows (words in italics did not appear in [VII.] of the Act of 1897):—

VII.—(1) This Act shall apply only to—

(*a*) Employment by the undertakers

(*i*) on or in or about a railway, *tramway*, factory, *workshop*, *laundry*, *dock*, *wharf*, *quay*, *warehouse*, mine, quarry, engineering work, *or smithy; or* in or about a building which is being constructed, *altered*, repaired, *decorated or* demolished ; or

(*ii*) *about the business carried on by the undertakers at any such premises, work, or building as aforesaid, but away therefrom, if it is proved that the absence of the workman from such premises, work, or building was due to the nature of his employment at the time of the accident; and*

(*b*) *Employment by the undertakers*

(*i*) *in the process of loading, unloading, or coaling, or in painting or repairing any ship in any harbour or canal* ; *or*

(*ii*) *on or in or about any vehicle or vessel used for the purposes of the trade or business of a carrier of goods or passengers by land or inland navigation; or*

(*iii*) *in the care or management of horses, or locomotives*;

if the employment is not employment included in paragraph (*a*) *of this subsection.*

It will be noted that the ridiculous restriction by which no compensation was awarded for injuries received while working on a building unless it was over 30 feet high is abolished.

6. *Definitions.*—The definitions are clearer and much enlarged. "Railway" and "tramway" include every station and siding of, or belonging to, the railway or tramway. "Factory," "Workshop" (other than a domestic workshop and unless fewer than five persons are regularly employed in it), "Laundry," and "Quarry" are defined as in the Factory and Workshop Act (1901); "Mine" as in the Coal Mines Regulation Act (1887) or the Metalliferous Mines

Regulation Act (1872); and "Ship," "Vessel," and "Harbour" as in the Merchant Shipping Act (1894). "Building" includes the site, and the construction of a building, preparing and laying the foundations. The definitions of the various "undertakers" or employers are similarly widened, while "dependants" of a workman includes his "wife or husband, father, mother, grandfather, grandmother, step-father, step-mother, son, daughter, grandson, granddaughter, step-son, step-daughter, brother, sister, half-brother, half-sister," "wholly or in part dependent upon his earnings at the time of his death, and resident in the British Islands." [VII. (2)].

In the schedules considerable changes are made, one of which may be noted. The Departmental Committee found that the Compensation Act had "largely increased the difficulties of old men in finding and retaining employment" and that the "tendency is for these difficulties to grow." To lessen these difficulties a proviso is inserted in schedule (1) whereby special treatment is secured for a workman (*a*) over 60 years of age or (*b*) suffering from some physical or mental incapacity, who has made an agreement with his employer as to the amount of compensation he shall receive.

(B.) *Amendment of the Workmen's Compensation Act* (1900).

It is provided that the Compensation Act (1897) shall apply to the employment of workmen in agriculture by any employer "unless he proves that he does not regularly employ in agriculture any permanent workman" [I. (1)]. The words following "employer" in the Act of 1900 were "who habitually employs one or more workmen in such employment." The only other change is the addition of the following definition:—

"The expression 'workman' does not include a person whose employment is by the hour or the day, or for a particular piece of work, if the employer proves that the employment was intended to be of a purely temporary nature, nor does it include a member of the employer's family dwelling in his house" [I. (3).]

THE DROPPING OF THE BILL.

The Bill marks a notable advance on the Acts of 1897 and 1900, though it still falls short of Mr. Asquith's great measure of 1894, and is far from securing (what Mr. Chamberlain said eleven years ago was his aim) compensation to "every workman" for "every accident." No credit whatever is due to the Tories for the Bill, the introduction of which was rendered necessary by the Tory rejection of the amendments moved by Liberals to the Act of 1897. Reference to these amendments (see page 132) proves that the chief improvements proposed are simply brought about by their adoption. In 1905 the Tories propose to give the workers what the Liberals would, but for the Tories, have given them in 1897. The Bill is, in fact, merely a measure of what the Tories have deliberately kept the workers out of for eight years. And, as if this were not sufficient delay, the Government, by dropping the Bill, added another year to it. As it was, the Government were never really in earnest about the Bill. Had they meant to pass it, they would

have had no difficulty in doing so, for naturally the Bill, so far as it went, met with general approval. But, lacking alike in intention (must they not be able to say they have still good work to do for the nation?) and in driving power, they did nothing with it after its second reading in the Commons and finally dropped it.

III.—JUDGES ON THE WORKING OF THE ACT.

We give below a collection of judicial dicta on the subject. This collection does not profess to be exhaustive, but it comprises most of the judicial objurgations that have found their way into the principal reports:—

Lord Justice Collins.

"We have, therefore, to find out what is a 'factory.' And to do this we have to trace our way through the most extraordinary legislation."

McNicholas v. Dawson [1899], 68 L.J., Q.B., 475.

Lord Justice Collins.

"The Act of 1897 is drawn in such an extraordinary fashion, and the methods of arriving at its meaning are so complicated, that it is not easy to deal with it on broad grounds of common-sense."

Hennessy v. McCabe [1900], 69 L.J., Q.B., 175.

Lord Justice A. L. Smith.

"A good many instances were suggested during the argument of possibly ridiculous results that may arise under the Act from holding that this arrangement was a scaffolding. I can only say that in my experience of construing the Act during the time we have been engaged in hearing appeals under it, there have been some apparently ridiculous results following from the language of the Act. But here is the Act, and we cannot get away from it."

Maude v. Brook [1900], 69 L.J., Q.B., 325.

Lord Justice Collins.

"It has often been said in this Court that it is impossible to give a decision on this Act of Parliament which shall be perfectly logical and shall involve no anomalies. An arbitrary line has to be drawn somewhere when interpreting this Act."

Lysons v. Knowles and Sons [1900], 69 L.J., Q.B., 453.

Lord Justice Collins.

"I do not think it is possible to give any clear and satisfactory interpretation which will be perfectly consistent with all the provisions of this Act. I have long since come to the conclusion that it is impossible, and therefore I have to make the best guess that I can at what the Legislature must be taken to have meant in the particular sections that we are dealing with."

Powell v. Main Colliery Co. [1900], 2 Q.B., 154.

Lord Justice Collins.

"I am not pressed by the difficulties suggested by counsel for the applicant upon this view of the Act. Having regard to the average difficulties in this Act, it does not seem to me that Clause 1 (*a*) (*i*) presents any extraordinary difficulty at all."

Stuart v. Nixon [1900], 69 L.J., Q.B., 599.

Lord Davey.

"The learned Lord Justice says that the scaffolding must bear some relation to the height of the building, and be such a scaffolding as would be required to construct or repair a building of that height. I think it very likely that the draughtsman had something of that kind in his mind, but I can only interpret the Act by the language which he has used."

Hoddinott v. Newton Chambers and Co. [1901], A.C., 63.

Lord Brampton.

"In endeavouring to arrive at a satisfactory interpretation of this section, one labours under considerable difficulty. The whole statute is full of incongruities. In it so many things are said which could not have been meant, and so many things which must have been meant are left unsaid that one often has great hesitation in even forming a conjecture as to what may have been the views and intentions of its framers."

Hoddinott v. Newton Chambers and Co. [1901], A.C., 65.

Lord Lindley.

"If the omission were designed, it would support such conclusions very strongly. But the first Act is very badly drawn, and it is scarcely safe to rely on the contrast between two definitions."

Hoddinott v. Newton Chambers and Co. [1901], A C., 77.

The Lord Chancellor (Lord Halsbury).

"My Lords, in these cases I think it is impossible not to recognise the fact that the Act of Parliament which your Lordships are called upon to construe is one which from time to time presents difficulties of construction. I am not surprised that the Legislature, having a somewhat difficult problem to solve, has used language which does require consideration to give it its true signification. From time to time it was met in the course of manufacturing this Act of Parliament with difficulties that were sought to be solved by the use of words which were, perhaps, not the best chosen, and which have raised some difficulties in the construction of the Act."

Lysons v. Knowles [1901], A.C., 84.

Lord Macnaghten.

"The word 'average' is used very loosely in the schedule."

"The table of compensation rates is not worked out completely; it is rather sketchy perhaps."

Lysons v. Knowles and Sons [1901], A.C., 94.

Lord Davey.

"My Lords, your Lordships have had before you in the course of the session, and earlier, several appeals on this extraordinarily ill-drawn Act, but I do not know that your Lordships have had one of greater importance or greater difficulty than the one before you. The difficulty really arises from this, that the draughtsman has apparently not worked out the scheme which he had in his head, and it looks very much as if the Act had really been framed from notes of legislative intention, and had not been expanded into the proper language. Cases which have

arisen, and cases which are likely to arise, appear not to have been contemplated, but apparently were supposed to be covered by the general language used in the Act."

Lysons v. Knowles and Sons [1901], A.C., 95.

Lord Davey.

"I do not say it is good drafting—I do not say that it is free from difficulty; but on consideration of all the circumstances I think that that is the proper way of construing it."

Lysons v. Knowles and Sons [1901], A.C., 98.

The Lord Chancellor.

"I admit that the statement of that legislation is somewhat grotesque, but that is what the Legislature has done. The County-court Judge not unnaturally shrank from adopting what the Legislature has done, but I am afraid neither a County-court Judge nor your Lordships' House have any right to criticise what the Legislature has done."

Stuart v. Nixon [1901], A.C., 90.

Deputy Judge Pitt-Lewis, Q.C. **City of London Court, May 25th, 1899.**

"The . . . (*Compensation*) Act was an extraordinary tangle of legislation. It was like solving a conundrum. The statute seemed to have been drawn by a person who had strayed into the land of topsy-turveydom and there acted upon his recollection of the great composition 'the house that Jack built,' but also with the disadvantage of not knowing what he meant. The draughtsman had left the judges to guess at what was meant. The case was a very important one to all employers of labour and workmen, and he hoped it would go to appeal. Even the Court of Appeal hesitated at deciding anything under the Act, and there was no wonder at it, for it was the most wonderful piece of legislation which had ever been enacted."

From the Times, *May* 26*th*, 1899.

His Honour Judge Parry. **Fortnightly Review, July, 1900.**

"The Workmen's Compensation Act, as Serjeant Arabin said of a case he was arguing, 'bristles with pitfalls as an egg is full of meat.' It is a veritable Chinese puzzle of legislation, a legal chaos. A mixture of clauses and schedules enacted by Parliament, supplemented by rules and orders of various departments. . . . But it is not possible to set out at any length the various matters which the draughtsman omitted, misstated, or left balanced in legal language with such vague nicety that the most learned judges have doubted on which side was the greater weight of sense. . . . It would not be possible to give any idea of the snowball of litigation that is rolling up round this one small Act of Parliament. In the Cause List of the Hilary Sittings there were no less than thirty-eight cases on appeal from the county-courts to the Court of Appeal, and it is more than probable that, however the cases are decided, they will add to the burden of those whose business it is to make the Act a working success. It is certain they will cost to the litigants time, temper, and money out of all proportion to any possible beneficial result."

The following observations reported in the Law Reports were not judicial, having been delivered in the course of argument by Mr. Ruegg, K.C., in *Hoddinott v. Newton Chambers and Co.* They pretty clearly sum up, however, the impression made on the average mind by the series of dicta given above.

"The building resembled the Act itself; when brought into use it was found to be faulty, unsound, and dangerous. There is no evidence that the architect of the building was rash, ignorant, or incapable, but without requiring to be pulled down and rebuilt it needed structural alteration. The Act seems to need re-making."

Hoddinott v. Newton Chambers and Co. [1901], A.C., 51

IV.—POINTS AND FIGURES.

Promise v. Performance.

"*He had realised that evening how interesting it was to contrast the boldness of politicians in Opposition with their timidity when they found themselves in power.*"—Mr. Bucknill, M.P. (C) (now Mr. Justice Bucknill), in Debate on Compensation Act, in House of Commons, on May 3rd, 1897.

The Act and "Casual" Labourers.

Does the Compensation Act apply, or does it not, to "casual" labourers? That is clearly an exceedingly important question, for in many trades, in addition to the regular workmen, there are always a certain number who are engaged as "casuals" or to work by the piece. Mr. Sexton, the general secretary of the National Union of Dock Labourers in Great Britain and Ireland, wrote on the matter the following letter to Mr. Chamberlain:—

"As you were the most prominent advocate of the Workmen's Compensation Act now become law, and, I understand, had much to do in the framing of the Act, I would feel extremely obliged if you would explain whether it was the intention of the framers of the Act in question that casual labourers, who include piece-workers, and whose occupations were admittedly within the scope of the Factories Act, are to be excluded from all benefits? I am prompted to ask you this because of the point which is now being raised with respect to members of our trade (which is covered by the Factories Act), and which, if accepted, will exclude at least 60 per cent. of the workpeople for whose benefit the Act was intended. The Judges of the High Court, in the case of *Williams v. Poulson,* though they have not definitely decided the point, have already given an *obiter dictum* to the effect that men casually employed, and not in the receipt of weekly wages, are not within the meaning. A reply at your earliest convenience will oblige."

Mr. Chamberlain's reply (dated November 27th, 1899), through a secretary, was as follows:—

"I am directed by Mr. Chamberlain to acknowledge the receipt of your letter of November 20th, and to say that of course he is not able to give a legal opinion, but that when the Act was passed he certainly had no idea that piece-workers or casual labourers, if engaged in *bonâ-fide* employment, could or would be excluded from the benefits of the measure."

There have been cases in the County-court in which compensation has been refused on the ground that the workman was only a

"casual" labourer, and therefore outside the Act. If this be correct law, Mr. Chamberlain's promise of compensation to *every* workman for *every* accident is further off realisation than ever.

The Act and Tariff Reform.

Mr. Chamberlain has pressed the Act into the service of his case for Tariff Reform. Speaking at Limehouse in 1904, he said:—

"By that Act what is it we do? We put upon the employer everywhere an additional obligation. We add thereby to his cost of production. We put him at a disadvantage with his foreign competitor, who has no such legislation. Now, if we do not make a balance somehow or another, one of two things will happen. Either the working-classes of this country will have to accept lower wages in proportion to the extra cost which has been put upon the manufacturer, or else they will lose their employment. Trade will go to those foreign countries which are not troubled by any of these humanitarian considerations. This attempt of ours to protect the weak, to raise the general standard of living, to regulate the conditions of trade in the interests of the working man—it is very good; but take it to heart. Remember it is inconsistent with Free Trade. You cannot have Free Trade in goods, in the sense in which our opponents use the word, and at the same time have protection of labour."—(*Limehouse, December 15th,* 1904.)

The best comment on this is Sir Charles Dilke's statement on the Home Office Vote in 1905 which shows (1) that, so far from foreign countries having "no such legislation," and "not being troubled by any of these humanitarian considerations," the fact is that in certain directions other countries are ahead of us, and (2) that in the cases where they are not yet on our level we have no right to use the fact against them as capital since we are actually declining to co-operate in international efforts to raise the standard. Sir Charles Dilke said:—

"Would it be believed that our Government had declined all opportunities of co-operating with those Powers which were trying to improve the standard throughout the world? Foreign countries had brought up their legislation very rapidly to our level in the dangerous trades, and as regards the coal mines, France and Germany had gone past this country, and were making the most strenuous endeavours to bring up the backward countries to our and their level. They had brought immense pressure to bear upon countries like Italy and Belgium, in the case of Italy with marked success. . . . The French Government had increased their annual contribution from £200 to £400 a year, and other Governments were now contributing towards the committee that called the Conference together. Our Government alone stood behind, while it was represented by delegates of lesser authority than those of the other Governments. It should have been the duty of Great Britain to take the lead in bringing up the other countries to our level. . . . In the discussion of phosphorus necrosis that took place the first British delegate stated that so successful had this country been in its legislation that there had not been a single case, and then he added that 'my Government has not thought fit to authorise us to sign a treaty.' That sentence contained an absolute veto on the result of the deliberations before the British delegates knew what was to be proposed at the Conference."—(*House of Commons, August 2nd,* 1905.)

THE TEMPERANCE QUESTION.

I.—THE TORY PROMISE.

"I am still inclined to say that the *most urgent* social reform which can be submitted to us is a reform in connection with the promotion of temperance."

Mr. Chamberlain, "Social Programme" Speech, BIRMINGHAM, *October* 11*th*, 1894.

"I have expressed more than once my full approval of the principles involved in Mr. Chamberlain's proposals."

The late Lord Salisbury, Letter dated *January* 14*th*, 1895.

"We want to promote temperance without ruining the publican."

Mr. Chamberlain at NORTH LAMBETH, General Election, 1895 (*July* 9*th*).

"It is not because I believe nothing can be done to make this state of things in our big towns better than it is; it is not that I am not well aware that there is in many cases *a grievous scandal existing to which it is the duty of statesmen to devote attention.* I believe that without doing injustice to anyone, without robbing any man of his property, we might, at all events, reduce very largely the number of public houses where they are altogether unnecessary for the convenience of the population. I believe we might make more stringent regulations against drunkenness, and I believe when we are dealing with men who are drunkards—men, that is to say, who are possessed by the disease, for it is nothing less—we should deal with them with all sympathy, but at the same time as we deal with the sick. We send the sick to a hospital; we ought to send drunkards to a hospital where they can be cured of their evil habits. In these ways, therefore, we can do much to reduce the extent of this great evil, and it is not necessary at the dictation of fanatics and pharisees to interfere with the legitimate liberty of every working man in order to protect the few against themselves."

Mr. Chamberlain at WEDNESBURY, 1895 General Election (*July* 15*th*).

II.—WHAT THE TORIES DID (1895-1903).

1.

Not long after the General Election of 1895 Mr. Walter Long, in a speech to the County Brewers, said:—

"If legislation dealing with licences was to be introduced, those whom he was addressing would be consulted, and he was letting them into no secret when he told them that, for his part, he hoped the opportunity for the consultation would not arise."—(*London, November 5th,* 1895.)

This clearly indicated that in Mr. Long's opinion, at all events, the ideal liquor policy was the policy of doing nothing.

2.

Early in 1896 (February 7th) an important deputation, including eleven Bishops, waited on Lord Salisbury and Mr. Balfour at the Foreign Office from the Church of England Temperance Society. The Bishop of London (Dr. Temple) introduced the deputation, pleading that the opportunity was a most suitable one for attempting to settle the Temperance question, since at that particular juncture the Good Templars, as well as the United Kingdom Alliance, would follow the lead of the Church of England Temperance Society. There was also a gentle reminder that "very much the majority of the members of the Church of England Temperance Society were supporters of the present Government." Lord Salisbury, in replying, began with the ominous words, "I shall not deserve your applause." He proceeded to justify this statement up to the hilt by admitting that he made "an idol of individual liberty" and saying:—

". . . I can only say, and it really seems superfluous to say it, that we deeply respect the motives and understand the high objects which animate those who maintain this movement, but it is a movement on which the deepest feelings are excited on all sides, and the solution of the problems which it raises is much complicated by the fact that the information at our command, both as to what goes on in this country and as to what goes on in other countries, is very limited and very disputed. *For the present year, at all events, we do not feel that there is any probability that we shall have either the time—or the courage—to address ourselves to the more important at least of the questions to which you have invited our consideration this day.*"—(*Foreign Office, February 7th,* 1896.)

Put into other language, this was simply saying that a large majority was much too precious a thing to fritter away just in order to redeem your pledges.

3.

The Government in 1896, redeemed their pledge to legislate by asking a Commission to tell them if there was any need for legislation and, if so, what that legislation ought to be. This Commission consisted of twenty-four members, eight representing Temperance, eight "the Trade," and eight "neutrals."

4.

In the Session of 1898 the Inebriates Act was passed—a useful measure possibly, but only dealing, of course, with an infinitesimal part of the whole question bound up in the Liquor Traffic.

5.

In July, 1899, the Licensing Commission presented two Reports —the Majority and Minority (Lord Peel's). These reports differ, but contain a large number of recommendations in common. (See below.)

6.

Sir Matthew White Ridley (then Home Secretary) said (at a Country Brewers' Banquet) that the subject was too difficult and controversial for a Government with only 130 majority to tackle, and that it would be "judicious" of them to "hesitate":—

"He would be a bold man if he attempted to say anything to them upon the results of the Licensing Commission. It was, of course, his duty to study their report, but he was bound to say that it did not appear to him to be overwhelmingly in favour of immediate legislation. He would be a very adventurous man who, as a result of that commission, said it would be the duty of any Government to hurry on immediate legislation with regard to the licensing question. No one would deny the substantial fact that it was the duty of any Government desirous of improving the condition of the people to do all they could to remedy the evils which all of them admitted to exist. The general principles were agreed upon, but, with all the details upon which they would have to fight in the House of Commons and in the constituencies, with all the most argumentative and contentious points of the subject left undecided, it seemed to him it would be judicious for the Government to hesitate before they attempted to deal with the matters involved in a hurry. He should be the last to wish to underrate the work of the Licensing Commission, and, if it came within the province of the present Government to deal with the matter, he hoped they would find that, as the Chancellor of the Exchequer said last year, it would be dealt with in a judicious and impartial spirit and with the sole view of doing that which appeared to be necessary without damaging the legitimate industries and trades of the country."—(*London, November 8th*, 1899.)

The policy of "judicious hesitation" in touching vested interests is quite intelligible in the Tory party. Possibly a little light is thrown on the subject by a statement made by the late Mr. C. S. Read, a Tory ex-M.P., who, in April, 1899, said:—

"It was said that the last General Election was won by 'Beer and the Bible.' In my humble opinion there was a great deal of beer and precious little Bible."

7.

On May 8th, 1900, the Bishop of Winchester brought forward a motion in the House of Lords, in which he affirmed the desirability of legislation on the recommendations agreed to by all the Commissioners. Lord Salisbury's reply was a most uncompromising "no," in which he flouted the idea that any particular attention need be paid the recommendation of the Commission and insisted on the

need of careful inquiry before any legislation was introduced. He poured contempt on the proposals (1) to restrict the sale of liquor to children (the public-house apparently only becomes "contaminating" when you are over sixteen), and (2) to extend the Welsh Sunday Closing Act to Monmouthshire. *Both these proposals in the Session of* 1900 *received the assent of the House of Commons, whilst the former was, a year later, embodied in an Act of Parliament* (see next page). In fact, Lord Salisbury's speech was not only a refusal to attempt new legislation, but an indictment against all laws in regulation of the Liquor Traffic. For instance he said:—

"You wish to prevent a certain number of people from getting drunk; therefore you are asked to prevent four, five, and six times as many, who are sober consumers, from having an opportunity of the free indulgence to which they have a right."—(*House of Lords, May* 8*th*, 1900.)

(8) THE VAGARIES OF 1901.

Early in 1901 (January 16th) an important and influential non-party deputation waited on the new Home Secretary (Mr. Ritchie), its six spokesmen being:—

Sir Algernon West.	Lord Heneage.	Lord Grey.
Lord Windsor.	The Bishop of Winchester (Dr. Randall Davidson).	Sir John Kennaway.

The deputation urged the need of licensing reform especially in the following four directions:—

(1) of a reduction of licences according to the needs of the district on equitable lines of compensation to be provided by the trade;

(2) of the bringing of all licences within the jurisdiction of the licensing authority;

(3) of legislation in regard to clubs; and

(4) of reconstructing the licensing authority and Court of Appeal.

Mr. Ritchie admitted that the "evil was a great one," but said what the deputation asked was a "formidable request," sure to land the Government into all sorts of trouble. Just as the "Expert" Committee on Old Age Pensions declared that if the workman were only "prudent, self-reliant, and self-denying" he wouldn't want an Old Age Pension, so Mr. Ritchie said that the real way to get Temperance Reform was to aim at Better Housing, Amusement, and Recreation. No one doubts that all these help Temperance, but the evil is one which wants attacking from all sides.

The King's Speech of 1901 announced as one of the measures the House of Commons was to consider, "if the time at their disposal should prove to be adequate," a Bill "for the prevention of drunkenness in Licensed Houses or Public Places." Mr. T. P. Whittaker (L) (Spen Valley) moved an amendment deploring the fact that the measure promised was so partial and inadequate. Mr. Ritchie, however, assured the House that there would be more in the Bill than met the eye:—

"I am afraid I can only assure the House that it is the intention of the Government not to confine the measure to the mere 'chucking out' proposals which have been suggested, but to deal in a large and liberal manner with many of the proposals which have been made in common by the two reports. I think I may fairly ask the House to be content with that assurance on my part, and enable the Government to submit to the House in the usual form the proposals they have to make."—(*House of Commons, February* 20*th*, 1901.)

Time passed on and yet this promised Bill was never introduced. On May 14th, in the House of Lords, the Earl of Camperdown moved the second reading of his Licensing Boards Bill. Lord Belper, on behalf of the Government, would have nothing to do with it. Lord Salisbury added to his plea for "free indulgence" a regret that we have abandoned "free trade in drink":—

"I repudiate as the most dangerous of all fallacies the idea that it is the business of the Government to legislate on the matter when the Government have not stated that any particular measure is in their judgment one that requires the sanction of Parliament. I have my own strong opinion upon this subject; but the matter is not now a Government question, and I do not feel that I am at all justified in attempting to represent the opinion of my colleagues about it. My own opinion is that we have wandered too far from the doctrine of free trade, and we have attempted too much the functions of a paternal Government. We have found, consequently, all the difficulties which usually fall as an obstacle in the way of a paternal Government."—(*House of Lords, May* 14*th*, 1901.)

Lord Rosebery most effectively ridiculed the attitude taken up by Lord Salisbury:—

"What you come to is this: You will not have a Royal Commission, you will not have the report of a Royal Commission, you will not have a resolution, you will not have a big Bill, you will not have a small Bill; and that is the declaration of the head of the most powerful Government of modern times."—(*House of Lords, May* 14*th*, 1901.)

On May 17th two Bills introduced by the Bishop of Winchester (Dr. Davidson)—the Habitual Drunkards and the Licensing Sessions—were considered in Committee. For some time before the Bishops and Archbishops had been preparing us for some great temperance *coup* on the part of the Government. "Some day," said the Archbishop of Canterbury (Dr. Temple) to the National Temperance League on April 29th, "a very important step might be taken suddenly by Parliament, when they did not quite expect it." "The country," said the Bishop of London (Dr. Winnington Ingram) on May 10th, "is within a few hours of a great Temperance victory." It turned out that the "great measure" proposed was not their own measure at all but the Bishop of Winchester's Bill with such alterations as the Cabinet thought desirable. Out of 68 lines of the Habitual Drunkards Bill as introduced by the Bishop, exactly 4½ were left after the Government had amended it. In the end of the day the Bill was dropped by the Government. So ended the Parliamentary history of Temperance Reform in 1901.

(9) THE CHILDREN'S LIQUOR ACT, 1901.

A private Bill brought in by Mr. Crombie (L) (Kincardineshire), the Sale of Intoxicating Liquors to Children Bill, was passed into law, the second reading in the Commons being carried on March 20th, 1901, by 374 to 56 (46 Unionists, 10 Nationalists). The following is the main provision of the Bill:—

Every holder of a licence who knowingly sells or delivers, or allows any person to sell or deliver, save at the residence or working place of the purchaser, any description of intoxicating liquor to any person under the age of fourteen years for consumption by any person on or off the premises, excepting such intoxicating liquors as are sold or delivered in corked and sealed vessels in quantities not less than one reputed pint for consumption off the premises only, shall be liable to a penalty not exceeding forty shillings for the first offence, and not exceeding five pounds for any subsequent offence; and every person who knowingly sends any person under the age of fourteen years to any place where intoxicating liquors are sold, or delivered, or distributed, for the purpose of obtaining any description of intoxicating liquor, excepting as aforesaid, for consumption by any person on or off the premises, shall be liable to like penalties. Nothing in the Act is to prevent the employment by a licensed person of a member of his family or his servant or apprentice as a messenger to deliver intoxicating liquors.

(10) THE LICENSING ACT, 1902.

The King's Speech of 1902 contained an announcement of a measure "for amending the law relating to the sale of intoxicating liquors and for the registration of clubs." The Bill was almost immediately introduced by Mr. Ritchie and read a second time on April 7th without a division. The following is a summary of it in the form in which it was eventually placed on the Statute Book (on August 8th, 1902).

Part I. relates to Amendment of the Law as to Drunkenness. Clause 1 authorises the apprehension of anyone found drunk and incapable in any public place. Clause 2 renders anyone found drunk in charge of a child under seven years liable to a fine of 40s. or a month's imprisonment. By Clause 3 persons convicted of drunkenness may be required to give security for good behaviour, in addition to or substitution for any other penalty. Where a person is found drunk on licensed premises the burden of proving that all reasonable steps were taken for preventing drunkenness is to lie with the licensee. Under Clause 5 the wife of a habitual drunkard may apply for an order under the Summary Jurisdiction (Married Woman Act), and the Act shall apply accordingly. Where the wife is a habitual drunkard the husband many apply for an order, and the Court may make one or more orders containing a provision that the applicant shall no longer be bound to cohabit with his wife, a provision for the legal custody of any children of the marriage, and a provision for a reasonable allowance to the wife not exceeding £2 per week; or, instead of making such orders, the magistrate may, with the consent of the wife, order her to be committed to a retreat licensed under the Inebriates Act. Clause 6 requires that notice of conviction of any person declared to be a habitual drinker under the Inebriates Act shall be sent to the police authority of the area within which the Court is situate, and thereafter a person so convicted shall be liable to a fine of 20s. for a first or 40s. for

any subsequent offence if within the space of three years such person obtains, or attempts to obtain, liquor at any licensed premises or club; and the holder of a licence who knowingly sells or allows the sale on his premises to any such habitual drinker shall be liable to a fine of £10 for a first and £20 for a second offence. Any person who procures, or attempts to procure, drink for consumption by a drunken person shall be liable to a fine of 40s. or a month's imprisonment.

Part II. relates to Amendment of the Licensing Law. Under Clause 9 a record of convictions of licensed persons is to be kept by the Clerk to the Licensing Justices in his register of licences, and if the conviction occurs in any Court whose clerk is not Clerk to the Licensing Justices, he is to send notice of it to the Clerk to the Licensing Justices. Clause 10 gives free and unqualified discretion to licensing justices to refuse or grant off-licences, but in case of existing licences the refusal shall only be on one or more of the grounds on which it might have been refused if this Act had not been passed. Clause 11 gives the Justices control over any alterations made on licensed premises, notice and plan of which are to be deposited with the Clerk to the Justices. Under Clause 12 a justice shall not be disqualified by reason only of his being interested in a railway company which is a retailer of intoxicating liquor. Clause 13 prohibits clerks to licensing justices from acting as solicitor or agents to applicants for licence. Various provisions are made as to the date of licensing meetings, transfers of licences, and occasional licences and notices as to application. By Clause 20, in case of an appeal against the decision of licensing justices, the costs of the Justices are to be paid out of the county or borough funds. By Clause 21 no meetings of justices in petty or special sessions shall be held on licensed premises; nor shall any coroner's inquest be so held wher other suitable premises may be obtained.

Part III. relates to the Registration of Clubs. The Secretary of every club which supplies intoxicating liquor to its members or guests shall have it registered, and the Clerk to the Justices is to keep a register of all such clubs within the division. Every January the secretary of the club is to furnish particulars to the Clerk of the Licensing Justices. Before any new club is opened, a return is to be given of the particulars required by this Act. The penalty for selling liquor on an unlicensed club is a month's imprisonment, or £50 fine. No liquor for consumption off the premises is to be sold in any club. A club may be struck off the register for various reasons, one being that the number of members is less than twenty-five: or breach of any of the regulations or misconduct. Justices may grant a search warrant to the police for a club-house on reasonable ground being shown that it is ill-managed. The penalty for false returns respecting a club is a month's imprisonment or £50 fine.

The late Dr. Temple's comment on the Bill was illuminating:—

"The Bill now before Parliament he did not think a very valuable one, but the fact that a *very, very reluctant Government* had brought in a Bill to do anything in this matter constituted a very decided step in advance and gave good hope that before very long they could be made to take another step."—(*Lambeth Palace, April* 21*st*, 1902.)

The grounds of this "reluctance" were explained in a remarkable speech made in the previous month by the Bishop of St. Asaph:—

"When it was desired to pass a law there were generally a number of people in favour and a number against. When they came to temperance legislation they found on the one side the trade. He did not wish to say one unkind word of anybody, but the trade said that their motto was their

trade before their politics. That meant that the interests of their trade were to override everything. It did not matter whether it was a foreign war, or education, or the franchise, or social emancipation in any direction, the trade must come first. That was the standing principle. The trade was very rich, very well organised, and moved as one solid united mass whenever its interests were in any way assailed. Then what had they got on the other side? There were plenty of temperance bodies and plenty of temperance workers, but he did not know whether he could say they were very rich. He could hardly say they were well organised. He could not look back over the temperance work of this country and say that it represented one mass of people moving, keeping in step together, resolved to achieve one policy—he could not say that that had been the history of the temperance cause. It had been a history of this section wanting to get their way, and that section wanting to get their way, and the result had been little or no progress. It might be natural, just what they might expect where there were a number of voluntary organisations promoting a vast work like temperance. They had different views of the work, while against them was the united trade. What had been the result? The temperance legislation of recent years had been a singularly barren record. There had been very little of what was called 'root and branch' temperance legislation. He had been in Parliament now for some years, and had listened to one debate after another on temperance, and he thought that *the attitude of the present Government on the temperance question was little short of deplorable.* They had a vast majority in Parliament, and what had they done for temperance? He supposed they ought to be thankful for small measures. But what might not the Government have done with that big majority if they had gone in heart and soul for temperance reform. Someone might say, 'That is all very well, but what about the Church? Are not the interests of the Church very much bound up with those who are in power in this country?' He would say in reply what he had said before. If the Church, either in England or Wales, was to depend for the security of her position on her support of the trade, he would have nothing to do with such a thing. They knew very well he was not in favour of disestablishment and disendowment. But he would rather go in for disestablishment and disendowment to-morrow than he would see the Church linked to the trade. He hoped the Church people would bear that in mind when the time came for them to make their influence felt by their votes in the ballot-box. Let them not go for the trade if they wanted temperance legislation. . . ."
—(*Colwyn Bay, March 4th*, 1902.)

(11) MINISTERS AND "THE TRADE" IN 1903.

Early in 1903 the coming into operation of the Licensing Act of 1902 and the non-renewal of licences by magistrates in various parts of the country had together had the effect of concentrating public attention on the licensing question. Where the number of licences had been in excess of the requirements of the district, certain benches of magistrates—not only acting well within their rights but in the bare pursuance of the duty laid upon them by the law of the land, as judicially interpreted in the courts—refused to renew a number of the old licences. In some cases—as at Birmingham—the necessity for this has been obviated by the licensees themselves arranging not to ask for the renewal of licences in districts clearly possessing a superabundant supply of drinking facilities. As might

have been expected, this magisterial action caused considerable perturbation in "the trade"; but what could not have been expected—except, indeed, by those who realise (as does the Bishop of St. Asaph apparently) the full extent of the obligation under which the Tory party lies to "the trade"—was the attitude taken up by the Government in the matter. The leading Ministerial spokesmen were two—the Lord Chancellor and the Prime Minister. The former, notwithstanding the position he holds as a member of the supreme judicial tribunal by which all licensing points of law have ultimately to be decided, thought it proper (on March 16th, 1903) to give in the House of Lords a long exposition of the law in answer to a question by Lord Burton. It may be admitted that the Lord Chancellor's bark proved to be worse than his bite, since what he had to tell Lord Burton was that the magistrates had an undoubted discretion in the matter of renewing existing licences, provided that the discretion was exercised not capriciously, but with due regard to the facts in each particular case.

Mr. Balfour, however, was constrained by no such considerations as clearly weighed with the Lord Chancellor, for the Prime Minister thought it consonant with the high position he holds to regale (on March 18th, 1903) a deputation, said to be representative of all sections of the liquor trade, with a "severe and caustic" "lecture to the magistrates," upon whom he inflicted a "castigation." This description is that of a leading Ministerialist (Mr. E. Beckett at Leeds, March 31st). Perhaps the most amazing passage of an altogether amazing speech, with its reference to the "very serious and, as I think, very unjust strain" on "the Trade," was the following:—

"I do not know that you will expect me to say anything more upon the question of policy, nor have any of you asked me, and I think rightly and wisely, what precise course it is the business of Government to take at the present time. Remember, in the first place, that *quarter sessions may reverse, and I hope will reverse, at all events, the most extravagant of the decisions—if that is the proper word—which have been come to at the Brewster Sessions.* I hope that may be the case; but, putting that contingency out of view, all those whom I am addressing are aware that that is a problem that has only reached its acute stage last month—it certainly never came before me in any prominent way till within a very few weeks. The problem itself is one which is part of that great question which has been the perplexity of Administration after Administration, the battle ground of one party fight after another party fight, and it is impossible that a Government can be asked to deal with a situation thus unexpected, thus novel, thus serious, and thus intrinsically and inherently difficult at a moment's notice. While, therefore, I appreciate the reticence which has characterised all the speakers this afternoon as regards any cross-examination of my colleagues or myself as to the course we think Parliament ought to take in the matter, I hope you will content yourself with the statement that what has occurred appears to us to be in many cases, however well intended, but little short in its practical effect of injustice and confiscation of property, and to that injustice and confiscation of property it is impossible that either Parliament or his Majesty's Government can remain indifferent."—(*Committee Room, House of Commons, March 18th*, 1903.)

We doubt if a more remarkable utterance was ever made by a Prime Minister—he actually invites one set of magistrates who have to act judicially to upset the decision of others. On the motion for the Easter adjournment (on April 8th) Mr. Lloyd-George, in language none too strong, attacked Mr. Balfour for the amazing speech made to "the trade," which (as Mr. Lloyd-George said) constituted a "serious interference with the administration of the law." Mr. Balfour attempted to ride off on the plea that the House of Lords had decided that the magistrates do not technically form a "court of law." He was, therefore, at liberty to say what he liked. "Am *I*, because it so happens that I am in office, to be the only person in the country who is to be required to keep silence on the point?" But, as Mr. Gladstone once said in criticising the present Lord Chancellor, at that time merely an ex-Solicitor-General, "Mistakes pardonable in private persons are scandalous in ex-Solicitors-General." That is precisely the standard to be applied to the Prime Minister.

III.—THE LICENSING ACT, 1904.

Speaking at a "Trade" Dinner at Manchester on October 22nd, 1903, Mr. John Gretton, M.P. (C), said:—

> "With regard to their claim for compensation, he thought they might congratulate themselves that they stood in a better condition to fight their case than they had ever stood before. They had recently gained a most important ally to their cause. They would remember the deputation which waited upon the Prime Minister during the last session of Parliament to put the case for compensation. The response of the Prime Minister was in every respect satisfactory, and the Government of the day was pledged up to the hilt to deal with their case in the coming session of Parliament."

Mr. Gretton proved in the speech here quoted that he knew his Mr. Balfour. In the King's Speech of 1904 a "Bill amending the law with respect to licences for the sale of intoxicating liquors in England" was duly promised. It is almost certain, however, that Ministers framed the King's Speech in the confident expectation and belief that they would only remain in office a few weeks. It was easy enough to redeem Mr. Balfour's pledge by promising a Bill, it was a very different matter when it came to producing it. Time after time Mr. Balfour was asked to say when the measure (which, as a fact, was not in existence) would be introduced. It was an open secret that Ministers were divided upon what the Bill was to be, and it is certain that if they could have avoided the necessity of bringing it in they would have done so. But Mr. Balfour was too deeply pledged, and since the Government managed to survive, the promise to "the Trade" had to be redeemed. Even so it was not until April 20th—eight days after the House reassembled after the Easter Recess—that the measure was introduced by Mr. Akers-Douglas.

As could only have been expected, the Bill was mischievous and retrograde. Mr. Akers-Douglas struck the note of it all by his description of one clause—"as a special safeguard to the Trade." Not by any means for the first time the Tory Government lived up to its professed objects :—

"It is to safeguard and protect the interests of our friends, not only while we are in office, but even in the contingency of our being out . . ."

In their anxiety (intelligible enough) "specially" to "safeguard" "the Trade," the Government entirely overlooked the interests of the community as a whole.

The Act, as finally passed, was in some respects an improvement on the Bill as introduced (notably as to new licences), but the Act has some fundamental and far-reaching defects.

(1) *The Creation of a Vested Interest in the Licence.*—The Act provides that the renewal of a licence shall never be refused (except for the holder's misconduct or for some reason connected with the suitability of the premises) unless the "persons interested" in the licence are compensated. The old law was quite clear. The licence was given for one year and for one year only. That was settled once for all by the well-known case of *Sharpe v. Wakefield*, in which the House of Lords did not create the law but declared what it had always been. Even the Home Secretary, in introducing the Bill, said (April 21st) that "according to the strict letter of the law no one now doubts that the licences are held for a year only." But by the Act "the Trade" are to have a legal right either to have the licence or to be compensated for its loss—for the first time they are to have a legally vested interest in the licences. An annual leasehold is to become a freehold, and property now said to be worth 300 millions will, it is certain, be immensely appreciated in value.

In return for this enormous new endowment, all that "the Trade" is asked to do is to pay an annual amount which cannot be more than a million a year! Further, however urgent it may be in the public interest to extinguish licences, only as many can be refused as there is money to compensate. By making reductions dependent on a fund, the maximum of which is entirely inadequate for the purpose, the Act may well result in fewer reductions actually taking place than have taken place under the previously existing law.

(2) *Disarming the Local Magistrates.*—Before the Act, local magistrates always had the power at brewster sessions of refusing a renewal of licence, while quarter sessions had had only the power of upsetting their decisions on appeal. The Act virtually gives (except in County Boroughs) the whole power to quarter sessions, and reduces the local magistrates to mere reporters of the facts. The principle is that of the Education Acts—to have as little local control as possible. The local magistrates, who know the views and conditions of their locality, will have no power to decide anything, while everything is left to the quarter sessions—a body of magistrates elected by no one, responsible to no one, representative of no one, a body which cannot know in detail the opinions and needs of the various localities.

The majority of the Licensing Commission (including eight representatives of "the Trade") reported in favour of the licensing tribunal being made in part representative by the inclusion of members selected by popularly elected authorities. The majority report recommended that the licensing authority should be a committee of the justices, of which one-third should be members chosen by the County or Borough Council. The minority placed the proportion at one-third. Both reports agreed that in all cases the licensing authority should be a committee with a fixed number. Lord Peel's report favoured the abolition of the appeal to quarter sessions; the Court of Appeal in boroughs to consist of the original licensing authority, with the addition of others nominated half by the Borough Council, half by the Borough Justices—and so for counties *mutatis mutandis.* The Court of Appeal, according to the majority report, to be nominated partly by the County Justices, partly by those of the boroughs it contains. Yet this Tory Act robbed the local justices of important powers in order to transfer them to the non-elective and non-representative quarter sessions.

(3) *The Absence of a "Time Limit."*—A most serious defect in the Bill is the absence of a "time notice" that shall fix a definite date, when all compensation shall cease. Communities desiring to find deliverance from the drink curse move at present in fetters. The intelligent public spirit of such bodies is unable to shape itself in practical acts, because at every turn it is hindered by the assumed rights of the licence-holders. As it stands, the Act endows and establishes the liquor traffic in our midst for generations to come.

SUMMARY OF PROVISIONS OF ACT.

Refusal to Renew Existing Licences.

Hitherto the power to refuse the renewal of an on-licence has been vested in the justices sitting at brewster sessions, with a right of appeal to quarter sessions. In cases where a licence is refused on any ground other than (*a*) the ground that the premises have been ill conducted, or are structurally deficient or unsuitable, or (*b*) grounds connected with the character or fitness of the licensee, the Act transfers the power of refusal from the local justices to the quarter sessions [1 (1)].

If a licence is refused by the local justices on grounds (*a*) or (*b*) they must specify to the applicant in writing their ground of refusal [1 (1)].

If the local justices wish that a licence should not be renewed for reasons not within (*a*) or (*b*) (*e.g.*, that the licence is not wanted for the needs of the locality) they can only report their opinion to quarter sessions, with whom is vested the power of refusing to renew the licence, subject to (*a*) the persons interested in the licensed premises, and (unless it appears to quarter sessions unnecessary) any other persons interested (including the licensing justices) being heard, and (*b*) the payment of compensation [1 (2)].

Thus "the Trade," which before got a licence for one year and one year only, now has a legal right either to have the licence or to be compensated for its loss—*i.e.*, the Act creates a vested interest in the licence.

Compensation.

When a licence is refused, the sum to be paid is to be the difference between (*a*) the value of the licensed premises, calculated as if the licence were subject to the same conditions of renewal as were applicable immediately before the passing of the Act, and (*b*) the value which the premises would bear if not licensed premises. The payment is to be to the "persons interested in the licensed premises" [2 (1)].

In default of agreement as to the amount, that is to be determined by the Commissioners of Inland Revenue in the same manner as on the valuation of an estate for the purpose of estate duty. In case the persons interested do not agree as to their respective shares of the compensation, such shares shall be settled by quarter sessions. In the case of the licence holder regard shall be had not only to his legal interest in the premises or trade fixtures but also to his conduct and to the length of time during which he has been the holder of the licence, and the holder of a licence, if a tenant, shall (notwithstanding any agreement to the contrary) in no case receive a less amount than he would be entitled to as tenant from year to year of the licensed premises [2 (2)].

The funds (if any) for compensation are to be obtained by quarter sessions taxing all licences in the area at rates not greater than, and graduated in the same way as, those set out in the schedule [3 (1)]. The State will collect the money along with the duties on the corresponding excise licence, but the money will be paid over to quarter sessions [3 (2)], who must keep separate accounts of it [3 (4)].

Quarter sessions may, with the consent of a Secretary of State, borrow on the security of the compensation fund [3 (5)].

The area of compensation is to be the quarter sessions district, but such a district may be divided into more compensation areas than one [5 (1)].

Such deductions from rent as are set out in the second schedule may, notwithstanding any agreement to the contrary, be made by any licence holder who pays a compensation charge, and also by any person from whose rent a deduction is made in respect of the payment of such a charge [3 (3)]. Thus, for example, a person whose unexpired term does not exceed 3 years may deduct 82 per cent. of the charge; if the unexpired period does not exceed 24 years, 11 per cent. The amount deducted must in no case exceed half the rent.

New Licences.

The power of the County Licensing Committee to confirm new licences, and any other power of that committee is transferred to quarter sessions [4 (1)].

The justices, on the grant of a new licence, may attach to the grant of the licence such conditions, both as to the payments to be made and

the tenure of the licence, as they think proper in the interests of the public; subject to this, that:—

(*a*) Such conditions shall in any case be attached as, having regard to proper provision for suitable premises and good management, the justices think best adapted for securing to the public any monopoly value which is represented by the difference between the value which the premises will bear, in the opinion of the justices, when licensed, and the value of the same premises if they were not licensed. In the case of hotels or other premises where the profits are not wholly derived from the sale of intoxicating liquor, no increased value arising from profits not so derived is to be taken into consideration.

(*b*) The amount of any payments imposed under conditions attached in pursuance of this section must not exceed the amount thus required to secure the monopoly value [4 (2)].

The justices may, if they think fit, instead of granting a new on-licence as an annual licence, grant the licence for a term not exceeding seven years. In such a case any application for a re-grant of the licence on the expiration of the term shall be treated as an application for the grant of a new licence, not as an application for the renewal of a licence, in the meantime the licence not requiring renewal [4 (3)].

The amount of any payments made for new licences shall be collected and dealt with in the same manner as the duties on local taxation licences within the meaning of the Local Government Act, 1888, § 20—*i.e.*, paid to the County or County Borough Council, and used in reduction of rates [4 (4)].

Areas.

In a *county borough* the power of refusing licences is given, not to the quarter sessions of the county, but to the whole body of justices of the county borough [8 (2)]. The City of London is to be deemed a county borough [8 (3)].

For the purposes of the Act a non-county borough is to be treated as a part of the area of quarter sessions in which it is geographically situate [8 (1)].

Delegation of Powers to Committee.

Quarter sessions *must* delegate their licensing powers relating to new licences and refusal of renewal of licences to a Committee appointed in accordance with rules made under the Act. County licensing committees are abolished.

In a county borough the justices *may* so delegate their powers [5 (2)]. In a non-county borough having a separate commission the Justices of the Peace may appoint an additional member of the county committee, so far as refusing a licence is concerned [5 (5)].

Beerhouses.

The existing rights of a beerhouse, under the Acts of 1869 and 1870, to a renewal of its licence, are repealed, and beerhouses are to be treated in this respect like other licensed premises [9 (3)].

"Ill-conducted" Premises.

If the justices of a licensing district refuse to renew an existing on-licence on the ground that the holder of the licence has persistently and unreasonably refused to supply suitable refreshment (other than intoxicating liquor) at a reasonable price, or on the ground that the holder of the licence has failed to fulfil any reasonable undertaking given to the justices on the grant or renewal of the licence, the justices shall be deemed to have refused the licence on the ground that the premises have been ill-conducted [9 (2)].

Scale of Maximum Charges.

Annual Value of Premises to be taken as for the purpose of the Publicans' Licence Duty.	Maximum Rate of Charge.	Annual Value of Premises to be taken as for the purpose of the Publicans' Licence Duty.	Maximum Rate of Charge.
£ £	£ s. d.	£ £	£ s. d.
Under 15	1 0 0	200 and under 300	30 0 0
15 and under 20	2 0 0	300 ,, ,, 400	40 0 0
20 ,, ,, 25	3 0 0	400 ,, ,, 500	50 0 0
25 ,, ,, 30	4 0 0	500 ,, ,, 600	60 0 0
30 ,, ,, 40	6 0 0	600 ,, ,, 700	70 0 0
40 ,, ,, 50	10 0 0	700 ,, ,, 800	80 0 0
50 ,, ,, 100	15 0 0	800 ,, ,, 900	90 0 0
100 ,, ,, 200	20 0 0	900 and over	100 0 0

The rate of charge in the case of an hotel or other premises to which subsection (4) of section forty-three of the Inland Revenue Act, 1880, applies shall be one-third of that charged in other cases.

THE BILL IN THE COMMONS.

The following were the principal divisions on the Bill in the Commons, the huge majority on second reading being due to the support of the Nationalists, 35 of whom voted for the Bill and 8 against :—

	For.	Against.	Majority.
Second Reading (May 11th) ...	355	198	157
Guillotine Resolution (July 5th) ...	262	209	53
Third Reading (July 29th)... ...	219	130	89

We add a list of the more important amendments opposed by the Government, and in consequence rejected (the numbers include tellers).

Time Limit of Fourteen Years (June 7th).—Colonel Williams's (C) Amendment (to Mr. Ellis Griffith's Amendment) for a time limit of fourteen years. For, 189 ; Against, 308.

Time Limit of Seven Years (June 7th).—Mr. Ellis Griffith's (L) Amendment for a time limit of seven years. For, 194 ; Against, 292.

Exclusion of Tied Houses (June 27th).—Mr. Whitley's (L) Amendment to exclude tied houses from the scope of the Bill. For, 174 ; Against, 271.

Beerhouses Only (June 28th).—Mr. Whittaker's (L) Amendment to confine the operation of the measure to the ante-1869 beerhouses. For, 167; Against, 290.

Refusal of Licences for Undesirable Practices (June 29).—Mr. Herbert Roberts's (L) Amendment providing that local justices should retain the right to refuse renewal of a licence when undesirable practices and methods of trading were carried on. For, 192; Against, 270.

Powers of Magistrates (June 29th).—Mr. Bousfield's (C) Amendment to reserve to the local magistrates the right of refusing renewal of a licence when licensee refuses or has wilfully neglected to comply with their reasonable requirements. For, 148; Against, 216.

Conduct of Licensee (July 5th).—Mr. William Lawrence's (C) Amendment to empower local justices to take into consideration not merely the character but the conduct of his business in the past by the proposed licence-holder. For, 152; Against, 230.

Local Justices and Inquiry (July 6th).—Mr. Henry Hobhouse's (LU) Amendment directing local justices to inquire at intervals into the needs of their district, and to report to quarter sessions as to licences which ought to be renewed. For, 194; Against, 253.

Quarter Sessions as Administrative Bodies (July 6th).—Mr. Duke's (C) Amendment that quarter sessions should act as administrative bodies. For, 134; Against, 196.

Time Limit (July 11th).—Sir William Houldsworth's (C) Amendment that full compensation should only be paid for fourteen years after the passing of the Act, and afterwards be limited to a sum equal to the payments made during the fourteen years. For, 211; Against, 252.

[The following is an analysis of the division on Sir William Houldsworth's amendment:—

No. in House.	*For*	*Against.*	*Absent.*
380 Ministerialists ...	31	245	104
204 Liberals	141	1	62
82 Nationalists ...	39	6	37
4 Speaker and Vacant Seats (3)	—	—	—
670	211	252	203

The following were Ministerialists voting in the minority:

Baird, J. G. A.
Blundell, Col. H.
Bousfield, W. R.
Campbell, J. A.
Corbett, A. Cameron
Cross, A.
Fielden, E. B.
Gorst, Sir J.
Hain, E.
Haslett, Sir J. A.
Heath, A. H.
Houldsworth, Sir W.
Hobhouse, H.
Howard, J.
Johnstone, H.
Kennaway, Sir J.
Lonsdale, J. B.
Maxwell, W. J. H.
Mildmay, F. B.
Pemberton, J. S. G.
Russell, T. W.
Shaw-Stewart, Sir H.
Smith, H. Crawford
Spear, J. W.
Stewart, Sir Mark J.M.T.
Stirling-Maxwell, Sir J.
Taylor, Austin
Tritton, C. E.
Williams, Colonel R.
Wilson, J. (Glasgow)
Wolff, G. W.]

Allotting the Compensation (July 11th).—Mr. C. H. Seely's (LU) Amendment definitely to apportion the compensation between the employees, the occupier, and the owner. For, 183; Against, 286.

Local Authorities and Justices (July 12th).—Mr. Lloyd-George's (L) Amendment that no new licences should be granted until three weeks' notice had been given to the local authority, who might make applications to the Justices. For, 180; Against, 264.

Tied Houses (July 26th).—Mr. Herbert Lewis's (L) Amendment excluding tied houses from the scope of the Bill. For, 112; Against, 201.

Renewal of Licences (July 26th).—Mr. Henry Hobhouse's (LU) Amendment securing that quarter sessions should have full information from local Justices as to any circumstances affecting the renewal or value before deciding whether a licence should be renewed or not. For, 162; Against, 231.

THE TIME LIMIT.

From the point of view of the Temperance Reformer, the great blot on the Act is the absence of a time limit, *i.e.*, the fixing of a date after which no compensation would be payable if a licence were not renewed. But on this point, the Government were "stiff and unduly unyielding" (the phrase is due to the Archbishop of Canterbury). The reason why is best to be found in a speech made by Sir Philip Muntz, the Conservative member for Tamworth:—

"If he were to say what he thought about the time limit he would not be able to confine himself to Parliamentary language. He thought it was one of the most discreditable suggestions that had ever been made in that House. If a time limit were introduced this question would not be disposed of now. It would come up again. The trade was a great power. It would ask who had passed the Bill containing the time limit which robbed it of its premium; and it would answer 'The Unionist Party.' That was why hon. members opposite had introduced the amendment. They had introduced it to create a split between the Unionist party and the trade. The publicans would blame the Unionist party. That was the strongest argument—one of the strongest arguments—against passing the time limit. If the Unionist party did not reject the limit they would suffer, and justly suffer, for having consented to one of the most dishonest suggestions ever made in that House."—*(House of Commons, June 7th,* 1904.)

The closest division in the Commons on the time limit was on Sir William Houldsworth's amendment (see page 45). In the House of Lords, Lord Peel moved the rejection of the Bill on second reading on the ground that the House could not accept "as a satisfactory settlement of the licensing question a Bill which creates a perpetual interest in a terminable licence," but the Bill was read a second time by 142 to 47. Lord Peel, in the course of a memorable speech, said:—

"Why was every licence that existed now to be turned into a vested interest? He would not use the word freehold after what the noble lord and the Prime Minister had said; the Prime Minister in another place had said that it was a great fallacy to talk of a freehold, but his explanation, that the mere fact that the interest did not come to an end did not constitute a freehold, hardly bore out the contention. It did not constitute a freehold,

but an endless continuation of years during which the occupation of a licence lasted appeared, to his unlegal mind, to be something very like a freehold interest. . . . Was it beyond the wit of statesmanship to devise some scheme of time limit by which justice should be done, not only to licence-holders, but to the public? Was it inconceivable to put these licences up to auction—he did not advocate it—or to grant them only for a term of years, or lease, which would abolish all idea of compensation? If the arrangement for a term of years were coupled with high licences it would preserve the monopoly to the public while taking it away from the individual. The fact that the Government had gradually come to recognise the desirability of a seven-year system for new licences cut away the whole ground on which the proposals for perpetuity had been based. In view of the evils which existed, instead of giving a permanent vested interest to present licences, why should they not treat them as if they were monopolies detrimental to the State and harmful to the community? Was it beyond the wit of man to devise a scheme by which the monopoly should come to an end within a reasonable time? He had put down his amendment because no hope was held out of it coming to an end."—(*House of Lords, August 1st*, 1904.)

On August 4th (in Committee) the Archbishop of Canterbury moved the insertion of the following new clause:—

"After the end of fourteen years from the passing of this Act existing on-licences shall not be renewed; but in place of every existing on-licence which is still in existence after the end of such period, there shall be granted at the next ensuing general annual licensing meeting a new licence for the term of seven years, subject to the provisions of section 4 of this Act, but without the imposition of any payment or conditions under sub-section (2) of such section, other than the conditions (if any) attached to the existing licence. Provided, nevertheless, that such licence may be refused on the same grounds and subject to the same terms and conditions as the renewal of the existing licence might have been refused."

This was lost by 126 to 52 (majority 74). The Archbishop of Canterbury thus stated the effect of his proposal:—

"The result of its acceptance would be that for fourteen years the existing licences would run exactly as the Bill proposed, the holder paying the compensation levy the magistrates might decide upon, and receiving compensation if his licence should be withdrawn at any time within the fourteen years. At the end of that time, by which, as he hoped and believed, a great reduction would have been effected and the worst of the houses needing suppression would have been suppressed, there would be a period of seven years—a halcyon period of security during which there would be no power of compulsory withdrawal of licences, and, on the other hand, no call to pay a compensation levy. After that time there would be a new start altogether upon the exact lines which the Government themselves proposed for new licences. The gain would be the ultimate resumption by the community of the monopoly value which that community had given; a great simplification of what was at present an exceedingly complicated system; and the giving back to the community either local or central freedom to make experiments of an important kind in the way of licensing reforms."—(*House of Lords, August 4th*, 1904.)

Lord Salisbury, in reply, simply set up the interests of the trade:—

"It would, in his opinion, tie the hands of Parliament at least for twenty-one years, at the end of that period catastrophe would stare the trade

in the face and all sorts of rearrangements would have to be made in order to try to save something out of the wreck, and it would be too late for Parliament to attempt to interfere."—(*House of Lords, August 4th*, 1904.)

Lord Rosebery said :—

"He was certain that the only way in which they would ever achieve a real temperance reform in this country was by fixing a date at the expiration of which all interest in the licence would be held to be exhausted, and the nation would resume its claim, its absolute dominion, over interests which had been created at the expense of the State, and of no other. He agreed with all his noble friend Lord Spencer said as to the enormous value of the interests embarked in the liquor trade since the decision of 'Sharpe *v.* Wakefield.' This capital, therefore, had been largely invested since an authoritative declaration of the law which no one could mistake. But a second deduction, infinitely more important, was that those interests represented a capital, he would not say which belonged to the State, but which was almost a free gift of the State; and, therefore, was a heritage which the State had alienated. Till the State had resumed the control of that great boon which it had given to a particular interest there could be no real reform in regard to the liquor interest, and the State itself could not resume the revenues which it would draw from this interest, and which were drawn by communities like New York. It could not be denied that the State, or the public, by giving a licence gave very often an enormous profit to the person who held the licence. There were instances of men being offered as much as £18,000 for a licence before they left the hall in which the licence was granted. To whom did that £18,000 belong? As far as he understood the noble marquis opposite, his argument was that there should be compensation for the extravagant prices that had been given for a tied-house because the Legislature did not interfere to prevent an extravagant price being given by private contract; that there should be compensation for the brewery shareholders who had made an unprofitable investment. What was this vast spectacle of compensation the Government held out? It was compensation to every human being who had made a foolish bargain provided only that that foolish bargain was connected with liquor."—(*House of Lords, August 4th*, 1904.)

MR. BALFOUR AND "ETERNAL JUSTICE."

Mr. Balfour's pose throughout was to pretend that the Bill was a great measure of Temperance Reform, and that it was necessary to vindicate "eternal justice":—

"May I ask my hon. friends on this side and hon. gentlemen, if there are any other, on the other side, whose votes still hang in the balance, whether they seriously think that it would be wise in the interests of temperance to destroy a Bill which is going in the immediate future to do a great good because, possibly, fourteen years hence gentlemen opposite who are not agreed upon any of these schemes may perhaps come to some agreement upon an unknown and unforeseen plan not now before us? If we brought in a Bill for municipalisation would they have supported it? They would not. If we had brought in a local veto Bill many of them might have supported it; but they are absolutely divided among themselves as to any alternative to the present system. Surely it would be folly on our part, when we have for the first time within our reach, and almost within our grasp, something which will, without inflicting injustice upon any man, woman, or child in the community, immediately effect a great and beneficent change in our licensing laws and which will not fetter the discretion of

future Parliaments—surely we should be almost criminal in our negligence if we were to add yet another to the many failures which Parliament has already made in dealing with this question. Let us insist, in the course of this Parliament, if we are to carry into effect that which is a practical and effective addition to the temperance forces of this country, it should be that which is not less in favour of temperance and of higher morality in that great branch of national morals because it also endeavours, I hope not imperfectly, to follow the dictates of eternal justice."—(*House of Commons, June 7th*, 1904.)

IV.—THE LICENSING COMMISSION REPORT.

The Commissioners consisted of three parties—eight members of "the Trade," eight of the Temperance party, and eight Independents, with Lord Peel as Chairman. The Temperance party adopted Lord Peel's report in its entirety, and this constitutes the minority report, which is the basis of the volume, and should be read first. The Independents and the "Trade" members coalesced in favour of a very modified version of Lord Peel's report, taking it paragraph by paragraph, and watering down its recommendations and its general tone. Both reports agree upon a substantial minimum, though their most important recommendation—the reduction of the number of public-houses—hinges upon the question of compensation, on which they are hopelessly at variance.

A.—The Points of Common Agreement.

1. *Consolidation and Simplification of the Law* (which is at present contained in more than twenty separate Acts).
2. *Immediate and Extensive Reduction in the Number of Licensed Houses.*
3. *Reconstitution of the Licensing Authority*, by addition of element nominated by elective body (town councils in boroughs, county councils elsewhere), one-half of whole number, according to minority report, one-third according to the majority.

   New Appellate Tribunal, nominated partly by justices, partly by elective bodies, to discharge present functions of Quarter Sessions and Confirming Committee.
4. *Reforms of Administration and Procedure*—
   (1) To mitigate the evils of the tied-house system full powers should be given to licensing authority to call for production of agreements, and to inspect all plans for improvement and alterations.
   (2) They should have notice of all applications for new licences, and have power to impose structural conditions.
   (3) No licence should be renewed to houses under £12 ratable value.
   (4) Justices' clerk to be under same disqualification as justices.

5. *Extensions of Powers of Licensing Authority* —
   All licences at present wholly or partially outside jurisdiction of the authority (including privileged "ante-1869" beerhouses, thirty thousand in number) should be brought within it.
6. *Isolation of the Public House*—
   Public-houses not to be used for inquests, revising barristers' courts, petty sessional courts, common lodging-houses, seamen's lodging-houses, nor (without special licence) for music or dancing.
7. *Sunday Closing*—
   (*a*) To be extended to Monmouthshire.
   (*b*) Power should be given to impose condition of Sunday closing on all licences.
   (*c*) Further limitation of hours of sale on Sunday in England.
   (*d*) *Bonâ-fide* travelling to be more strictly defined, and law as to drinking at railway stations amended.
8. *Increased Stringency of the Law*—
   (*a*) Sale of intoxicants to children under sixteen to be absolutely prohibited.
   (*b*) General power of arrest for drunkenness. If persons found drunk on licensed premises, or leaving them drunk, knowledge of the publican to be presumed unless disproved.
   (*c*) Black list of drunkards and summary of legal regulations to be kept at all public-houses.
   (*d*) Habitual drunkenness of husband to entitle wife to separation order.
   (*e*) It should be an offence to be drunk in charge of a child of tender years.
9. *Police Administration*—
   Persons interested in "Trade" to be disqualified for membership of Watch Committees. Legal assistance to be provided for police. Head constable to be irremovable except by Secretary of State. Officers of high rank to be appointed as special inspectors of licensed houses.
10. *Clubs* —
   All Clubs where intoxicants are sold to be registered, regulated, and supervised.

Lord Peel's report makes a number of special recommendations all tending to greater stringency, but in the same direction. It also recommends the abolition of grocers' licences.

The Points of Divergence.

1. *The Functions of the Licensing Authority—Administrative or Judicial* —
   Briefly—the minority maintain that the justices are a committee, whose duties are administrative, and that they should personally investigate the matters with which they have to deal.

The majority maintain that they are, or should be, a court, and should act as such—that they should not encroach upon the functions of the police, that they should give their decisions judiciously and act upon such evidence as is put before them.

2. *Compensation*—

Lord Peel's report maintains that the claim to compensation rests upon no legal basis whatever. The law is too clear for argument, though, perhaps, it was not till 1892 (the date of *Sharp v. Wakefield*) that it was generally known. For this reason (the weight of which decreases every year), as a matter of grace and expediency, though not of right, some allowances should be made.

The local licensing authority should fix the number of licensed houses required, within a prescribed statutory maximum. Those suppressed in the first year of the Act should, by way of *solatium*, receive seven times their ratable value; those in the second year, six; those in the third, five, and so on. At the end of seven years all claims to compensation to be regarded as extinguished. (The way would thus be cleared for any experiments in local veto or municipal management which the country might feel disposed to try.) The necessary money to be raised by a tax on licences suffered to continue, and, after the seven years, the proceeds to go to the Imperial exchequer.

The Majority Report Commissioners proceed upon a wholly different principle. Whatever may be technically the law as settled by *Sharp v. Wakefield*—

"It is submitted that the expectation of renewal has for a long series of years amounted to practical certainty in the absence of misconduct—the licences refused by the justices because they are not required being an extremely small fraction of the whole number. The licences have consequently acquired an actual and well-recognised value, and many, if not the majority, of the present owners have purchased their licensed houses at prices very largely in excess of the value of the houses themselves without a licence."

The majority, in fact, would give full compensation for all genuine market value.

To carry out their scheme, they suggest that all licences should be at once valued, and that all licences allowed to survive should pay a tax of, says, 6s. 8d. per cent. of their declaratory value. The justices could then reduce the local licences to the extent of the funds so raised. The scheme could be worked in septennial periods, the income of the compensation fund being anticipated by a loan raised every seven years.

Figures are given illustrating the working of the scheme as applied to the County of London, which would seem to show that the limit of possible reduction would be 3 per cent. in seven years.

It is to be noted that both parties agree that any compensation paid should be provided by the surviving licences.

New licences should be advertised for by the licensing authority when, in their judgment, they are required. They should be tendered for, and should pay a substantial rent. At the end of seven years all claims to renewal should be regarded as extinguished.

There are various reservations and qualifications made by individual commissioners.

Local Veto and Municipal Control.

On the question of Local Veto the majority report says: "We are not satisfied that there is at the present time a general desire for the power of local prohibition by plebiscite, and we do not advise the adoption of any of the plans for this purpose which have been submitted to us." The Minority Report Commissioners discuss the proposal at greater length and with more sympathy, but, with five exceptions, come to substantially the same conclusion. After setting out the arguments for and against, they say—

"We have no evidence before us that public opinion in England, whatever it may be in Scotland and Wales, is at all strong enough to justify such a measure. We must recognise the fact that most people still regard alcoholic liquor as an ordinary article of diet, which is only harmful if taken in excess. It would be rash to predict the course of public opinion during the next decade, but since, in any case, local veto could not be tried until the seven years to be allowed for reduction had expired, it might be well to postpone any decision as to its adoption or otherwise until that period of transition has expired.

"In Scotland and Wales, however, the case is different. There opinion is very much more advanced on the path of temperance reform; and we are prepared to suggest that at the end of the given period a wide measure of direct popular control might be applied, under proper safeguards, to Scotland and Wales."

With regard to municipal management the majority reject it summarily, even as an experiment. The minority, while recognising that it has many attractive features, point to the dangerous facilities which it offers to corruption.

"The connection of the municipalities with the liquor trade, as illustrated by the working of Watch Committees, has not been in the past a matter of congratulation."

At the same time they observe that what the actual results of the system would be only experience can tell.

Scotland and Ireland.

Each report deals separately with Scotland and Ireland, and their recommendations are adapted to the respective needs and conditions of the two countries. The part of most general interest is that the minority report recommends the extension of Sunday closing in Ireland to the five exempted cities, while the majority report contents itself with suggesting a further curtailment of the hours of opening.

THE HOUSING OF THE WORKING CLASSES.

I.—THE TORY PROMISE.

A.—1895.

"We want to clear away those nests of disease and crime which exist in all our large cities, and where people are herded together under conditions which make comfort and health, and even proper living, entirely impossible; and for that purpose I think it to be necessary to extend the principle of the Artisans' Dwellings Act. . . . However good was the principle of the Act, it has not been largely availed of, and the reason is the excessive cost of carrying it into effect. That is due to the fact that it is confined to so limited an area that, when it is adopted, the cost falls upon the community, but the profit goes to the neighbouring landlords and occupiers. . . . What I propose . . . is that the local authorities should have in all cases power to take whatever land they require for the purpose of improvement at a fair price; that they should be able to combine a great city improvement—the widening of streets and the making of squares, and so on—with sanitary reconstruction; and in this way the value of the improved property will go to the Corporation, and will go far to compensate for the cost of the sanitary work."

Mr. Chamberlain, Social Programme Speech,
BIRMINGHAM, *October 11th*, 1894.

"We believe that much yet remains to be done for the better housing of the people. . . ."

The Duke of Devonshire, DARLINGTON,
General Election 1895 (*July 8th*).

"The better housing of the working classes, the encouragement of freehold occupancy, are some of the subjects on which the labour of a Unionist Government and of the Unionist party may well be expended. In respect to them all something, in respect to some of them much, may, I believe, be done. . . ."

Mr. Balfour, 1895 Election Address in
EAST MANCHESTER.

". . . . The condition of the aged poor, the housing of the working classes . . . these are among the questions to which the new Government will direct their attention."

Mr. Austen Chamberlain, M.P.,
1895 General Election Address in
EAST WORCESTERSHIRE.

B.—1900.

"If you observe that the villas outside London are the principal seed-plots of Conservatism, I am afraid that if you look carefully you will find that such Radicalism as still remains attaches to those districts of London, unfortunately still too large, where what is called the great question of the housing of the poor is living and burning. I would recommend this, that there is no surer guide to the Conservative party in trying to maintain and to improve their hold over public opinion in London than that they should devote all the power they possess to getting rid of that which is really a scandal to our civilisation—the sufferings which many of the working classes have to undergo, in the most moderate, I might say the most pitiable, accommodation. . . . I would only ask you to bear in mind that you must not allow yourselves to be frightened away from the remedies for social evils by the fact that they are made a cover or pretence for attacks upon property and other institutions. You must repel these attacks, but at the same time you must not allow your attention to be diverted from the stern necessities which the vast social changes of our time are imposing upon all who cherish the prosperity of this country."

Lord Salisbury at HOTEL METROPOLE (National Union of Conservative Associations), *December* 18*th*, 1900.

II.—WHAT THE TORIES HAVE DONE.

It will be noticed that Mr. Balfour in his 1895 election address promised legislation on two distinct subjects:—

(1) The encouragement of freehold occupancy.
(2) The better housing of the working classes.

The two subjects were—very properly—treated as distinct; of the two the latter is vastly the more important. Vast numbers of workmen want to be "mobile" (to use a war phrase), and therefore could not usefully become owners of their houses; but everyone ought to live in a decent dwelling.

THE SMALL HOUSES ACT, 1899.

For the creation of the workman freeholder the Small Houses (Acquisition of Ownership) Act was passed in the Session of 1899. Local Authorities are by this Act empowered to advance money to residents within their area for the acquisition of houses. The advance must not exceed four-fifths of the market value of the ownership, nor £240; or in the case of a fee simple or leasehold of not less than 99 years unexpired at the date of the purchase, £300, and not for the acquisition of a house which, in the opinion of the local authority, exceeds £400 in market value. The money must be repaid within 30 years. The local authority is the Council of a county or a county borough. But the Council of an urban or rural district may adopt it by resolution, subject, in case of the Council of a district of less than 10,000 inhabitants, to the consent of the County Council.

The Act does not deal with the real difficulty in the towns—namely, the housing of the poor. Mr. Asquith said:—

". . . . I cannot help saying in the strongest and most emphatic language that I deeply regret the Government have not taken the opportunity of going to the real crux of the problem of the housing of the poor. . . . The real difficulty you have got to contend with is . . . twofold. In the first place, the local authorities have not compulsory powers, or have not got them to the extent they ought to have; and, in the second place, they have not got the power to obtain that new reservoir of taxation for local purposes which consists of the rating of ground values."—(*House of Commons, April 17th,* 1899.)

All that Mr. Chamberlain could say on this point was:—

"It may be we are modest, but we are content in doing things in our own little way. . . ."

What unfamiliar humility! The truth is that the Act was passed, not so much because of any public demand for it, but in order, by passing it, to make out that something has been done towards passing the Social Programme.

In answer to Dr. Macnamara who, in 1905, asked for particulars as to the applications made to local authorities in England and Wales for loans for the purpose of acquiring the ownership of small dwelling houses, under the Small Dwellings Acquisition Act of 1899, Mr. Gerald Balfour said:—

"As regards London, I am informed by the London County Council that the total number of applications received by them during the years 1900-4, inclusive, was thirteen, and the total amount advanced was £1,500. As regards the rest of England and Wales, the only information in my possession relates to cases of applications made by local authorities to the Local Government Board for sanction of loans. The total number of these applications for the years referred to was eighty-two, and the total amount sanctioned was £74,244."—(*House of Commons, July 27th,* 1905.)

This means that, on a liberal estimate, some 300 small houses have been purchased by workmen—a sufficiently ludicrous result, in five years, of an Act that was to work so great a social revolution.

BETTER HOUSING.

THE ACT OF 1900.

By the Government measure passed in 1900 the only changes of any importance made are:—

(1) In town districts local authorities are to be allowed to buy land outside as well as inside the area they govern.

(2) In country districts the County Council, instead of the District Council, may, if it is willing, build cottages.

And apart from some very small alterations in the law this is all that it does! The Liberals in the House of Commons tried hard to improve the Act.

(1) Mr. Pickersgill's amendment to allow local authorities to buy land when the price is favourable and hold it for future needs.—Defeated by 204 votes to 132.

(2) Mr. Channing's amendment that the sum paid for land acquired compulsorily for building purposes shall be the fair price without the additional 10 per cent.—Defeated by 151 to 78.

(3) Mr. Hazell's amendment to allow loans raised for buying land, to be repaid by instalments spread over 100 years, and loans raised for building by instalments spread over seventy years.—Defeated by 141 to 69.

(4) Sir Walter Foster's amendment to allow an acre of garden land, if desired, to be attached to cottages built in villages instead of only half an acre.—Defeated by 130 to 80.

1900-1903.

On February 13th, 1901, Mr. Long told a deputation of working men that "this question of the Housing of the Working Classes is more pressing and more important than most of the social problems with which we are confronted." When, however, a month later (March 8th), Lord Portsmouth raised the question in the House of Lords, Lord Salisbury said that the Government could do nothing—"two things are necessary: one is time and the other information." This exceedingly helpful information was the Government's contribution to the solution of the question in 1901.

In 1902 the question was raised on the Address, when Mr. Long (on January 17th) was induced to promise to appoint a Parliamentary Committee (which he did) to consider the length of the period for the repayment of loans contracted for housing purposes. This Committee reported in favour of extending the period from 60 to 100 years.

In 1903 an interesting and significant debate took place on Dr. Macnamara's amendment to the Address (on February 18th), opinion on both sides of the House being practically unanimous in regretting that the King's Speech contained no promise of legislation. Mr. Claude Hay (C), for instance, said:—

"Hon. members, upon whatever side of the House they sat, had reason to complain of his Majesty's Government in respect of their attitude on this question. That complaint was not confined to the lack of promises of legislation, but extended to the administration of the law as it stood at present. The local Government Board did not act as a stimulus either to local authorities or to any other parties concerned in the administration of the Public Health Acts and the Housing Acts, nor was the experience which was gained of housing schemes in one quarter utilised in another."—(*House of Commons, February 18th*, 1903.)

Mr. Long had, in fact, to promise "to introduce some modest proposals," including one as to the extension of the term of the repayment of loans. It was freely admitted that the Small Houses Act of 1899 and the Housing Act of 1900 had practically done next to nothing, Sir John Gorst saying:—

"The two measures which had been mentioned by the hon. member for Camberwell had not been very effective. He had no doubt they were promoted and carried through with the very best motives. But in all these matters there must be a good deal of experimental legislation, and he did not think it was anything derogatory to the Government to admit

that they had made the attempt and that it had not proved a success. That was no detriment to the Government provided they proceeded to try again; and he hoped that even now, although the question was not mentioned in the King's Speech, they would receive an assurance from the Government that during the present Session this matter would be dealt with."—(*House of Commons, February 18th,* 1903.)

THE ACT OF 1903.

The Bill promised by Mr. Long was introduced in July and became law before the end of the Session. The following is a summary of its principal provisions:—

The period of repayment of loans is extended from sixty to eighty years, a discretion being reserved to the Local Government Board as to particular cases. The period of eighty years to apply to loans for the purchase of freehold land, but a shorter period, according to the discretion of the Department, to be applied to loans for buildings.

By Order in Council are to be transferred to the Local Government Board the duties which are under the present law divided between the Home Office and the Local Government Board. Where rehousing obligations are cast upon local authorities or individual owners, the Standing Orders which now have to be inserted in each individual Bill are made applicable to all cases under the Housing Acts. The central authority is empowered to act where the local authority fails to move when a recommendation has been made by the medical officer of health. If an order proposes to take land by compulsion and no owner concerned objects, that order is to have the effect of a Provisional Order or Act of Parliament without any further procedure. But if there is any objection, the order is to follow the ordinary course of a Provisional Order Bill and to receive the assent of Parliament. The Local Government Board is also invested with power to modify schemes presented by local authorities. Up to now the Department possessed no such power, and the absence of it frequently tended to great delay and difficulties.

The powers with regard to closing orders are strengthened, and the difficulties which now exist with reference to cases of demolition of condemned buildings are dealt with. Up to now the cost of the demolition of condemned buildings sometimes made it impossible for a local authority to proceed in the matter, and the local authority is now given the power to recover from the owner the excess of cost after the sale of materials as they would recover a civil debt. The local authority is also placed in the position of a landlord in cases of condemned buildings or buildings taken over by the local authority. The absence from the local authority of the powers of a landlord to eject has often proved a serious difficulty at present, and the Act invests it with these powers of eviction. Power is also given under the Act to local authorities to provide shops as a part of the provision of dwelling or lodging accommodation.

THE EXCLUSION OF ALIENS.

I.—THE TORY PROMISE.

"I say that every trade in the country, every workman, directly or indirectly, is interested in this matter. I hold that the Government ought to take powers—the extent to which they put these powers in force is a matter for subsequent consideration. Every foreign Government, or almost every foreign Government, has done so; and, mark this, that if the practice of these foreign countries become more stringent, we may have what is already an evil until England will really be the dumping ground of Europe. We might as well in that case advertise that 'Pauper labour may be shot here.' Well, I quite appreciate the sentiment which has led many people to deprecate the refusal of hospitality to these poor people, who no doubt are deserving of compassion; but, after all, our greatest duty is at home, and when our household becomes so large as it is becoming at present, I think that we have no room for guests, especially when they are rather of an undesirable character, and I will go further, and say that it is no kindness to these people themselves to induce them to bring their poverty and their labour to these shores, where there is no market for it, and where they can only live by destroying the livelihood of some of our own people."

Mr. Chamberlain's Social Programme Speech,
BIRMINGHAM, *October* 11*th*, 1894.

"We shall attempt to deal with that immigration of destitute aliens, very often of an undesirable character, who now flood certain industries in this city, and interfere with and destroy employment which otherwise would be given to our own people."

Mr. Chamberlain at NORTH LAMBETH,
General Election 1895 (*July* 6*th*).

8. The exclusion of pauper aliens."

Mr. Balfour's EAST MANCHESTER Election Card,
General Election 1895.

"The immigration of pauper aliens . . . (*is*) a question of pressing importance."

Mr. Ritchie, 1895 Election Address at CROYDON.

"Measures dealing with . . . the unfair competition caused by the importation of pauper aliens . . . will command our warm sympathy and support."

Mr. Walter Long, 1895 Election Address at
LIVERPOOL (WEST DERBY).

II.—WHAT THE TORIES DID, 1895-1904.

THE TORY RECORD, 1895-1902.

1896.—Bill promised in Queen's Speech. Mr. Arnold White, a Unionist who is particularly anxious that the "importation" of aliens should be put a stop to, wrote to Lord Salisbury in March to ask "if the rumour were true that no one in the Government really cared about the question, and that it was merely utilised as a means of obtaining electoral support at the polls last July." Here is Lord Salisbury's reply:—

"I am very anxious to pass an Alien Immigration Bill, and I believe that it would be valuable and much demanded by the working classes in many districts. But I am assured that the position of business is so unpromising in the House of Commons that it is of very little use to bring it forward at present. I think we shall have to wait till more pressing matter is cleared away."

It may be remembered that Lord Salisbury was pledged up to the hilt in the matter, since in 1894 he attempted to get a Bill passed to exclude not only pauper but also political aliens.

1897.—Mr. Lowles, an East End Tory member, moved an amendment to the Address. Mr. Ritchie admitted the Government pledge and was profuse in his promise of future performance:—

"He could assure his hon. friend that the Government was quite alive to the evils which existed in the district where those people settled down, and he quite understood that the working classes felt very keenly on this subject. *The demand for legislation was great.* . . . The Government did not desire to depart one iota from the pledges they had given. . . . The Government adhered to every pledge they had given, and hoped at no distant time to propose to Parliament legislation in the direction desired."—(*House of Commons, February 9th,* 1897.)

1898.—The Queen's Speech was again silent on the subject, but the Earl of Hardwicke came to the rescue of the Government by introducing a Bill in the House of Lords. The Bill was supported by the Government and consequently read a second time, but the case made out for it by its supporters was ludicrously inadequate. The Earl of Hardwicke explained that "pauper" aliens ought to be excluded because they were in the habit of paying a higher rent than our own working people! He gave some figures with regard to aliens, but did not in any way deal with "pauper" aliens. Lord Salisbury took his favourite ground—that of saving the rates:—

"The rates are hard enough as it is. I know no more helpless, no more pathetic figure in our present community than the English ratepayer. Boards have been called into existence whose chief duty appears to be to pile new burdens on his shoulders, and his inability to combine is so great that he is at the mercy of every spoiler. The rates are rising and rising, and many philanthropic members of the community think there is no better way in which they can spend their time than by discovering new modes by which new rates can be laid upon him. I wish, at all events, to save him from a burden which he ought not to bear He

ought not to bear destitution which has its origin in foreign lands, and which is due to the social and political government of those lands." —(*House of Lords, May* 23*rd*, 1898.)

Of course some of the aliens come on to the rates, since they are nearly all of the working class, but no evidence was produced to show that a larger percentage of aliens are rate-supported than of English folk. The Bill passed the House of Lords, but it was never heard of again and nothing was done.

1899.—*Nil.*

1900.—No reference in the Queen's Speech. Confronted by Sir Howard Vincent, who demanded the reason why no legislation had been introduced to exclude aliens, Mr. Ritchie said:—

"The reason is that the House has been engaged in other business." —(*House of Commons, July* 8*th*, 1900.)

What could be more convincing? You entrust your solicitor with a certain sum of money for investment. Later on you come and ask him why he has not invested it in your name. "The reason," he replies, "is that the money has been spent in other ways."

1901.—*Nil.*

1902.—No reference in the King's Speech. On January 28th Major Evans-Gordon, the Tory member for Stepney, moved an amendment to the Address, in the course of which Mr. Gerald Balfour said a "further inquiry into the facts" was necessary—inquiry in 1902 in a matter as to which a definite pledge was made in 1895! In March, 1902, a Royal Commission was accordingly appointed of the following members:—

Lord James of Hereford (Chairman).
Lord Rothschild.
Hon. Alfred Lyttelton, K.C., M.P.
Sir Kenelm Digby (Under-Secretary of State for the Home Department).
Major W. E. Evans-Gordon, M.P.
Mr. Henry Norman, M.P.
Mr. William Vallance (late Clerk of the Guardians at Whitechapel).

The terms of reference were as follow:—

"To inquire into and report upon:—

"(1) The character and extent of the evils which are attributed to the unrestricted immigration of aliens, especially in the metropolis.

"(2) The measures which have been adopted for the restriction and control of alien immigration in foreign countries and in British Colonies."

THE ROYAL COMMISSION REPORT, 1903.

The above Commission reported in August, 1903.

The Commissioners state that the number of alien immigrants who have during the last 20 years entered the country is much in excess of those who had in previous years reached us.

The Commissioners do not think that any case has been established for the total exclusion of such aliens, and it would certainly be undesirable to throw any unnecessary difficulties in the way of

the entrance of foreigners generally into this country. But they hold that in respect of certain classes of immigrants, especially those arriving from Eastern Europe, it is necessary in the interests of the State generally, and of certain localities in particular, that the entrance of such immigrants into this country and their right of residence here should be placed under conditions and regulations coming within that right of interference which every country possesses to control the entrance of foreigners into it.

But the Commissioners think that the greatest evils produced by the presence of the alien immigrants here are the overcrowding caused by them in certain districts of London, and the consequent displacement of native population. They hold that special regulations should be made for the purpose of preventing aliens at their own will choosing their residence within districts already so overcrowded that any addition to dwellers within them must produce most injurious results. The Commissioners are further of opinion that efforts should be made to rid this country of the presence of alien criminals and other objectionable characters.

Recommendations.

The following were the principal recommendations made:—

1. That the immigration of certain classes of aliens into this country be subjected to State control and regulation to the extent hereinafter mentioned.

2. That a Department of Immigration be established—either in connection with the Board of Trade and Local Government Board or of an independent character.

3. That improved methods be employed to secure correct statistical returns relating to alien immigration.

The Immigration Department to have the power of making and enforcing orders and regulations, which may be made applicable to immigration generally, or to vessels arriving at or from certain ports, or to certain classes of immigrants.

Power should be conferred upon the officers of the Department to make such inquiry as may be possible from the immigrants upon their arrival as to their character and condition, and, if such officer shall have reason to think that any immigrant comes within any of the classes mentioned as "undesirables"—viz., criminals, prostitutes, idiots, lunatics, persons of notoriously bad character or likely to become a charge upon public funds, he shall report the case with such particulars as he can give to the Immigration Department.

Any alien immigrant who, within two years of his arrival in this country, is found to be an undesirable or shall become a charge upon public funds, except from ill-health, or shall have no visible or probable means of support, may be ordered by a Court of summary jurisdiction to leave this country, and the owner of the vessel on which such immigrant was brought to this country may be ordered to reconvey him to the port of embarkation.

Overcrowding.

That every effort should be made to enforce with greater efficiency the existing law dealing with overcrowding, and that increased power should be obtained for certain purposes, especially with the object of

bringing all dwellings within specified areas under the operation of the by-laws made under the powers of the Public Health Act.

If it be found that the immigration of aliens into any area has substantially contributed to any overcrowding, and that it is expedient that no further newly-arrived aliens should become residents in such area, the same may be declared to be a prohibited area, and immigrants to be informed thereof at their port of debarkation.

All alien immigrants (not transmigrants) coming from and arriving at certain ports to be registered.

If within two years after an area is declared to be prohibited any alien who has arrived in this country after such declaration shall be found resident within such area he shall be removed therefrom, and shall be guilty of an offence.

Upon conviction of any felony or misdemeanour, upon indictment, the Judge may direct as part of the sentence that the alien convicted shall leave the country. If such direction be disobeyed, the alien may, on summary conviction, be punished as a rogue and vagabond.

That further statutory powers should be obtained for regulating the accommodation upon and condition of foreign immigrant passenger ships.

Minority Reports.

Dissenting memoranda, signed by Sir Kenelm Digby and Lord Rothschild, were appended to the Report.

(*a*) Sir Kenelm Digby is of opinion that further consideration of what steps are practicable is required. He thinks that a distinction should be drawn between the cases of persons mentally or physically unfit, a condition which is more or less capable of being ascertained on board ship or at the port of arrival, and persons of criminal or bad character where the facts are less easily ascertainable. He regards as futile any attempt to find a remedy for the evil entailed by the last class. He says:—

"It appears to me, therefore, that the true conclusions to be drawn from the evidence are: (1) That in the East End of London the powers given by the Legislature have never yet been fully exercised; (2) that, if they were exercised to an extent which is reasonably possible there is no reason why, notwithstanding the influx, overcrowding should not be brought under effective control; (3) that by a thorough and uniform administration of the existing law the object aimed at in the recommendation of preventing newly-arrived aliens adding to the overcrowding conditions of a district already full would be attained more effectively than by the method suggested of declaring certain areas to be prohibited. There would be the additional advantage that no novel or expensive machinery would be required beyond, what appears necessary, some addition to the number of inspectors. I also think there are not sufficient reasons for the establishment of a separate department of immigration. It is found that the main evil to be remedied is of a local character, and it might, in my opinion, be dealt with by the existing public departments."

(*b*) Lord Rothschild adds the following memorandum:—

"In signing the report of the Commission, I desire to say that I entirely concur with the reservations so ably expressed by Sir Kenelm Digby, with regard to the proposed prohibition. I think it right to add that in my opinion the proposal to proscribe any area as overcrowded

involves much larger issues than does the mere fact that alien immigrants contribute to its overcrowding. Such a policy would have far-reaching effects, one of which would certainly be a discouragement to local authorities to solve by the erection of superior buildings the all-important housing question. In the report of the Commission stress is laid upon the inaccuracy of the census returns, more especially those relating to the East End of London. I would point out that, though the particular care which was given to their compilation at the recent census would justify a reliance upon their accuracy, other sources of information in respect to the number of English and alien Jews now resident in the administrative County of London exist. Calculations derived on the one hand from the birth and death rates, and on the other from statistics provided by the Board of Trade, prove incontestably that very many 'not stated to be *en route*' proceed to America or elsewhere across the sea; while some undoubtedly settle within the provinces. They show that the native and alien Jewish population in London does not exceed 110,000 souls. I am opposed to the adoption of restrictive measures, because, even if they are directly aimed at the so-called 'undesirables,' they would certainly affect deserving and hard-working men, whose impecunious position on their arrival would be no criterion of their incapacity to attain to independence. The undoubted evil of overcrowding can, in my opinion, be remedied by less drastic measures."

THE ALIENS BILL, 1904.

The nine-year-old pledge of the Government to deal with the question was at last redeemed by the introduction of a Bill by Mr. Akers-Douglas on March 29th. The following is a summary of the Bill:—

The Home Secretary to be empowered to make regulations with regard to the landing of aliens. An alien to be capable of being kept out—

(*a*) if he proves to be in any of the following categories:—

Persons who have within five years been convicted in any foreign country of any crime which is an extradition crime within the meaning of the Extradition Act, 1870.
Prostitutes.
Persons living on the proceeds of prostitution.
Persons who are liable to become a charge upon the public funds.
Persons having no visible means of support.
Persons of notoriously bad character.

(*b*) is suffering from any infectious or loathsome disease, or from any mental incapacity; or

(*c*) refuses to furnish the prescribed certificates, particulars, or means of identification.

An alien might be sent out of the country at any time during the first two years of his residence in the country if he was in any of the following categories:—

Persons who have within five years been convicted in any foreign country of any crime which is an extradition crime within the meaning of the Extradition Act, 1870.
Persons of notoriously bad character.
Persons who have at any time within twelve months before the representation is made been in receipt of any such parochial relief as disqualifies a person for the Parliamentary franchise.

An alien convicted of certain classes of offence might, as part of the punishment, be ordered to leave the country on the expiry of his term of imprisonment.

THE SECOND READING.

The measure came up for its second reading on April 25th, when Sir Charles Dilke, seconded by Mr. Charles Trevelyan, moved the following amendment:—

"That this House, holding that the evils of low-priced alien labour can best be met by legislation to prevent sweating, desires to assure itself before assenting to the Aliens Bill that sufficient regard is had in the proposed measure to the retention of the principle of asylum for the victims of persecution."

This was lost by 241 to 117 (majority 124), and the Bill was then read a second time. The electioneering character of the Bill was thoroughly exposed in the debate, and figures were given which proved that the Tory case for legislation was based at every point on exaggeration. One instance of this exaggeration was particularly gross. Sir Charles Dilke pointed out that Mr. Akers-Douglas in stating (as he did when introducing the Bill on March 29th) that the alien immigration in 1901 was 81,000, and in 1902, 82,000, had practically multiplied the real figures by ten, the Board of Trade having given the net increase of the alien population in these years as 9,000 and 8,800 respectively. Mr. Akers-Douglas admitted this to be an "obvious inaccuracy," and yet Tory speakers (among them Mr. Akers-Douglas himself) and the Tory Press continued to use this "obvious inaccuracy" to whip up popular feeling in favour of the Bill, and—most astounding of all—it was used in the House by both Mr. Akers-Douglas and Mr. Bonar Law in supporting the Bill of the following year. The question of Alien Statistics was fully dealt with in the LIBERAL MAGAZINE for February, 1905 (page 27). It is sufficient to say here that the Tories in using (thus persistently and deliberately) these figures were using the very figures characterised by the Alien Commission (on whose Report the Bill was supposed to be based) as of "little value as a guide to the number of aliens remaining in this country," and rejecting those (the census figures) regarded by the Commission as furnishing the "nearest approach to accurate information." Probably because of its utterly fallacious statistical basis, the Bill went much too far. Mr. Asquith thus summed up the drastic nature of its provisions on the administrative side:—

"The Bill contains three provisions of an especially drastic character—it gives power of refusal of admission and of expulsion to the Home Secretary, it gives power to the Local Government Board to proscribe particular areas of alleged congestion or over-population, and to prevent immigrants from making their homes there. I confess, when I look at the schedule of the Bill and find power given to Executive officers, without any safeguards of judicial procedure or obedience to the laws of evidence, to prohibit admission of an immigrant on the ground that he will be likely to become a charge upon public funds or has no visible

means of supporting himself or that he is of notoriously bad character, I am aghast at the administrative problem presented."—(*House of Commons, April 25th*, 1904.)

THE REFERENCE TO A GRAND COMMITTEE.

If confirmation had been needed of the purely electioneering nature of the measure, it was conclusively supplied by the next move of the Government. On June 8th, Mr. Akers-Douglas, without a word of explanation, moved that the Bill (which, it had been understood, was to be taken in Committee of the whole House) be referred to the Standing Committee on Law (the motion was, of course, carried). This action provoked a strong protest from the Opposition, on the ground that it had never been intended that Bills of so contentious a nature as the Aliens Bill should be referred to Grand Committees. In reply, Mr. Balfour said:—

"The question whether a Bill was controversial or uncontroversial was obviously one of degree, and he candidly admitted that this Bill was near the border line. He did not deny that this was a Bill which, *if circumstances were favourable*, might reasonably be discussed in that House."—(*House of Commons, July 8th*, 1904.)

This simply meant that Mr. Balfour knew the risk in sending such a Bill to a Standing Committee, but was quite willing to take it. The excuse as to "circumstances" (*i.e.*, the state of public business) was futile—the Bill had not been introduced until two months of the Session were gone, a month passed between the first and the second reading, and six weeks between that and the proposal to refer it to a Standing Committee.

THE FATE OF THE BILL.

The Standing Committee met six times, and dealt with only three lines of one clause (Clause 2—Clause 1 having been postponed). The Government were then apparently satisfied that the Bill had sufficiently fulfilled its purpose of providing party capital for the next Election, and accordingly Mr. Akers-Douglas, at the seventh meeting (July 7th), moved that the Committee should proceed no further with the consideration of the Bill. Mr. Trevelyan and Sir C. Dilke, for the Liberals, strongly urged the Home Secretary to allow Clause 3 (Criminal Aliens) to pass. But he would not accept the proposal, and his motion to drop the Bill was supported by the Tory members, whose speeches showed that the next move in the game was to fasten the charge of obstruction on the Opposition, and carried by 30 to 14.

On July 12th the Liberal members who opposed the Bill in the Standing Committee met and unanimously passed a resolution:—

(*a*) Pointing out that the Government, after having introduced the Bill, displayed no settled intention of passing it into law, thereby misleading the public and wasting the time of the Standing Committee;

(*b*) Regretting the refusal of the Government to accept the reiterated offers of the Opposition, who, while preserving the right of asylum in the United Kingdom to political refugees and victims of other persecu-

tion, were prepared to agree to workable legislation dealing with criminal and diseased aliens; and

(*c*) Directing attention to the fact that it was the Home Secretary who proposed the withdrawal of the Bill, and that his supporters voted in favour of his proposal.

On the same day Sir Howard Vincent, supported not only by Tories but also by Mr. Runciman and Mr. Trevelyan (both of whom had opposed the Government Bill), introduced a Criminal Aliens Bill. It embodied Clause 3 of the dropped Bill, and in addition:—

(*a*) Made it unlawful for any person convicted of crime in a foreign country within the scope of any extradition treaty to be found within the United Kingdom, and empowered a court of summary jurisdiction to repatriate such person upon proof of the conviction that it was not in respect of any political offence, and (*b*) made it an offence for a person to be found within the United Kingdom after the expiration of the time fixed by the court to leave the country.

The Bill met with general approval on both sides of the House, but on July 18th Mr. Balfour, when appealed to by Mr. Trevelyan, refused to provide facilities for its passage this Session, and, a Tory member objecting to it, it was prevented passing its Second Reading. The proceedings of the Session established beyond doubt the degree of the sincerity of the Government in regard to the question, and the precise nature of the importance which they attached to it.

III.—THE ALIENS ACT, 1905.

Mr. Balfour promised (July 11th, 1904) that the Government would "certainly attempt to deal with this subject early next Session," and accordingly on March 18th, 1905, a second Bill was introduced, which differed considerably from that of 1904.

THE BILL AS INTRODUCED.

The following is a summary of the Bill as introduced:—

The Regulation of Alien Immigration.—No immigrant shall be landed (*a*) except at a port at which there is an immigration officer (to be appointed by the Home Secretary), and (*b*) without the permission of that officer after he has, along with a medical inspector, examined the immigrants on the ship. The immigration officer shall refuse permission to land to any immigrant "who appears to him to be an undesirable immigrant." An immigrant shall be considered an "undesirable immigrant"—

(*a*) if he cannot show that he has in his possession or is in a position to obtain the means of decently supporting himself and his dependants (if any); or

(*b*) if he is a lunatic or an idiot, or owing to any infirmity appears likely to become a charge upon the rates or otherwise a detriment to the public; or

(*c*) if he has been sentenced in a foreign country with which there is an extradition treaty for a crime not being an offence of a political character which is, as respects that country, an extradition crime within the meaning of the Extradition Act, 1870; or

(*d*) if an expulsion order under this Act has been made in his case.

In the case of an immigrant, however, "who proves that he is seeking admission to this country solely to avoid prosecution for an offence of a political character, leave to land shall not be refused on the ground merely of want of means, or the probability of his becoming a charge on the rates."

Where leave to land is withheld, the master of the ship or the immigrant may appeal to the immigration board of the port (which shall consist of three persons, summoned out of a list approved by the Home Secretary for the port "comprising fit persons having magisterial, business, or administrative experience").

Expulsion of Undesirable Aliens.—An alien may be sent out of the country (to which he may not return)—

(*a*) if he is convicted of any felony, or misdemeanour, or other offence for which he may be imprisoned without the option of a fine, and the court recommend that an expulsion order should be made in his case, either in addition to or in lieu of his sentence: and

(*b*) if a court of summary jurisdiction certifies the Home Secretary, after proceedings taken for the purpose within twelve months after the alien has last entered the United Kingdom, that the alien—

(*i*) has within three months from the time at which proceedings for the certificate are commenced been in receipt of any such parochial relief as disqualifies a person for the Parliamentary franchise, or been found wandering without ostensible means of subsistence, or been living under insanitary conditions due to overcrowding; or

(*ii*) has entered the United Kingdom after the passing of this Act, and has been sentenced in a foreign country with which there is an extradition treaty for a crime not being an offence of a political character which is, as respects that country, an extradition crime within the meaning of the Extradition Act, 1870.

If an alien is expelled on certificate given within six months of his arrival, the owner of the ship in which he came shall be liable for all expenses incurred in connection with him, and may be required to take him back to his port of embarkation, giving him free passage and maintenance on the voyage.

Transmigrants are expressly excluded from the operation of the Bill. Provision is also made to secure full statistics regarding aliens, both immigrants and emigrants.

The main points of difference between the Bills of 1904 and 1905 were well stated by Mr. Asquith in his speech on the Second Reading. After affirming that, "comparing the Bill with the measure of last year, he could hardly remember a case in which opposition, much criticised at the time, had been more completely justified," Mr. Asquith said:—

"So far as I was concerned, my main grounds of opposition were two. In the first place, I strongly objected to the provision which enabled the Local Government Board to set up a number of prohibited areas from which alien immigrants, whatever their character, were to be excluded. That provision has been dropped. And the other main ground of criticism which I mentioned last year was this—that by an almost revolutionary provision it vested in the Home Secretary an executive power by his own hand, without the protection of any preliminary judicial inquiry, without any regard to those laws of evidence which are the safeguard of our liberty, to refuse admission to and to expel immigrant aliens from this country. That provision also has been substantially dropped. . . . I come next to the provision which I gladly recognise as a very substantial improvement on that of last year: It is the provision in Clause 2 which enables an appeal from the immigration officers to the Immigration Board. That is a point which I made last year, and I am glad to see that the Government now recognise it. But I am not at all satisfied as to the composition and qualifications of this board. It is to be composed of persons 'having magisterial, business, or administrative experience.' It is very important that there should be on the board a magistrate acquainted with the rules and the practice of evidence."—(*House of Commons, May 2nd,* 1905.)

THE SECOND READING.

The Bill was read a second time without a division on May 2nd, after an amendment (moved by Sir Charles Dilke, and the same as that moved by him at the same stage of the Bill of 1904—see page 185) had been rejected by 221 to 59 (majority 162).

In the speech from which we have just quoted Mr. Asquith stigmatised as very "objectionable" the provision enabling an immigration officer to refuse admission to an immigrant who "cannot show that he has in his possession or is in a position to obtain the means of decently supporting himself and his dependants," criticised the wording of the clause safeguarding the right of asylum as "totally inadequate," and expressed his strong opinion "that the expectations apparently entertained by the Government and their supporters that this Bill, when carried into law, will effect an important change in the present state of things are not founded in probability or in reason. The Bill, when put into operation, will turn out to be, if not a dead letter, of very little practical effect."

The feature of the debate was the intervention of Mr. Chamberlain, who boldly claimed the measure as a step towards the realisation of his Fiscal policy. The defence of the Bill on the ground that it is designed to keep out aliens who are undesirable, diseased, and criminal, he brushed aside—"I am not inclined to lay the slightest stress on these points." According to him, the "principle which underlies the Bill and makes the Bill only a step towards much greater things" is "the protection of the working man in his employment":—

"The principal reason why this Bill is brought on and *why it is supported by all of us* is because it is an effort to protect the working classes of this country against the labour, the underpaid labour, of a class of immigrants sent here. . . . The step, a very small one,

between a Bill which keeps out this low class of labour, which prevents it being brought in to reduce wages and lower the standard of life of the working-class population in this kingdom—the step is very little indeed to another Bill which I hope will be introduced before long to prevent the goods these people make from coming into the same competition."—(*House of Commons, May 2nd,* 1905.)

It need only be said that if Mr. Chamberlain is right, and the Bill is intended as a cure for unemployment, never was there such a quack prescription. For it expressly defines the persons from whom, on his showing, the working man is to be protected as (1) lunatics, paupers, and diseased persons—the very last people whose competition, surely, the working-man need fear,—and (2) criminals—with whom, it is to be hoped, he has no intention of competing. On this view of the Bill Mr. Keir Hardie made the right comment:—

"The Bill was supported on one genuine and one fictitious basis. The genuine basis was that certain people who were diseased, or who were criminals, came into this country every year. Everybody admitted that in that respect there might be a demand for legislation. But the Bill was spoken of in the House, in the Press, and on the platforms of hon. gentlemen opposite, not as a Bill to keep out criminals and diseased aliens, but as one to keep out workmen who came here to compete with native labour. In that sense it was fraudulent, deceitful, and dishonourable. The Labour members, and working people generally, understood that there might come a time when the importation of aliens would become a serious question requiring to be dealt with in a drastic fashion by the House, but they protested against a Bill of this kind being dangled before the eyes of the workers as a remedy for the competition in certain trades when they knew it would not touch the fringe of the question."—(*House of Commons, May 2nd,* 1905.)

Mr. Balfour, in closing the debate, took the line that every community has a "final and indestructible right to decide who is to be added to it from outside, and under what conditions," and entirely ignored Mr. Chamberlain's speech. A week later, however, in reply to Mr. Lough, who asked him "whether, having regard to the declared protective character of the Aliens Bill and to his pledge that nothing should be done to advance the policy of Protection during the present Parliament, he intended to proceed with the further stages of the Bill," Mr. Balfour bluntly said:—

"It is sufficient to say I do not consider that the exclusion of lunatics and other undesirable aliens is a branch of the Fiscal question."—(*House of Commons, May 10th,* 1905.)

In Committee Mr. Balfour again said:—

"As to the assertion that the question of Free Trade or Protection was raised, the introduction of these strictly economic doctrines as applied to inanimate goods led to many fallacies when those doctrines were applied to human beings. Not much was gained by bandying across the floor such terms as Free Trade and Protection when the influx and efflux of human beings was concerned."—(*House of Commons, July 3rd,* 1905.)

Mr. Chamberlain's assertion seems indeed to have moved Mr. Balfour deeply, for on Report he once more asserted the non-protective nature of the Bill:—

"The Bill had been most unjustly denounced as a Protective Bill. It did not touch the question of Protection one way or the other." —(*House of Commons, July 18th*, 1905.)

"Denounced" should read "blessed," for that, of course, was what Mr. Chamberlain did. In his view of the Bill Mr. Balfour had the support of Mr. Akers-Douglas, who said:—

"There was no desire to keep out any alien who would be able to maintain himself and live up to the public health requirements, simply because he might compete with the labourers of this country."—(*House of Commons, July 3rd*, 1905.)

LATER STAGES.

The Committee stage of the Bill was taken on June 27th and 28th, and July 3rd, 10th, and 11th; Report on July 17th and 18th. On July 5th (that is, after the Bill had been only three days in Committee) Mr. Balfour moved a closure resolution of the familiar kind. He made no allegation of obstruction ("it would be quite unnecessary for his argument"), but took the ground that such resolutions "are an inevitable part of the present machinery of Parliament"—a proposition from which dissent is impossible as long as he leads the House and so persistently mismanages its business as he does.

The Bill was read a third time on July 19th by 193 to 103 (majority 90), after a motion for its rejection (moved by Major Seely) had been defeated by 214 to 136 (majority 78), passed through all its stages in the House of Lords without amendment, and received the Royal assent on August 11th.

We add a list of the more important amendments opposed by the Government and in consequence rejected (the numbers include tellers).

Poverty Test (June 27th).—Sir C. Dilke's (L) Amendment to substitute the word "passenger" for "immigrant." For, 198; Against, 229.

Onus of Proof of Undesirability (July 3rd).—Mr. Gibson Bowles's (C) Amendment providing that the onus of proof that an immigrant is undesirable should fall on the immigration board and not on the immigrant. For, 171; Against, 212.

Poverty Test (July 3rd).—Mr. Emmott's (L) Amendment to leave out the provision [Clause I., section 3, sub-section (a)] by which an immigrant may be excluded "if he cannot show that he has in his possession or is in a position to obtain the means of decently supporting himself and his dependants." For, 160; Against, 217.

Exclusion of Blackleg Aliens (July 10th).—Mr. Keir Hardie's (Lab.) Amendment to include among "undesirable immigrants" any immigrant "brought into this country under contract to take the place of workmen during a dispute." For, 150; Against, 217.

Right of Asylum (July 10th).—Sir C. Dilke's (L) Amendment to provide that leave to land should not be refused to an immigrant who proved that he was seeking admission to this country "by reason of the treatment of the religious body to which he belongs." For, 191; Against, 225.

Poverty Test (July 11th).—Mr. Fuller's (L) Amendment to omit the word "steerage" from the definition of an "immigrant" as "an alien steerage passenger." For, 119; Against, 146.

Treatment of Englishmen as Aliens (July 11th).—Mr. Fuller's (L) Amendment to insert after "passenger" (see preceding amendment) the words "not born in the United Kingdom." For, 175; Against, 216.

Right of Asylum (July 17th).—Sir C. Dilke's (L) Amendment to secure that political refugees should be admitted on proving that they sought admission "for political reasons." For, 164; Against, 246.

Right of Asylum (July 17th).—Sir C. Dilke's (L) Amendment (for Mr. Asquith) to insert the word "liberty" before "life" in Mr. Akers-Douglas's Amendment enabling an immigrant to enter the country so as to avoid "persecution, involving danger of imprisonment or danger to life or limb on account of religious belief." For, 149; Against, 205.

Right of Asylum (July 17th).—Mr. Rufus Isaacs's (L) Amendment to add the words "or political opinions" to Mr. Akers-Douglas's Amendment (see preceding amendment). For, 154; Against, 216.

Working-Man Member of Immigration Board (July 18th).—Mr. Cremer's (L) Amendment providing that one member of the Immigration Board should be a member of some *bonâ-fide* organisation of working men. For, 170; Against, 219.

POINTS FROM THE DEBATES.

Right of Asylum.—Sir Charles Dilke's amendment on July 10th (see above) gave rise to an important debate on the right of asylum, in the course of which Mr. Balfour made an extraordinary speech which was one long sneer at the arguments in favour of the maintenance of the right of asylum as "fine sentiments," and which, it is not too much to say, outraged the feeling of the whole House. Its nature and tone may be gathered from the following:—

"He thought the right hon. baronet (*Sir C. Dilke*) and his hon. and learned friend (*Mr. Cripps*) behind him who had supported the amendment had fallen into an historical delusion when they said that there was an immemorial right of asylum which this country had given to all classes of victims of Continental religious persecution. . . . The truth was that the only immemorial right of asylum given by this country was to allow aliens in with whom the country agreed. . . . Then where was this immemorial right of asylum which this country gave to the persecuted? This country, even in relatively recent times, instead of welcoming to its shores those who differed from it in matters of religion, drove forth from its shores those who differed from it in matters of

religion. Let the House put aside this fancy picture that from time immemorial this country had been so much in favour of religious equality and the rights of conscience that it gave an asylum to the religiously persecuted of all nations, for it had no historical basis in fact. . . ." —(*House of Commons, July 10th,* 1905.)

Mr. Balfour's views got no support even on his own side. We give two extracts from Tory speeches in defence of the right of asylum. Mr. Cripps said:—

"Was this country to refuse to the victims of religious persecution, such as that endured by the Russian Jews, the asylum which from time immemorial we had offered in such cases? He could be a party to no such proposal. It was said that to admit the victims of religious persecution in all circumstances would be to destroy the Bill. Whether that was so or not, it would be a disgrace to refuse to admit such victims to our shores. . . . We had been the pioneers in this matter of religious freedom, and had held ourselves up as an example to other countries, and we must not now give the go-by to the best part of our history."—(*House of Commons, July 10th,* 1905.)

From Lord Hugh Cecil's powerful plea we take the following:—

"He quite agreed with the Prime Minister that it would be absurd to say historically that we had not been a persecuting people; but it was true that when we adopted the principle of religious liberty we did so for the whole human race, and the distinction that some people were disposed to draw—but not the Government—between our own people and foreigners was not a distinction known to English history, nor could it be defended on grounds of Christianity or reason. To say that we might exclude any aliens we chose was to enunciate a pagan doctrine difficult to reconcile with the essential part of the Christian religion that subordinated national distinctions to our moral obligations. It was no extenuation of a wrong to say it was done to a man of another nationality. It was obvious that an oppressed person had, *primâ facie*, a right to asylum, and if that right was withheld from him it must be shown that it was to prevent a greater evil. . . . He asked the Committee to concentrate their minds on the case of an individual who had been in a scene of massacre, had lost, it might be, some of his relations, and had escaped from a place where pillage, cruelty, and all sorts of horrible acts were being perpetrated. Was he to be told that because he had not a certain property standard he was to be sent back whence he came? He was sure there was no body of Englishmen who would tolerate such a thing. Therefore he earnestly invited the Government to adopt some remedy which would prevent this Bill from being used in a way that would be an outrage on the moral sense of every Englishman." —(*House of Commons, July 10th,* 1905.)

The section of the Act dealing with this question will be found on page 196, where the concession forced from the Government by this debate is shown in the italicised passage.

The Act a Sham—Tory Admissions.

Mr. Balfour:—

"Let the House remember that the great mass of alien immigrants was not touched by the Bill at all. Those who were kept out were but a small number, and they were kept out solely because they were likely to become a burden upon the country if they were allowed in."—(*House of Commons, July 10th,* 1905.)

Mr. Akers-Douglas:—

"The Bill is intended to deal with the immigration of a certain class of aliens who arrive here in bulk. The machinery cannot be erected in every port, and therefore it is impossible to prevent the infiltration of some undesirable aliens."—(*House of Commons, June 27th,* 1905.)

Mr. Akers-Douglas:—

"We cannot stop the individual alien."—(*House of Commons, June 27th,* 1905.)

Criminal Aliens not Excluded.

Mr. Whitley:—

"It was perfectly obvious that those who had 2s. to spare for their passage across the Channel could convert themselves into cabin passengers, and thus evade the law. It would be the prostitute, the person who lived on prostitution, and the expert criminal who would pay this extra money, and so gain admission into the country without examination. The Government deliberately refused an amendment which would enable them to catch these people as they came in instead of having to resort to the elaborate and difficult process of catching them and turning them out after they had come in."—(*House of Commons, July 11th,* 1905.)

Mr. Akers-Douglas:—

"It had been argued that it might be possible for criminals who could pay a higher fare for their sea route to come to this country in spite of the Bill. That was perfectly true. . . ."—(*House of Commons, July 19th,* 1905.)

The Act Unworkable.

Mr. Asquith:—

"The amendment (*Mr. Akers-Douglas's providing that the inspection may be made 'elsewhere' than on the ship 'if the immigrants are conditionally disembarked for the purpose'*) was another illustration of the absolutely unworkable character of the Bill. He would undertake, if not to drive a coach and and six, at least to steer a whole fleet of immigrant ships, all loaded with undesirable immigrants, through this clause. When the immigrant was conditionally disembarked who was to provide the necessary accommodation for him? Who was to keep him? Next, supposing that such an immigrant escaped while the immigration officer was making his enquiries, was there any legal authority to a constable to arrest him and take him back? Again, supposing that the immigrant conditionally landed was not a fit and proper person to enter this country, whose duty was it to put him back on the ship? What agent of the law or representative of the shipowner would be authorised to use force?"—(*House of Commons, June 28th,* 1905.)

Mr. Asquith:—

"It would, perhaps, be difficult to award among the proposals of the Bill the prize for illogical sequence and practical futility, but he was disposed to think that in any such competition the present sub-section (*by which the master of a ship is made liable for any expenses incurred by the Government in the case of an alien, brought to this country by him, in whose case an expulsion order is made on a certificate given within six months after his last entering the United Kingdom,*) had the best chance. It would be unfair in any circumstances to throw upon the shipowner the cost of the expulsion or repatriation of the undesirable alien; but the sub-section created an absolutely absurd posi-

tion. If the shipowner brought over a whole cargo of aliens who passed the immigration officer, and if all of them turned out to be undesirable in character within six months, he would not be subjected to the cost of their expulsion; if he brought them in batches of less than twenty so that they would not have to go through the immigration office at all, and they turned out to be undesirable, he would have to pay the cost of repatriating them; and if they came as cabin passengers one by one with all the outward appearance of good character and social position, but with evil designs in their hearts, and within six months an expulsion order was made against them, he would have to pay the cost. It was impossible to conceive a greater Chinese puzzle than that."—(*House of Commons, July 11th*, 1905.)

An "Immigrant" According to the Act.

Major Seely:—

"The word 'immigrant' was really clearly defined by the Bill. If a man were rich, however vicious, he was not an immigrant according to this Bill. If he were poor, however virtuous, he was an immigrant and liable to exclusion."—(*House of Commons, June 27th*, 1905.)

Mr. Ritchie's Confession.

"It had been his fate to attempt more than once both at the Local Government Board and at the Home Office, to deal with the question of alien immigration, and he had never himself been able to satisfy himself about any Bill he had ever introduced, because of the enormous difficulties in the way."—(*House of Commons, June 28th*, 1905.)

Major Seely's Description of the Act.

"First, the Bill was a sham Bill in regard to the exclusion of criminals. Secondly it was introduced with a double purpose, and though the Prime Minister and many of his colleagues had no intention by its means of keeping out efficient and competing workmen their supporters went up and down the country declaring that that was their object. Thirdly, it was an infraction of a high and great principle, on the most flimsy grounds and for the most trifling consideration."—(*House of Commons, July 19th*, 1905.)

THE ACT AS INTRODUCED AND AS AMENDED.

The following (for which we are indebted to the *Daily Chronicle*) is a brief statement of the principal changes made in the Bill during its passage through the House of Commons (none were made in the House of Lords):—

Under Clause 1, as amended, immigrants may be "conditionally disembarked" for the purpose of examination, and this examination and inspection is to be made "as soon as practicable." In the Bill as introduced in April this examination was to take place on board ship.

The second section of Clause 1 deals with the powers of the Immigration Board, which is the Court of Appeal. Part of this as introduced read: "The board shall, if they are satisfied that the immigrant is not an undesirable immigrant within the meaning of this section, give leave to land." As amended, it reads: "The board shall, if they are satisfied that leave to land should not be withheld under this Act, give leave to land."

The most important modification is that made in regard to the admission of political refugees. This is dealt with in Clause 1 (3)(*d*), part of which we print as it now stands, italicising what is new:—

> An immigrant shall be considered an undesirable immigrant if an expulsion order under this Act has been made in his case; but in the case of an immigrant who proves that he is seeking admission to this country solely to avoid prosecution *or punishment on religious or political grounds, or for an offence of a political character, or persecution, involving danger of imprisonment or danger to life or limb, on account of religious belief,* leave to land shall not be refused on the ground merely of want of means, or the probability of his becoming a charge on the rates.

An addition has been made to the same section, which provides that, having previously lived six months in the United Kingdom, an immigrant, having embarked direct to another country and been refused admission to that country, shall be allowed to land at any port in the United Kingdom, and that leave to land shall not be refused to any immigrant who is able to prove that he was born in the United Kingdom, and that his father was a British subject.

An addition to Section 4 of Clause 1 provides that the Secretary of State may exempt any immigrant ships, if security is given that undesirable immigrants will not be landed except for the purposes of transit.

An addition to Section 2 of Clause 2 provides that notice must be given informing immigrants of their right of appeal, and also that the grounds on which leave to land have been withheld shall be stated to the immigrant and to the master of the ship. The words "within a reasonable time" are inserted in the section, which says that an alien steerage passenger is not an "undesirable" who has only landed in the United Kingdom for the purpose of proceeding to some other country. Another part of the same section exempts persons in possession of through prepaid tickets, if the shipowners give security that they will not remain in the United Kingdom, and that they will be properly maintained and controlled in transit.

The proposal in the original Bill that all aliens admitted should be registered for a short period after admission has been dropped.

SHORTER HOURS IN SHOPS.

I.—THE TORY PROMISE.

"There is, however, one other experiment which can be tried, I believe, with even less risk than an experiment in the mining industry: I refer to the shortening of the hours of shopkeepers and their assistants. As you know, they work longer hours than any other class in the community. I believe that there is some misapprehension as to what I have proposed in reference to this matter; therefore I repeat to you that all I desire is to give power to a two-thirds majority of shopkeepers in any given trade and in any given district to settle the hours during which they will work. Now, that could not injure anybody. That is not open to the objection which may be taken to many proposals of this kind, that it would lessen the trade. People must buy their goods, and they will buy just as many goods in ten hours as they do now in twelve, fourteen, or fifteen. All that would be necessary would be that the buyers, the consumers, should arrange their hours of shopping. I believe they would be willing to do it, but I should have no objection, in order to give them further protection, to allow the Town Council in all these cases to have a veto upon the proposal if they thought it would lead to much inconvenience to the general community. I say that with all these safeguards it is absolutely impossible that any harm could result from the trial of this experiment, while I do hold that it is a great injustice that a reform of this kind, which would bring great advantages to many most deserving people, should be prevented by the selfishness of a very small minority, or perhaps it may be of a single individual."

Mr. Chamberlain, Social Programme Speech,
BIRMINGHAM, 1894 (*October* 11*th*).

"I am confident that social reforms such as . . . the shortening of the hours of employment in shops will commend themselves to popular sentiment and enlightened statesmanship."

Mr. H. T. Anstruther, M.P. (ex-Liberal Unionist Whip),
1895 Election Address in ST. ANDREWS BURGHS.

II.—WHAT THE TORIES HAVE DONE.

On December 1st, 1897, a deputation of the Early Closing Association waited upon Sir M. W. (the late Lord) Ridley, then Home Secretary, asking support for a Bill designed to secure shorter hours for shop assistants. Lord Avebury (then Sir John Lubbock), who introduced the deputation, thus described the Bill:—

"The provisions of the Bill, which in 1896 was read a second time without opposition, were, briefly, that if two-thirds of the shopkeepers of

any district or of any trade memorialised the local authority as to the hours of closing, or as to a weekly half-holiday, the local authority should have power to give effect to their wishes. It was, in fact, the shopkeeper's own Bill. There was no question of setting employers against employed, for the shopkeepers deplored the present position, and begged Parliament to give them the power to put an end to these long hours. That the small shopkeepers and shop-assistants should be, as thousands now were, working fourteen hours a day and longer on Saturday was a grievous thing even in the case of men, and in the case of women it was intolerable. He urged that the Government should take up this question, and he believed no other measure which they could carry would confer such an inestimable boon on the population."—(*Home Office, December* 1*st*, 1897.)

It will be noticed that the Bill exactly carried out the proposal made by Mr. Chamberlain in 1894. Yet the Tory Home Secretary said:—

"On the whole he did not think he was prepared to advise his colleagues to take up this question. *He did not know what were the views of his colleagues*, and he was speaking entirely for himself; but he confessed he did not think it was likely that the Government would take up the question this next Session, at all events. Whether the Government would be prepared to support a Bill brought in by Sir J. Lubbock on the lines previously laid down he was not prepared to say. For his own part he should view such a support with considerable hesitation. He did not disguise from the deputation that he believed more in voluntary action on the part of various associations, and he thought that more had already been achieved by voluntary effort than the deputation were ready to give credit for. . . . He was anxious to study the question in all its bearings, but he told them frankly he was not a believer in this legislation at the present moment."—(*Home Office, December* 1*st*, 1897.)

On May 21st, 1900, Lord Avebury moved in the Lords the second reading of his Bill—it was rejected at the instance of Lord Salisbury, who spoke and voted against it. In February, 1901, Lord Avebury moved for and obtained a Select Committee of the Lords (of which Lord Salisbury was a member). This Committee in June, 1901, (1) reported that "earlier closing would be an immense boon to the shopkeeping community, to shopkeepers and shop-assistants alike, and that the present hours are grievously injurious to health, especially in the case of women," and (2) recommended "that town councils should be authorised to pass provisional orders making such regulations in respect to the closing of shops as may seem to them to be necessary for the areas under their jurisdiction, and these provisional orders should be submitted to Parliament in the usual manner before acquiring the force of law; special enactments for restraining the outlay involved and providing for its discharge may be necessary." This recommendation was moved by Lord Salisbury himself, and Lord Avebury, in re-introducing his Bill in the Lords in February, 1902, expressly agreed to assent to its amendment so as to carry out Lord Salisbury's provisional order scheme. Lord Salisbury was unfortunately not present, but the Government declined to allow the Bill to be read a second time, and refused to give any promise of legislation. Lord Rosebery asked whether, since Lord Salisbury was himself responsible for the pro-

visional order paragraph in the Select Committee's report, the Government would themselves legislate on those lines. Here is the Duke of Devonshire's reply:—

"He was under the impression that in one, at least, of his recent speeches the noble earl (*Rosebery*) expressed a great deal of doubt whether the Government would make effectual progress with the legislation they had promised; it was, therefore, with surprise he heard the suggestion that another Bill should be added to those promised, a Bill they had not the intention of bringing forward."—(*House of Lords, February 18th,* 1902.)

In 1903 two Bills were introduced in the Lords—one by Lord Ribblesdale, one by Lord Avebury. When the former came to be moved the Lord Chancellor actually moved the adjournment of the debate, as he thought Lord Avebury, who had given so much attention to the subject, should be allowed to take precedence with the Bill. This was carried by two votes (35 to 33) and Lord Avebury then moved the second reading of his Bill. At last the Government consented to let it pass, and it was read a second time without a division. Eventually the Bill was read a third time on April 28th and sent to the Commons, where it was read a first time—and never heard of again!

THE SHOP HOURS ACT, 1904.

After having for eight years done nothing to forward, but much to retard, the fulfilment of their promise in 1895 "to shorten the hours of shopkeepers and their assistants," the Government at last gave a Shop Hours Bill a place in their programme for the Session of 1904, and this, apart from the Licensing Act, was the only measure thus honoured that passed. On its second reading (June 1st, 1904), Sir Charles Dilke moved the following amendment:—

"That in the opinion of this House the proposed measure for the early closing of shops is unduly hampered by restrictions, and, not providing for the regulation of the hours of shop assistants, fails to ratify the terms of the unanimous resolution of the House."

(The resolution referred to was that moved (March 4th, 1903), by Mr. Price (L) to the effect that the matter might be left to the option of the local authorities, and that legislation on the subject should include also the hours of shop-assistants. Mr. Akers-Douglas objected to this because of the inclusion of shop-assistants, but the Government did not venture to divide the House against the resolution, and it was carried unanimously.) Sir Charles Dilke's amendment was lost by 130 to 42 (majority 88). In the debate Mr. Asquith, though unwilling to do anything to endanger the passing of the Bill, described it as a "very mild and homœopathic measure of reform," and Sir Walter Foster said:—

"The Government had brought in a Bill which would become practically a dead letter if passed into law. . . . The present Bill provided so many impediments against its working that it was probable nothing would be, or could be, done under it."—(*House of Commons, June 1st,* 1904.)

The following is a brief summary of the Act:—

The Act enables local authorities to fix the hours on the several days of the week at which, either throughout the area of the local authority or any specified part of it, all shops, or shops of any specified class, are to be closed for serving customers. The hour fixed by a closing order is not to be earlier than seven in the evening on any day in the week, except that on one specified day it may be an hour not earlier than one p.m. A closing order may prohibit absolutely, or subject to exceptions and conditions, the carrying on of any retail trade in any place not being a shop, if the keeping of a shop open in such a trade is prohibited after that hour. Where several trades are carried on in the same shop, any that do not come within the closing order may be carried on under terms and conditions specified. When a local authority is satisfied that a *primâ facie* case is made out for a closing order, it is to give public notice specifying a period within which objections may be made to the proposed order, and, if satisfied that the occupiers of at least two-thirds of the shops to be affected approve, may make the order, subject to the confirmation by the Central Authority, who may either disallow or confirm it with or without amendment. As soon as the Central Authority has confirmed any order it shall have the effect of an Act of Parliament, provided that it shall be laid before each House of Parliament as soon as confirmed, but, if an address to his Majesty is presented against it within forty days, it may be annulled. The Central Authority may, at any time, on the application of the local authority, revoke an order; and the local authority shall apply to the Central Authority for such revocation if it appear that the majority of occupiers of any class of shops are opposed to its continuance. The Central Authority may cause local inquiries to be made and make regulations. No closing order is to apply to a fair or bazaar for charitable purposes, nor to any shop where the following scheduled trades are the only trades carried on, viz., Post Office business, sale of medicine, medical and surgical appliances, sale of intoxicating liquors and refreshments, and tobacco and smokers' requisites, sale of newspapers, and railway bookstalls or refreshment rooms.

CHAPTER XI.

THE ARMY AND NAVY.

THE INCREASE IN COST.

An expenditure upon armaments swelling from year to year has been the most significant feature of national finance since the present Government came into power. In the table below are set out the cost of our defensive forces in the last year of Liberal Administration and in the last completed year of the existing Ministry, with the estimated expenditure for the current year (1905-6):—

	1894-5.	*1904-5.*	*1905-6* (estimate).
Army ...	£17,900,000	£29,225,000	£29,813,000
Navy ...	17,545,000	36,830,000	33,389,000
Total	£35,445,000	£66,055,000	£63,202,000

These figures—which are exclusive of *war* expenditure—unhappily speak for themselves.

Although the Tories have spent these huge additional sums upon armaments, the Army administration broke down at almost every point upon which it was severely tried at the commencement of the South African war. Speaking (in 1902) with all the authority of a Chancellor of the Exchequer who had just previously resigned his appointment, Sir Michael Hicks-Beach said to his constituents:—

"What should they say about the South African war? Why a good many of the abuses and scandals of the South African war were public property, and they made him fear that when the history of the war, as conducted and controlled by the War Office, was investigated by the Commission of Inquiry that had been appointed, not quite so favourable a record would be passed upon it as upon the record of the war in the Soudan."—(*Bristol, September* 29*th*, 1902.)

The war has been made the pretext for an enormous increase in Army expenditure and in the strength of the Army. This is exactly what might be expected from the Tory party. On that subject we have the witness of Mr. Brodrick at a time when he was Under-Secretary at the War Office:—

"The discussion has been exceedingly useful. *Naturally on his own side of the House it had turned to a large extent on a demand for more.*"—(*House of Commons, February* 28*th*, 1898.)

Vast as is the increase in expenditure, the Tory members themselves bear witness that there has been no adequate return for the sums poured out. Upon this business Mr. John Morley has spoken some pregnant words. Dealing with the argument that these payments for armaments are the premium for national insurance, he said:—

"There must be some proportion between your insurance premiums and your stock and your risks, and so on. But the policy that we have been pursuing for some years past is a policy that has increased the risks, and if you have now to increase your premium of insurance it is because in no small measure you have increased the risks. It is a very poor fashion of insurance, whether you be in a friendly society or a great insurance society, when you can only pay the premium on condition that you starve your children. Whilst you are lavishing these vast, fabulous sums upon this kind of expenditure you are, in no figurative sense only, starving those causes, those movements, those reforms upon which the new generation has its chance, and its only chance, of being a better, a stronger generation than that which is now gone before it."—(*Montrose, April* 13*th*, 1903.)

THE ARMY CORPS SCHEME.

The failures of the South African War made it clear that drastic remodelling of our Army system was absolutely necessary. Mr. Brodrick endeavoured to meet criticism by the production of a hasty scheme of reform. This he explained on the Army Estimates of 1901-2. His plan provided for the division of the United Kingdom into six army corps districts, with headquarters at Aldershot, Salisbury Plain, Ireland, Colchester, York, and in Scotland. Other points in the scheme were:—

(1) The first three Army Corps to be composed entirely of Regulars, the remaining three to include sixty battalions of Militia and Volunteers, and twenty-one batteries of Field Artillery drawn from Militia and Volunteers. The Volunteers and Militia so used are to be specially trained.

(2) Officers to be appointed to command the Army Corps in peace only if fit to hold those commands in war.

(3) The raising of eight battalions of Regulars for garrison purposes, and the use of five Indian Battalions on certain stations.

(4) The increase of the strength of Militia from 100,000 to 150,000 and the creation of a real Militia reserve of 50,000 men.

(5) The conversion of the Yeomanry into Imperial Yeomanry and the increase of the force to 35,000 men.

The total home force on paper, according to Mr. Brodrick's estimate, would work out at 680,000 men.

What the reality has been is perhaps best described in the words of Mr. Winston Churchill:—

"Sometimes lately when he had watched the proceedings of the War Office, their desperate attempts to increase the paper strength of the Army by any means, whether by enlisting immature boys or 'specials,' or 'flat-foots' who could not march, or by the creation of phantom Army

corps—just about as real as the Humbert millions—or by the appointments of distinguished South African generals whose names would go down well with the public, to command brigades and divisions which did not exist, he had felt convinced that the great French fraud at which we had been amused was merely a poor, wretched private concern compared to the great English fraud which the War Office was perpetrating every day."—(*Wallsend, February 12th*, 1903.)

The Army Corps scheme was debated in May, 1901, and Sir Henry Campbell-Bannerman moved an amendment to Mr. Brodrick's proposals. The discussion on this was marked by the vigour of the Tory speeches against the scheme. Mr. Winston Churchill (C) said:—

"If the capacity of a War Minister might be measured by the amount of money he obtained from his colleagues, then his right hon. friend would go down to history as the greatest of War Ministers. But he thought the House would take a somewhat wider view of our Imperial responsibilities than was possible from the windows of the War Office."—(*House of Commons, May 13th*, 1901.)

Sir John Colomb (C) declared:—

"He thought their Army was adapted to the wants of the Empire, and he refused to be a party to giving the War Office any more millions to waste upon the bugbear of invasion—upon cocked hats, breastplates, red tape, and aerated honours."—(*House of Commons, May 14th*, 1901.)

Another significant speech was that of Major (now Sir Frederick) Rasch. He said:—

"He would vote for the Government's scheme if he thought that it would be of the slightest use to the service in which he once held a commission. But he did not think so, and therefore he should not follow the Secretary of State into the Lobby."—(*House of Commons, May 16th*, 1901.)

These speeches, however, were merely followed by abstentions from the division, except in the case of Mr. Winston Churchill, who voted with the Opposition. Two years passed and a change came over the scene. On the debate upon the Address in 1903 the Army Corps scheme had to stand a strong attack from the Conservative benches, Mr. Beckett moving an amendment which reproduced, almost in identical terms, the two-year-old proposal of Sir Henry Campbell-Bannerman. The similarity will be seen from the following side-by-side comparison:—

Sir H. Campbell-Bannerman, *May 16th*, 1901.	Mr. E. Beckett, *February 23rd*, 1903.
"That this House, while desirous of supporting measures for improving the efficiency of the Army and securing Imperial defence, is of opinion that the proposals of his Majesty's Government are in many respects not adapted to the special wants of the Empire, and largely increase the burdens of the nation without adding substantially to its military strength."	"That this House humbly regrets that the organisation of the land forces is unsuited to the needs of the Empire, and that no proportionate gain in strength and efficiency has resulted from the recent increase in military expenditure."

On this occasion twenty Tories voted against the Government and seventy were absent or unpaired. Here are brief extracts from some of the speeches delivered in the course of the debate:—

Mr. Beckett (C) [Whitby]:—

"He had six objections to this army corps scheme. First, it was based on a wrong principle; secondly, it was not suited to the real needs of the country; thirdly, it was enormously costly; fourthly, it did not remove the defects which the war in Africa had clearly shown to exist; fifthly, it was not adapted to this country; and, sixthly, it had no real existence."—(*House of Commons, February* 23*rd,* 1903.)

Major Seely (C) [Isle of Wight]:—

"He would say that the Army was beyond their needs. What were these three army corps for? What was proposed to be done with them? One lesson the war has taught them was that if they wanted to fight any white people they would want not three army corps but more like thirty. It stood to reason that three army corps were utterly inadequate for that purpose. He knew very well what was in the mind of many persons at the War Office and possibly elsewhere. Practically it was to show that as we could not get the men we required by voluntary enlistment we must resort to conscription. That was a counsel of folly."

Mr. Winston Churchill (C) [Oldham]:—

"As defence of the scheme it was claimed that a larger expeditionary force for foreign service would be provided and a stronger army for home defence; and both, he believed, were unnecessary. As to foreign service one army corps was enough for fighting savages, and three were insufficient for a European conflict. Either we had command of the sea or not. If we had we required less soldiers; if we had not we required more ships."—(*House of Commons, February* 24*th,* 1903.)

Sir J. Dickson-Poynder (C) [Chippenham]:—

"As he had opposed the scheme when it was originally introduced, and as its working had confirmed his worst apprehensions as to its futility, he intended to vote for the amendment. He objected to the scheme because it was subversive of Imperial interests; lacking in appreciation of the needs of home defence; disregarded the military resources of the country, and imposed a burden of alarming extravagance upon the taxpayers."—(*House of Commons, February* 24*th,* 1903.)

THE REMOUNTS SCANDAL.

Army expenditure has been beyond all precedent—have the results been such as to justify the spending of the money? The war was attended by a series of discreditable scandals in administration—by the hay scandal, the scandal of the meat contracts, and, greatest of all, the remounts scandal. This last was unearthed by Sir J. B. Maple, and as the result of a speech made by him in June, 1901, the Government appointed a Committee to inquire into the purchase of horses in Austro-Hungary. The Committee consisted of Sir Charles Welby, C.B., M.P., Colonel Kenyon-Slaney, M.P., Mr. Charles Hobhouse, M.P., and the Hon. E. E. Charteris. The Committee issued its report, of which the following is a summary:—

The Imperial Yeomanry Committee bought its own horses through Colonel St. Quinton, who purchased 1,500 cobs from a contractor called Lewison at £33 16s. 8d a head and 2,300 at £26 per head. The contract was made over to one Hauser at £22 per horse, and the price actually paid by Hauser, including carriage, was £12 to £17. The Remount Department also bought horses from Hungary, obtaining through Hauser 7,000 at £30 to £35, and 5,346 at £20. The inspection of these animals was extremely unsatisfactory.

Subsequently (in March, 1902) there was issued a white paper containing much interesting information about remounts, in which the Hungarian horses, which had been bought at such exorbitant prices, were condemned in the most unreserved manner, being frequently alluded to as "flat catchers." In this white paper there is a report from Colonel Birkbeck on the remounts system in South Africa, which gives a striking picture of the lack of organisation and the want of experience which characterised the whole of the officers who had charge of the remounts. Speaking of the lack of expert officers, he says:—

"My opinion is that a considerable waste of public money was caused thereby, and I fear the general standard of commercial morality in the Colony was not proof against the temptations of the situation."

"The waste of public money by incompetent purchasing officers has been serious. . . . We have bought our knowledge at the expense of the public purse."

The Remount Department, in charge of Colonel Truman, was made the subject of censure by the Committee of Inquiry, which said:—

"We feel bound to express the surprise with which we have learnt that before the decision to purchase for the Government in Hungary was actually come to in April, 1900, no steps had apparently been taken, since 1884, to ascertain the best sources of supply in that country, the best methods of tapping those sources, or the most reliable people to employ. The war had by that time been in progress six months, and it must have been obvious that a heavy drain on our remounting resources was inevitable."

As a consequence of the Parliamentary discussion of the report, Lord Roberts called upon General Truman to resign, and the latter responded by asking for a Military Court of Inquiry. This request was assented to, and after some months of investigation the Court reported.

The Court of Inquiry, which consisted of five Major-Generals, found that in times of peace the Remount Department worked admirably, but nobody seemed to have contemplated the possibility of war. It purchased, entirely in the United Kingdom, some 2,500 horses yearly. The War Office thought the department of little importance, and gave it offices "in a fourth-floor flat in Victoria-street," connected to headquarters in Pall Mall by a telephone "not convenient for confidential conversation." The department was

presided over by General Truman, an officer of absolute integrity, but not "of exceptional ability"—in the words of the Quartermaster-General. Upon the quiet solitude of the fourth-floor flat burst the spectre of war; in a moment General Truman had to provide thousands upon thousands of horses, drawn from a vast area; he was, in the words of the investigating officers, "an official on whose personal exertions and on the result of whose administration the successful prosecution of the war depended." In the circumstances General Truman did moderately well, but the rottenness of the system upon which the War Office depended was exposed to the whole world, and the tale was told in many a disaster.

THE MEAT CONTRACTS.

The circumstances under which contracts were given for the supply of meat to the troops in South Africa have never yet been fully investigated, but the facts have been made fairly clear by the questions and debates in Parliament. By careful inquiry it was ascertained that:—

(1) A contract was first made with the Cold Storage Company for the supply of meat at 11d. per lb., whether fresh or frozen.

(2) A second contract, again with the Cold Storage Company, fixed the prices at 7d. per lb. for frozen meat and 10d. for fresh meat.

(3) A third contract was made with Mr. Bergl, the price for fresh meat being fixed at 8½d. per lb., while that for frozen meat was 5½d. per lb.

Mr. Bergl acted on behalf of a syndicate, and, when questioned who was behind the contractor, Lord Stanley gave a long explanation in which he said:—

"The names given to us in connection with the company are as follows:—Mr. Bergl, Mr. Karl Meyer, Messrs. Weil, Mr. Tymms, representing the De Beers Company; Messrs. Houlder, Mr. Hughes, representing the Federal Steamship Company; Mr. Stroyan, M.P., Messrs. Lewis and Marks, and Mr. Joel."—(*House of Commons, February 10th*, 1902.)

How huge must have been the waste of money was shown in a debate in the House of Lords in which Lord Tweedmouth said:—

"It was clear that very large profits were made by the Cold Storage Company. The statement of their amount varied much—from the least £1,100,000, which he believed might be called a sort of official estimate. . . . . But the highest amount given by Mr. Bergl was a profit on the first contract for the first year and a-half of £4,500,000, and of £1,500,000 on the last contract: or £6,000,000 in all."—(*House of Lords, February 24th*, 1902.)

The waste of six millions sterling, or of the greater part of that sum, on meat alone is scarcely testimony that with the largely increased expenditure of the War Office we have got greater efficiency.

THE WAR COMMISSION REPORT.

Since the terrible exposures which followed the conclusion of the Crimean War there has been no more telling condemnation of any Government than that contained in the Report of the Royal Commission appointed by the Tories, in deference to the popular demand, "to inquire into the Military Preparations for the War in South Africa, and into the supply of Men, Ammunition, Equipment, and Transport Military Operations up to the occupation of Pretoria."

The report of the Commission was issued as a Blue-book in August, 1903, and was signed by all the members:—

The Earl of Elgin, K.G.
Viscount Esher.
Lord Strathcona.
Sir G. D. Taubman Goldie.
Sir H. W. Norman.
Sir J. O. Hopkins.
Sir F. M. Darley.
Sir John Edge.
Sir John Jackson.

It deals in four sections with the Military Preparations for the War in South Africa; the Supply of Men; Ammunition, Equipment, and Transport by Sea and Land; and Questions of War Office Organisation.

THE INTELLIGENCE DEPARTMENT'S WARNINGS.

While feeling between the Home Government and that of the Transvaal Republic was being worked up to the acute stage, the Commissioners show that the authorities at home were kept well informed of the military preparations of the Transvaal by their own Intelligence Officers. From June 11th, 1896, when Major Altham sent home a confidential document, in which he gave "reasons for abandoning the assumption which had prevailed up to that time that the Boers would make no serious advance into either Natal or the Cape Colony during the month or six weeks which must elapse before troops sufficient for our advance can be concentrated in South Africa," there were frequent reports both from Major Altham and Sir John Ardagh. In April, 1897, Sir John Ardagh wrote home:—

"Both the Colonists and the Boers are at this moment convinced that there is a risk of war. Some of them regard it as inevitable. Under these circumstances the forces now at the disposal of the General Officer Commanding are manifestly inadequate to protect our interests during the inevitable interval between the ultimatum and the arrival of an expedition from England."

Finally, in September, 1898, Major Altham reported:—

"The Colonial Office have during the last eighteen months in official letters addressed to the War Office repeatedly drawn attention to the unsatisfactory condition of political affairs in South Africa, and to the necessity for the Imperial troops being ready for a sudden emergency."

To this was added the comment:—

"The Transvaal has, during the last two years, made military preparations on a scale which can only be intended to meet the contingency of a contest with Great Britain."

DISREGARDED WARNINGS.

Examining the preparations which were made in consequence of the reports of the Intelligence Officers, the Commissioners show that on five occasions Lord Wolseley made representations as to the desirability of reinforcing the Army in South Africa. Summarising the minutes of the Commander-in-Chief, the Commissioners find that the following proposals were put forward:—

"(1) On February 22nd, 1896, an increase of one regiment of cavalry, one battery of horse artillery, and two battalions of foot; this proposal being advocated chiefly on general strategical grounds.

"(2) On April 20th, 1898, an increase of at least one regiment of cavalry and three batteries of artillery to the Cape Colony, to make the force there complete in all arms.

"(3) On June 8th, 1899, when the actual reinforcement consisted of details—but the mobilisation of an Army Corps in England was advocated.

"(4) On July 7th, 1899, when, in addition to the mobilisation of the Army Corps, it was proposed to send 10,000 men to South Africa without delay.

"(5) On August 18th, 1899, when the despatch of 10,000 men to Natal was strongly urged."

Commenting upon these warnings of Lord Wolseley, which led ultimately to the despatch of 2,000 men to Natal by the Cabinet, the Commissioners say:—

"The general impression to be derived from the whole circumstances must be that the special function of the Commander-in-Chief under the Order in Council of 1895, viz., 'the preparation of schemes of offensive and defensive operations,' was not exercised on this occasion in any systematic fashion."

LORD LANSDOWNE'S IGNORANCE.

This passage of the Commissioners' report proceeds to throw light upon the ignorance of the Marquis of Lansdowne, the then Secretary for War, as to the real state of affairs in South Africa:—

"We were definitely informed by Lord Lansdowne that the papers of the Intelligence Division were never officially communicated to him as the basis of any proposals through the regular channel, *i.e.*, by order of the Commander-in-Chief. There arises, therefore, this somewhat extraordinary state of affairs, that the Secretary of State for War first had his attention specifically directed to important War Office papers by the Secretary of State for the Colonies, to whom they had been communicated in a sufficiently formal manner to enable him to use them officially, and to enable the Secretary of State for War to send an official reply."

The war, the Commissioners show, commenced without any plan of campaign at all, and the report continues:—

"It does not seem an unnatural supposition that a general who is sent out on an important expedition should receive written instructions showing the objective which the Government has in view. Lord Roberts stated that 'when Sir George White arrived in Natal he had no instructions in regard to the wishes of the Government as to any particular plan of campaign, nor was he aware of any general plan of operations in South Africa.'"

THE UTTER LACK OF CO-ORDINATION.

As showing the utter lack of co-ordination between a Cabinet that was dominated by the war party and a War Office that had fallen into the hand of the peace party, a memorandum by Sir Redvers Buller, dated September 5th, 1899, and addressed to the Marquis of Salisbury, may be quoted. It opens:—

"As you ask for my ideas, I give them to you privately.

"I am not happy as to the way things are going.

"There must be some period at which the military and the diplomatic or political forces are brought into line, and, in my view, this ought to be before action is determined—in other words, before the diplomat proceeds to an ultimatum the military should be in a position to enforce it.

"This is not the case with regard to affairs in South Africa. So far as I am aware, the War Office has no idea how matters are proceeding, and it has not been consulted. I mean, that they do not know how fast diplomacy is moving."

Sir Redvers (who had already been selected to command in South Africa in case of war) went on to discuss the military situation, and wound up as follows:—

CONCLUSIONS.

"The situation is one in which the diplomatic authorities should consult with the military authorities."

In other words, the first precaution of Government had been neglected right up to the very eve of war.

LORD ROBERTS'S COMMENTS.

Lord Roberts's comments upon the situation were as follow:—

"So far as the War Office is directly concerned, the main defects in preparation, in my opinion, were: (1) The selection of Ladysmith as the principal military station and advance depôt in Natal and leaving it absolutely undefended. Sir George White was forced to hold on to it, for had he abandoned it an immense amount of supplies and ordnance stores, which there was not time to remove, would have fallen into the enemy's hands. (2) The plan by which General Buller's force was to advance in three columns through Cape Colony towards the Orange Free State. (3) Having no properly organised Transport Department, the absence of which prevented any movement being made away from the several lines of railway. (4) The failure to foresee the necessity of employing a large force of mounted infantry. (5) Under-estimating the possible strength of the enemy, the magnitude of the theatre of the war, and consequently the number of troops that would be required for the long lines of communication. (6) Neglect to supply the Army with a proportion of heavy artillery sufficiently mobile to accompany the troops

in the field. Guns of this description have always formed part of the armament of an Indian Field Force, and even in a mountainous country like Afghanistan they did good service. (7) The want of suitable maps. Whether the fortification of important points in the lines of communication was suggested by the War Office I am not aware. It certainly would have been a wise precaution, had measures been taken while there was still time, to place certain localities, such as a position behind the Tugela in Natal, and De Aar and Naaupoort Junction in Cape Colony, in a state of defence."

THE RESPONSIBILITY OF THE CABINET.

The Report fixes a very large measure of the responsibility upon the Cabinet. It states that the Cabinet declined to sanction necessary expenditure for the equipment of the small forces in South Africa on the following grounds:—

"1. That in the then existing position of the negotiations with the South African Republic it was not expedient to ask Parliament for a large sum of money and to make open preparations which might have precipitated a crisis. Considerations of this kind are not within the purview of this Commission, and belong to the sphere of general political discussion in Parliament and the country.

"2. That the Government had received the assurance of their military advisers that the reinforcements sent to South Africa, together with those which could be added before a field force was despatched, would ensure the defence of the Colonies from serious invasion in force by the Boers."

The Commissioners deal with the Cabinet as tenderly as possible in the circumstances, but they say:—

"In determining the measure of responsibility for deficiencies, it must be remembered that no one, even in the Intelligence Department, ever anticipated the Boers to be capable of so sustained an effort on a large scale. It was a dash at Natal that was apprehended. That apprehension, however, might be said to have been communicated to the Cabinet, and was certainly known to the Colonial and War Secretaries. It was an apprehension of which civilians could well take cognisance, and, though it undoubtedly lay with the military heads of the War Office to develop and insist upon the danger which it involved, as, indeed, Sir John Ardagh did insist in his memorandum of April, 1897, we are not prepared to say that in estimating the admitted risks of the policy which they adopted the Cabinet itself gave due consideration to this very essential point."

THE LESSON NOT LEARNT.

Regarding the supply of men, their education, physique, intelligence, and soldierly equipment, the report has much to say both in praise and disparagement, and there are useful comments upon the Colonial contingents and the auxiliary forces, but these matters are of military rather than of political significance. This section of the report concludes with the pregnant observation:—

"We regret to say that we are not satisfied that enough is being done to place matters on a better footing in the event of another emergency. . . . So far as we can learn, nothing has been done to collect

systematically the valuable experience of the officers who worked that organisation, certainly nothing to formulate that experience, to embody it in hand-books, or to create a frame-work which would be ready for prompt and effective action."

HOME UNPREPAREDNESS.

As to the state of preparedness at home abundance of evidence is quoted by the Commissioners. Here are a few extracts:—

"The reserve of 151,000,000 rounds of ammunition included about 66,000,000 rounds, which, as events went, were not available at all for the purposes of this war."

On November 20th, 1899, the Secretary of State, in reply to requisitions from Sir Redvers Buller, had to cable that "there is only eight weeks' supply of Mark II. ·303 in ball ammunition in the country, and all gun ammunition will be exhausted before eight weeks."

Sir Henry Brackenbury stated that:—

"A great deal of the machinery in the ordnance factories urgently needed replacement by labour-saving machines, and we had no real reserve of power of output in the country.

"As regards the reserve of 200,000 rifles, it was discovered that the sighting was incorrect, and that the rifle shot 8 inches to the right at a distance of 500 yards.

"In the case of cavalry swords the authorised reserve was 6,000, but in consequence of the fact that a change in pattern had been long under consideration the reserve had fallen to eighty swords.

"Sir John French thought that 'the present cavalry sword is the very worst that could possibly be used for any mounted troops at all.'

"Major-General Baden-Powell said: 'The present sword is a perfectly useless weapon, to my mind, whether as a sword or anything else.'"

Before the outbreak of the war, there were in stock complete kits for 82,500 men, intended for the equipment of reservists in the event of active service. Of this the great-coats and a few other articles were considered to be fit for service in South Africa, but the whole of the body clothing was unsuitable for active service in that country, and perhaps in most countries where active service may be expected, because it was not khaki, but red and blue clothing.

The chief defect of the ammunition pouches supplied was that ammunition was easily lost out of them, especially when men ran. Lord Kitchener observed that "our losses in ammunition in this campaign, which in itself proved a source of supply to the enemy, cannot be ascribed to a want of care of the individual soldier so much as to the peculiar unsuitability of the article supplied to him in which to carry his rounds."

And this was the handiwork of a Government which actually obtained office on the allegation that their predecessors had neglected to have a sufficient supply of cordite!

RESPONSIBILITY OF LORD LANSDOWNE.

The Commissioners, when dealing with War Office organisation, commend the work of the Army Board, but Lord Esher, in a strong note appended to the main Report, recommends the reorganisation of the War Office Council and the abolition of the office of Commander-in-Chief. He adds:—

"The condition in 1899, as disclosed in Sir H. Brackenbury's Memorandum, of our armaments, of our fortresses, of the clothing department, of the transport of the Army Medical Corps, of the system of remounts, shows that either the Secretary of State was culpable of neglect, or that he was in ignorance of the facts."

Sir George Taubman Goldie agrees with the note of Lord Esher in regard to the Commander-in-Chief, and adds that the hope expressed by the Report "that the state of affairs in 1899 cannot recur is on my part a wish and not an expectation."

THE WAR REPORT IN THE COMMONS.

The Report was brought up on the Address by Mr. Robson, who moved (on February 4th, 1904) the following amendment:—

"But humbly represent to your Majesty that the facts now made known in regard to the preparations for and conduct of the recent war in South Africa, and particularly the evidence taken by your Majesty's Commissioners appointed to inquire into those matters and their report thereon, disclose grave negligence and mismanagement on the part of your Majesty's Ministers, whereby the duration, magnitude, and cost of the war were greatly increased."

This was opposed by the Government and, of course, lost—by 278 to 191 (majority 87). The case for the Government was left to Mr. Wyndham and Mr. Arnold-Forster (the poacher turned gamekeeper), but the most remarkable feature in the debate was the intervention of Mr. Chamberlain, and what it gave rise to. Remarkable, indeed, were the revelations as to what took place in June, 1899, as to military preparations designed to "bluff" the Boers into acceptance of British demands; here, however, we are only concerned with what Mr. Chamberlain had to say as to the War Report. He complained that it was "rather hard" he should be dragged into the discussion at all; why should Mr. Robson be so determined to "lug in" the ex-Colonial Secretary? The answer was only too clear—because of his especial responsibility.

THE WAR OFFICE COMMITTEE REPORT.

In the autumn of 1903 a Committee of three—Lord Esher, Admiral Sir John Fisher, and Sir G. S. Clarke—was appointed. The reason for its appointment, the nature of its reference, and the scope of its work are sufficiently indicated in this passage from the covering letter to Mr. Balfour which accompanied Part III. of its Report:—

"The Report of the War Commission revealed a condition of affairs which outraged public feeling throughout the Empire. A remedy was suggested in the Minority Report of the Commission, and to your Committee was entrusted the specific duty of advising upon the means of applying the remedy in question.

"This duty we have endeavoured to fulfil in such a manner as to uproot a system, which had been scathingly condemned by the Hartington Commission as long ago as 1890, and which is directly responsible for the want of preparation for war and the subsequent breakdown in the winter of 1899, exposed in the evidence before the South African War Commission. We unhesitatingly assert that if the recommendations of the majority of the Hartington Commission had not been ignored, the country would have been saved the loss of many thousands of lives and many millions of pounds, subsequently sacrificed in the South African War.

"Upon many material points we have done no more than adopt and develop the principles laid down by the Hartington Commission, especially as regards the creation of the branch of a Chief of the General Staff."

A full summary of the three parts of the Report is given in the LIBERAL MAGAZINE for April, 1904 (at page 213); here we can only give in outline the principal recommendations:—

(*a*) A permanent nucleus for the Defence Committee, in order to ensure the continuous consideration of defence problems, and to co-ordinate the naval and military forces of the Crown. We regard this proposal as the keystone of the whole structure of reform.

(*b*) An Army Council for the higher administration of the Army.

(*c*) The creation of a trained General Staff, which is one of the most pressing military needs.

(*d*) Divorce of administrative from executive military functions.

(*e*) Complete decentralisation of administrative work.

(*f*) A thorough system of inspection.

(*g*) Financial changes, in the interests of sound economy, and increased responsibility of the military administrators of the Army.

(*h*) Division of duties within the War Office, to prevent overlapping, to minimise re-duplication of effort, and to insure the smooth and rapid despatch of business.

(*i*) A number of subsidiary changes of system conceived with a view to increase the authority and responsibility of the soldier, with a view to the higher efficiency of the Army.

(*j*) A change of personnel, in order to bring new minds to bear upon new measures.

Of these (*a*) and (*b*) have certainly been carried out.

THE ABANDONED ARMY CORPS SCHEME.

The Army Corps Scheme did not long survive the publication of the Report of the Committee of Three.

In April, 1904, Mr. Arnold-Forster announced that it was abandoned! He said:—

"In future the Estimates will be prepared in reference to districts, which, in general outline, will correspond with those in the report of Lord Esher's Committee. The exact form is under consideration, the Army Corps organisation will not be continued, and there will be substituted for it another form of divisions not based on the Army Corps organisations."—(*House of Commons, April 14th*, 1904.)

The reason, of course, was that the Army Corps Scheme was a colossal sham and failure. As Lord Esher's War Office Committee reported:—

"We see no object in attempting to organise additional Army Corps, which in no reasonably probable circumstances could be required or used as such, if ever they existed otherwise than on paper."

It is thus clear that three years were wasted over a ridiculous scheme of Army Reform which was from the beginning consistently opposed by the Liberal party (see page 203).

THE GOVERNMENT AND THE REPORT OF THE COMMITTEE OF THREE.

It is an open secret that the report of the Committee of Three led to two parties in the Cabinet. As might have been anticipated, the two ex-War Secretaries (Lord Lansdowne and Mr. Brodrick) did not like the Report at all. The result was "unsettled convictions" on the part of the Ministry. On March 8th, 1904, Mr. Arnold-Forster "had little doubt" that the recommendations of the Committee "would be applied practically *en bloc* for the service of the Army." On March 17th, however, he said:—

"He should be very slow to say that he accepted all Part II. It was a very dangerous thing to accept anything without examination. . . . There was another reason why he did not desire to pledge himself at this stage entirely to the Report. There were portions of the Report which were not recommendations for action. There were what he might call the critical portions of the Report, and with one part of the Report he confessed he did not altogether associate himself. He believed that the criticisms of the civil branch of the War Office were unnecessary to the value of the Report, and to his mind they were, to say the least, exaggerated. . . . If he were to say that he accepted *verbatim et literatim* this Report, he would be committing himself, which he did not desire to do, to the acceptance of these censures."—(*House of Commons, March 17th*, 1904.)

MR. ARNOLD-FORSTER'S ARMY SCHEME.

In regard to Army Reform the Government can, without dispute, claim greatness in one respect at least, if in no other—the *number* of schemes they have produced, for Mr. Arnold-Forster's (brought forward, after many delays, on July 14th, 1904) made the third. The first part of his statement consisted of a sweeping indictment of the condition of the Army as handed on to him by his predecessor, Mr. Brodrick. Here is his contemptuous reference to that "great administrator's" famous Army Corps:—

"My right hon. friend has divided the United Kingdom into a certain number of divisions, and he called these divisions army corps divisions. It does not matter two straws what these divisions are called—whether they are called Sunday-school districts or army corps districts."—(*House of Commons, July 14th*, 1904.)

Of Mr. Brodrick's short service scheme he was equally contemptuous. In the memorandum on Army reorganisation that he prepared for the House, he said:—

"*The War Office will no longer be dependent for its general service soldiers upon the caprice of boys who may or may not decide to extend.*"

In his speech he gave the following demonstration of the utter failure of the scheme:—

"The three-year system of enlistment, as you know, means that every man now enlisting for the Army enlists for three years. Well, in the Garrison Artillery alone, unless 100 per cent. of the men extend their term of service, at the end of two years it is impossible to furnish the drafts for the Artillery; and in the infantry battalions unless 75 per cent. of the men extend it is impossible to furnish the drafts for the infantry. Already this evil has begun to make itself felt. The men are not extending. The average extension in the infantry at the present time is 12 per cent. . . . I tell the Committee plainly that, if we are to maintain the defence of India and the Colonies, this system is inconsistent, as it is now working, with that object. I have already had to send abroad large numbers of men who had only ten months to serve; and when I add that I have some 24,000 drafts to find for India and the Colonies, and that of the infantry at home only 900 men have hitherto extended, it will be seen how seriously this plan is affecting the Army." —(*House of Commons, July 14th*, 1904.)

When Mr. Arnold-Forster came to the constructive part of his statement his tone was uncertain and tentative in the extreme. The scheme was a mere outline. Much, it appeared, remained to be filled in, and much would depend for acceptance or rejection entirely on the trend of public opinion in regard to it! Thus, in the memorandum above referred to, we find:—

"There will be an improvement of the Militia, and, *if public opinion will allow*, the amalgamation of the Militia with the Line, for the purpose of forming a true Territorial Army."

(What a pity the Government had not the same respect for public opinion in the case of the Education and Licensing questions!)

The purely tentative nature of the Government's proposals was clearly demonstrated by Lord Lansdowne on July 21st, when Lord Burghclere called attention, in the House of Lords, to this memorandum. Lord Lansdowne said:—

"Let me say frankly to your lordships that the paper which your lordships have before you does not represent what can be described as the final conclusion of his Majesty's Government upon many of the subjects to which it has reference. . . . If your lordships will read it with the attention to which it is entitled you will see there are throughout passages which show that the proposals indicated are proposals which are to receive further consideration at a subsequent time.

. . . We have introduced into the War Office changes of the most drastic and important kind, and we are ready to give your lordships a general idea of the direction in which our minds are moving as to army organisation, although we are not prepared to present full details of the proposals we think should ultimately be adopted. When I say that, of course I do not mean that, with regard to what I would call the main principles of the scheme, we do not see our way; and when I speak of main principles I mean, for example, the proposal that, as the main object of a regular army is service out of this country, it is, therefore, necessary that the greater part of it should be specially organised with regard to such service."—(*House of Lords, July 21st,* 1904.)

That is to say, the Government themselves are in no way committed to their own proposals which, after all, are not "final conclusions." Further, Mr. Arnold-Forster, in the course of his statement, made it plain that the Army Council is not in favour of the scheme. He said:—

"I am putting these proposals forward as the proposals of the Government. I do not want it to be supposed that any reduction is palatable to the Army. Although I speak on behalf of the most loyal colleagues a man could possibly desire, I must not have it supposed that any soldier desires that there should be a reduction of any line battalion, or that there should be any alteration of the conditions of service of any battalion with which he has ever been associated. I think it would be unfair to my colleagues and those with whom I work if I were to let it be supposed that they desire these changes to be made. They do not; but they do give me their loyal and perfect co-operation. It is a matter of policy. It is a matter of policy for the House of Commons, and if the House of Commons desires the end, I do beg that they will give me the means."—(*House of Commons, July 14th,* 1904.)

It is good to have the right of the House of Commons to decide questions of policy admitted, but it hardly augurs well for the success of the scheme that the soldiers on the Army Council are not in favour of it.

The following is a summary of the main features of the scheme:—

(1) *The Regular Army*—

The Regular Army to be divided into two parts:—

(*a*) A General Service Army, to serve both at home and abroad in time of peace and war, and to be a long-service force.

This shall consist of:—

26 Battalions at home,	... numbering ...	21,024
26 Battalions in the Colonies,	,, ...	22,438
52 Battalions in India,	,, ...	53,924
or 104 Battalions or infantry,	,, ...	97,386

The 87 battalions at present serving abroad to be reduced by 14 battalions (recently raised), and by 5 garrison battalions (raised during the war).

Recruits are not to be enlisted until 19 years of age and upwards, and the period of service is to be nine years with the colours and three years with the first-class reserve.

(*b*) A Home Service Army, to serve at home in time of peace, and, *if necessary*, abroad in time of an important war, and to be a short service force.

This Army shall consist of:—

Seventy-one battalions at half-strength, of 500 men per battalion, numbering 36,920 all ranks, and 10 battalions of Foot Guards, numbering 9,079 all ranks—a total of 46,000 for the Home Service Army.

Recruits shall join at 18 years of age and upwards, and the period of service is to be two years with the colours and six years with the first-class reserve.

This gives a grand total for the two armies of 143,385 officers and men, or 185 battalions of infantry.

Twenty-six General Service Battalions are, it will be noticed, to be stationed at home along with the Home Service Army.

(2) *The Militia*.—Mr. Arnold-Forster's statement professed, as we have seen, to embody the "proposals of the Government," but the only proposals he made, then or later, in regard to the Militia were definitely put forward as "his own view"—what the view of the Government was, whether that or another, did not appear, and has not since appeared. It is best, therefore, to give Mr. Arnold-Forster's "own view" in his own words:—

"I must tell the Committee what my own view would be with regard to the best treatment of the Militia, both in the interests of the Militia and of the Army as a fighting machine. My belief is that the proper course to take would be to give the Minister of War *carte blanche* to take some seventy battalions of the best Militia, to unite each two battalions together, and to turn them into territorial battalions. . . ."—(*House of Commons, July 14th*, 1904.)

It is this proposal which the memorandum (as quoted above) stated will be carried out only "if public opinion will allow"—a proviso which, doubtless, represents the whole and sole policy of the Government in the matter—and, accordingly, Mr. Arnold-Forster went on to intimate that, meantime, this Militia proposal was "in abeyance":—

"I do not propose to ask the House now to give any opinion. On the contrary, I propose to occupy the coming autumn in consultation with the Militia officers, and with those who are best qualified to voice public opinion, and in ascertaining if they desire to fall in with this proposal, which, I believe will be both popular and valuable. But perhaps no case that I can make out now will prevail to change the customs and traditions of a force to which we owe so much as we do to the Militia; and therefore I am prepared to leave that matter in abeyance."—(*House of Commons, July 14th*, 1904.)

(3) *The Volunteers.*—The scheme is, briefly, as follows:—

The Volunteer Establishment of 347,075 officers and men to be reduced to 200,000, and, "*in the first instance,*" the present strength of 240,000 to 180,000 all ranks—equal to a reduction in numbers of one-fourth of the actual strength.

The Volunteers, like the Army, to be divided into two classes:—

(*a*) A force of 60,000 men, earning a higher grant for increased efficiency.

(*b*) A force of 120,000 men, attaining a lower standard of efficiency, and earning a lower grant—£5 per head per annum, as against £7 per head as at present.

MR. ARNOLD-FORSTER'S SCHEME IN 1905.

The prospects of a scheme put forward by the Government without conviction, disapproved by the War Council, and of which the "pivot" (as Lord Burghclere called the Militia proposals) was "in abeyance," could not be bright. As a fact, the scheme, at the end of 1905, remained but an outline, if anything, more blurred, less distinct, than in 1904. The final impression left by all the debates of the Session on Army affairs was precisely that which Mr. Arnold-Forster stated one of them (on April 4th) made on him—"uncompromising unreality." "I still feel," he said, "that we are not in contact with the realities of the situation at all." This was amusingly audacious, since, in large part, the unreality of the debates was directly due to the nature of Mr. Arnold-Forster's own statements, which were one and all vitiated by the impossibility of gathering from them what represented merely Mr. Arnold-Forster's "pious opinions," and what represented the intentions of the Government. This was cause of complaint on all sides throughout the Session. As Mr. Gibson Bowles said (to quote but one of many):—

"The difficulty felt in the debate was to extract from the Secretary for War what he meant to do and what he was to be allowed to do. At present there were four conceptions of the Army—those of the Army Council, the Committee of Defence, the Cabinet, and the right hon. gentleman. No two of these conceptions agreed, and the House wanted to know, as practical men, which was the conception which would prevail, or whether there was to be a kind of salad made of all of them."—*House of Commons, April 6th,* 1905.)

But, as if this were not enough, there were, in addition, two other causes making for unreality, either of which alone, indeed, was sufficient to account for it. The first of these was the fact that the debates were carried on in a House systematically kept in the dark as to the Government's views of the military problems of the Empire. Without a knowledge of these, it is obvious that, even with a fully-drawn scheme before them, the House could not possibly come into "contact with the realities of the situation."

As it was, such scraps of a scheme as did emerge were, in its absence, simply meaningless. The only satisfactory (and intelligent) procedure would have been (1) a statement of the Government's view of the military needs of the Empire, (2) a statement of the Army scheme based by the Government on that view, and (3) the Estimates designed to give effect to that scheme. Instead, the Estimates (of the old type and on the old scale, with nothing about them to suggest their having any relation to a scheme of Army Reform at all) came first, a statement of the conclusions of the Committee of Defence in regard to Imperial military problems (in Mr. Balfour's speech on the vote for that Olympian body) a month after the Estimates, and of the Government's Army scheme as a whole, no statement at all. To complete the effectiveness of this cart-before-the-horse arrangement, it was, of course, impossible to refer in the debate on either to any point involving the other. As Sir Charles Dilke said, Mr. Balfour's speech of May 11th on National Defence (Defence Committee Vote) should have been made on the Address, or on some other date before the Army and Navy Estimates came on, since his "statements as to home defence and the defence of India lay at the root of the Estimates for the year." The second thing making for unreality was excellently stated by the *Times*:—

"Unfortunately, although Mr. Arnold-Forster appears to be full of excellent ideas, the impression left by the debate (*debates*) is that some *nexus* is wanting, that the ideas have not been properly co-ordinated, and that, while he sees facts clearly enough in detail, he has not quite arrived at the desiderated scheme in which they would all find their appropriate places. Like some famous Constitutions we have read of, the scheme does not seem to march. Statically it looks promising enough, but dynamically it is not satisfactory. It is the want of movement in the machine that produces the sense of bewilderment and confusion which is too general to be explained away by minor causes."—(Times, *April 7th*, 1905.)

The criticism was just, and was as much so at the end of the Session as when made. "Co-ordination" has been one of the "blessed words" of the Government (the great play they made with it on the education question will be remembered), but in regard to Army Reform, what, as a fact, has been wanting is the one thing essential to co-ordination—a consistent scheme which should correlate the various parts of the problem. When the Secretary for War, a member of the Cabinet and of the Army Council, completely fails (in the course of numerous speeches) to reveal such a scheme, the inference is inevitable that there is none. Otherwise, such an appeal as Mr. Churchill's would have been impossible:—

"It was a very surprising thing to make such a great departure (*in regard to the Militia*), not as an integral part of a scheme of Army reform, but as a purely detached proposition. . . . He appealed to the War Secretary at least to delay measures affecting the Volunteers

and the Militia until the scheme relating to the Army as a whole was finally determined."—(*House of Commons, April 3rd*, 1905.)

"ARRESTED PROGRESS"—THE MILITIA AND THE VOLUNTEERS.

In all the circumstances, the most welcome of Mr. Arnold-Forster's many statements during the Session was that "it has been necessary to arrest progress in certain important particulars" (March 28th).

In regard to the Regular Army, the formation of the proposed short-service army had to be postponed till an adequate number of men had been enlisted for long service, and, on April 6th, Mr. Arnold-Forster definitely stated: "No short-service battalions will be formed before October." Here, the difficulties of recruiting forced Mr. Arnold-Forster to stay his hand. But in the case of the Militia and the Volunteers the "arrested progress" was directly due to the storm of criticism aroused by his proposals.

(*a*) *The Militia.*—This affords the best example at once of the want of any settled Government policy and of the uncertainty and confusion inseparable from Mr. Arnold-Forster's methods of exposition. (1) Mr. Arnold-Forster's original proposal ("his own") was the reduction of the Militia, and the absorption of the remainder into the short-service army for home defence. (2) On February 21st, the Duke of Marlborough (Under-Secretary for War) stated that no decision had been come to as to the future organisation of the Militia, and that the question was still open. (3) On February 23rd, Mr. Arnold-Forster said his policy continued to be to ally a portion of the Regular Army with the Militia as the territorial army of the country. (4) On March 28th he said:—

"Hon. members know very well, for I have never concealed it, that I take a view which is not acceptable to the whole of the House in regard to the Militia. I know very well that in a matter of this kind you cannot go much in advance of public sentiment. I know that no War Minister, even the most powerful, and certainly not the present War Minister, can hope to effect such changes as I contemplate unless he has the full sentiment of the country with him. That sentiment is not always as enlightened as it might be. . . . I accept, as the House is aware, what I believe is the feeling of the time in regard to the Militia." —(*House of Commons, March 28th*, 1905.)

But, at the same time, he re-affirmed his original proposal of "reducing or amalgamating the inefficient units of Militia"—this time as a necessary consequence of the policy (if successful) of making the Militia available for service abroad. (5) On March 30th Lord Lansdowne said:

"I have no doubt that if my right hon. colleague had had a clean slate to work upon he would have been justified in doing what I believe in his original proposal he desired to recommend to Parliament, and that he would have preferred that the Militia should be merged in the short-service Army of which we have spoken in these debates. But

sentiment counts for a great deal in these questions, and it became obvious that a measure of that kind would have done great violence to the sentiment of a force which we greatly honour and which commands the esteem of the country. Therefore we propose that the Militia shall retain its identity and that it should not be merged in the short-service Army. . . . "—(*House of Lords, March 30th*, 1905.)

(6) On April 4th, Mr. Arnold-Forster, replying to Sir H. Campbell-Bannerman (who, on April 3rd, had referred to Lord Lansdowne's statement), said it was a "misconception" to suggest that he "had made some modification in the views he had suggested to the House in regard to the Militia." Sir H. Campbell-Bannerman quoted Lord Lansdowne's words as given above, and the following illuminating conversation occurred:—

"SIR H. CAMPBELL-BANNERMAN: We have here two contradictory conceptions of the position of the Militia. The first, Lord Lansdowne says, was originally put forward under the authority of the Government by the Secretary of State for War; but they have given that up and adopted a different course. Will the right hon. gentleman now say that he is one and the same person in this respect, as he was last year?

"MR. ARNOLD-FORSTER: The interpolation of the right hon. gentleman gives me the opportunity of referring to the papers with regard to the Militia which I laid before the House. The right hon. gentleman is mistaken.

"SIR H. CAMPBELL-BANNERMAN: I am not mistaken. It is Lord Lansdowne, if any one.

"MR. ARNOLD-FORSTER: Lord Lansdowne was quite right. What he said was quite correct.

"SIR H. CAMPBELL-BANNERMAN: Then it was concealed from us in the House of Commons.

"MR. ARNOLD-FORSTER: There was never anything more open to this world. I never concealed from this House that it was my desire to have the Militia included in the short-service army. But I never made the proposal to the House."—(*House of Commons, April 4th*, 1905.)

The best comment on this was supplied by Mr. Boscawen:—

"Last year the right hon. gentleman adumbrated certain proposals which took the character of abolishing the Militia or of making it a sort of bastard part of the Line. This year the right hon. gentleman told the House that he had dropped those proposals, that they were not before the country; but when he was asked to state what was before the country he invariably talked as if those proposals were still before the country."—(*House of Commons, April 6th*, 1905.)

(7) On April 6th, Mr. Arnold-Forster was "still looking forward to a future when the great territorial Army of this country, the Militia, will be the nucleus of the home (short) service Army." On the same day, however, in reply to a question, he stated definitely that "no Militia units will be included in the short-service Army, except with their consent." (8) On August 10th, in reply to Major Seely, he "was not prepared to give an undertaking that no Militia or Volunteer battalion, battery, or company, should be disbanded during the Recess," because such an undertaking "would have the effect of preventing the Army Council from taking action

which is strictly within their competence, and which they consider to be in the interests of the service." On this Major Seely asked:—

"Are we to understand from the Secretary of State for War that he will not disband any units in consequence of the new policy laid down in the circular?"

To which Mr. Arnold-Forster replied:—

"No units will be disbanded except on grounds that are absolutely satisfactory to the Army Council on the recommendation of the general officer commanding the district."

This was the last word on the subject for the Session. It has only to be added that the Government took the first step towards carrying out Mr. Arnold-Forster's policy by introducing a Service of Militiamen Bill, the purpose of which was to make the Militia available for service abroad—a necessary condition, of course, of their becoming amalgamated with the home service army. It passed all its stages in the House of Lords and was introduced in the House of Commons on April 11th, but was withdrawn on July 31st without having reached its second reading. It is plain, therefore, that "progress" in regard to the Militia proposals (whether Mr. Arnold-Forster's "own" or the Government's) has been, to some extent at least, "arrested." But the uncertainty and suspicion inevitably aroused by the ambiguity of Mr. Arnold-Forster's statements, and especially by his persistent iteration of his fixed belief in his original proposal, remain.

(b) *The Volunteers.*—Mr. Arnold-Forster's proposals in regard to the Volunteers met from the first with widespread suspicion and opposition, which were intensified during the Session of 1905 as the point of view from which Mr. Arnold-Forster put them forward more clearly emerged. He seems to resent as a grievance the fact that the Volunteers are "tied to the soil of the country in time of war," as he said on March 28th. On the following day he said:—

"The Volunteers have been made use of in foreign wars as individuals and not as a military force, *and if they are to be employed as a military force* it follows as a necessary consequence that they should be organised in such a way that they could *go to the seat of war* with their own organisation and their own officers."—(*House of Commons, March* 29*th,* 1905.)

The clearest evidence of this point of view was given in a Circular issued to Volunteer officers on June 20th. The strongest feeling was aroused by this Circular, and the Volunteer Vote was put down for July 13th to give an opportunity of discussing it. On the eve of the debate an amended form of the Circular appeared, which Mr. Arnold-Forster thought would "remove all ambiguity." We give the opening paragraph of each version:—

VOLUNTEER CIRCULAR.

Version of June 20*th.*

"I am commanded by the Army Council to invite your attention to the fact that many Volunteer units are reported from various causes not to be in an efficient state to take the field."

Version of July 11th.

"In view of the fact that during the South African war large numbers of Volunteers offered themselves for service in the field, and in view of the many expressions of readiness on the part of the force to take a similar step in the event of the country being again engaged in a serious war, the Army Council consider it necessary to ascertain beforehand what proportion of the Volunteers in your command are likely to be qualified for active service abroad."

The general feeling was expressed by Mr. McCrae, who moved the reduction of the vote:—

"The country wanted to know why these attempts were being continuously made to impose impossible conditions upon the Volunteer force. The object evidently was to pave the way for something else which might not be openly advocated or acknowledged. . . . The Circular must be taken in conjunction with the declared policy of the Secretary of State for War for the reduction of the Volunteer force. The right hon. gentleman dared not carry out his policy in the open, and so he resorted to a secret and subterranean method of accomplishing what the House of Commons had already condemned. . . . What right had the hon. gentleman to apply fitness for service abroad to a force raised for home service?"—(*House of Commons, July* 13*th*, 1905.)

Mr. Arnold-Forster had little to say for the Circular beyond assuring the House that there was "no ulterior motive in it except to ascertain now what is the material to be relied on in time of war," and his most noteworthy statement indicated that this, too, was a case of "arrested progress"—"there will be no reduction at the present time."

The division on Mr. McCrae's motion was significant, since the Government escaped defeat by a majority of only 26 (232 to 206).

Nothing illustrates so forcibly the total lack of coherence in the Government scheme as the treatment of the Volunteers. It is impossible to reconcile the proposal for their reduction, and the consistent discouragement to which they have been subjected, with the conclusion of the Defence Committee in regard to Home Defence (as stated by Mr. Balfour on May 11th, 1905—see Liberal Magazine for June, 1905, page 301) that "serious invasion of these islands is not an eventuality which we need seriously consider." For one of the conditions on which this rests is the existence of an "effective home force," of which the Volunteers, as now in existence, are an essential part. Mr. Balfour has put this in the clearest way:—

"Then, you will say, why (*i.e., if an invasion in force is impossible*) have a Volunteer force? The answer, I think, is complete. In the first place, there may be other invasions besides invasions intended to conquer this island. We have to protect our shores against raids as well as against invasion. I do not say that an attempt to raid would be a very wise operation on the part of a possible opponent, but I say it is a possible operation, and being a possible operation it is one which we should take every measure to obviate; and if the Volunteers existed for no other purpose than to make such raids impossible their existence

would in my opinion be amply justified. But I go much farther. I asked you to notice the phrase I used just now to the effect that, under existing circumstances, an invasion in force was impossible. Let me remind you that the existing circumstances which I had in view were the Volunteer force itself. Why is it that invasion on a scale to conquer this island is an impracticable operation? It is impracticable, I venture to think, following the opinion of the sailors, because the force to be conveyed is necessarily a very large force; and the more you increase the force that has to be conveyed, in ever-increasing ratio is the difficulty of conveying it increased, until you reach very elevated figures. But why is a large force required? A large force is required because the Volunteers and the other forces of the Crown exist as they do now exist. Without them, if our Regular Army—and this is where the Indian point comes in—if our Regular Army were engaged in some great war upon the North-West Frontier of India, and every strain was put upon the ability of this country to provide soldiers for that contest, and if we had no Volunteers, it is hard to say how small a body of men might not do, I will not say irreparable, but great and serious damage to the country. A panic might be worse than many defeats; and I believe that if the greater part of our Army were oversea, and if we were then left here without any organised force, or any trained men wherewith to meet a possible invader, the force that he would require would be so reduced that the danger, which I now believe to be illusory, might in those circumstances become real and present. Therefore this rather dry argument leads us to this inevitable conclusion, that we are safe from invasion oversea, and we are in the position of freeing our Regular Army for service across the sea so long, but only so long, as the patriotism of this country will provide us with a sufficiency of trained Volunteers to deal with any national emergency which may arise. It is, therefore, wholly untrue to suggest that the criticisms which the naval school, or the more sober members of the naval school, have directed against excessive notions as to the peril in which this country stands from the possibility of invasion have done anything to throw discredit upon the wisdom of our forefathers and our predecessors when they started the Volunteer movement. If the Volunteers are an integral and a necessary part not merely of home defence, but of Imperial defence, their existence has a bearing not merely on the safety of these shores, but on the safety of the far distant frontiers on the North-West of India."—(*North Berwick, September 5th,* 1905.)

Mr. Balfour, it will be noticed, not only does not mention even the possibility of the Volunteers being asked to serve abroad, but, on the contrary, lays all possible emphasis on their position as a necessity for home defence. Where, in all this, is Mr. Arnold-Forster and his preposterous Circular? If Mr. Balfour is right, the treatment meted out to the Volunteers by his Government is absolutely inexcusable, the Circular should be withdrawn, and Mr. Arnold-Forster should resign.

THE SCHEME AND ECONOMY.

The Estimates for 1904, though signed by the new War Office Council, were framed on the old model. But Mr. Arnold-Forster described them as "interim Estimates only," and promised great things in the way of economy from his forthcoming

scheme of Army reorganisation. The following passages show the line he took:—

" . . . *These Estimates are the last certainly that I shall ever present of this character.* Hon. members may say that these are self-denying pledges on my part, but I venture to say that they are likely to be the last Estimates of the kind that anyone occupying my place is likely to present to the House. My belief is, that we are standing at the parting of the ways with regard to the administration of the Army, and I have seen nothing during the short time I have been brought face to face, officially, with the problems of the Army, to alter my belief that changes of considerable magnitude are necessary if this country desires to obtain the Army which it requires, and the Army which is appropriate to its needs. If I thought that these Estimates which I present to-day represented the last word upon War Office policy, I certainly should not be standing at this box now, but it is because *I have the confident hope that it may fall to my lot*—and if I have to abandon that hope that it may fall to the lot of some hon. member equally solicitous for the welfare of the Army—*to produce Estimates upon a totally different system, that I now ask the consideration of the House to these Estimates as interim Estimates only.*"—(*House of Commons, March 7th,* 1904.)

"He would go further and say that so entirely did he share that view (*the urgent need of economy*) that certainly he should be responsible for making no proposal to that House for the reorganisation of the Army which would not convey *the promise of a very substantial reduction upon the Army Estimates.*"—(*House of Commons, March 17th,* 1904.)

"I am not going to pledge myself to positive figures, and I will say that next year the economy will be very little indeed. You cannot deal with a great Army in which every man is serving on an engagement as if it was composed of people taken on by the day. You will have to meet your engagements. Practically the only way of economising on a large extent next year is by stopping the manufacture of the new gun or by stopping recruiting. Those are not expedients to which I think anyone desires us to resort. But I do think that we ought to aim at reducing the expenditure next year so as not to have the excess which there has been this year. It is my ambition to lay the foundation for a scheme which will enable my successors to effect progressive economy in the Army expenditure; and that, I believe, I can do. If you strike fourteen battalions off the Line it will be a very large economy; if you strike five battalions off the garrison regiments, that is a clear reduction of £500,000 off the Army Estimates. If you take forty or fifty battalions of the Line and reduce them to 500 men each and put them, not on a basis of full service pay, but on a lower basis of pay, that again is a reduction amounting to hundreds of thousands of pounds. I think there are many reductions, which I will speak about later, if necessary, which might be made and ought to be made."—(*House of Commons, July 14th,* 1904.)

So much for the promise of, and zeal for, economy in 1904. The first note struck in 1905 was in another and very different key. Mr. Arnold-Forster said:—

"Let me state my proposition. We cannot add money to the Army Estimates. I do not believe this Government or any other Government can do it."—(*House of Commons, February 23rd,* 1905.)

And when the Estimates (for which Mr. Arnold-Forster was fully responsible—as he was not in 1904) were submitted, they were found to be precisely like the so-called "interim" Estimates of 1904, and to show (in spite of certain windfalls amounting to over a million, and more than covering the cost of the re-armament undertaken) *an actual increase of nearly a million*, while their only apparent relation to War Office "Reform" was an increase in War Office salaries of nearly £38,000 a year! Further, the total reduction on the Estimates, promised as the result of Mr. Arnold-Forster's scheme, is £1,000,000. Of this, £300,000 is to come off the £1,200,000 at present spent on the Volunteers, and only £700,000 off the £27,000,000 now spent on the Army!

A month later (on May 11th), came Mr. Balfour's statement on National Defence, which, with its demonstration (1) that the invasion of England is impossible, and (2) that the invasion of India is next to impossible and must, if attempted, be preceded by preparations that afford us ample warning, made the Estimates appear more unintelligible (if that were possible) than ever. By Liberals and Tories alike the inference was drawn that some reduction should be made in Army expenditure at least. On May 16th (on the Finance Bill) Sir John Gorst said:—

"He was quite unable to reconcile the Prime Minister's statements on national defence with the demands the Chancellor of the Exchequer was making upon the taxpayer. . . . What ground had the Government, having come to the conclusion announced last week, for increasing their military expenditure? Although it was still essential for them to keep a great and powerful fleet, yet they were able to diminish the naval expenditure by no less than £3,500,000; but with respect to the Army, in which economy would be even easier, there was an increase."—(*House of Commons, May 16th*, 1905.)

Lord George Hamilton said:—

"It was the duty of the Government to regulate their Estimates according to the policy of the country. It seemed to him they might fairly say that the Army Estimates presented to the House were not in accordance with the policy which the Prime Minister laid down."—(*House of Commons, May 16th*, 1905.)

To Mr. Balfour this was a "very curious moral" (May 11th), and he raised a "note of warning" on the ground of the force that would be required during the first year of a war caused by an invasion of India. The long and short of it all is that the Government are determined to maintain their excessive Army expenditure. If one reason fails them, they have another handy. The necessity for a large Army for home defence having gone, its place must be taken by an alleged necessity for being prepared for what (on their arch-strategist's own showing) will certainly not happen, if at all, until not one day, but many days "after to-morrow."

The following excellent passage from Sir Charles Dilke on the responsibility of the Government for the waste involved by their changing policies may fitly be quoted here:—

"Although it was no use merely regretting money that had been wasted and thrown into the sea when a policy was changed, yet he thought the House of Commons, as the body representing the taxpayer, ought to take note of the enormous waste that had been going on through clinging to a system which was now abandoned. That led to the suggestion that there must have been a considerable margin of time during which these changes could have been gradually brought into existence. It could not suddenly become right to make these sweeping changes, reversing the arguments addressed to the House as recently as two years ago and reversing the policy which had led to the enormous expenditure that had been going on, and was going on up to the present time. He asked the Committee to remember how far the responsibility for all this expenditure had been on the present occupants of office."—(*House of Commons, May 11th*, 1905.)

THE MILITIA AND VOLUNTEER ROYAL COMMISSION REPORT, 1904.—CONSCRIPTION.

In April, 1903, a Royal Commission on the Militia and Volunteers was appointed, consisting of the following members:—

*The Duke of Norfolk (*Chairman*).
*The Duke of Richmond and Gordon.
*The Earl of Derby.
*Lord Grenfell.
*Sir Coleridge Grove.
Sir Ralph Knox.
*Col. G. O'Callaghan-Westropp.
*E. H. Llewellyn, M.P.
Col. E. Satterthwaite.
Col. J. A. Dalmahoy.
*H. Spenser Wilkinson.

The Commission reported† on May 20th, 1904, the Majority Report being signed by the eight members whose names we have asterisked. The terms of reference were as follow:—

"To inquire into the organisation, numbers, and terms of service of our Militia and Volunteer forces; and to report whether any, and, if any, what, changes are required in order to secure that these forces shall be maintained in a condition of military efficiency, and at an adequate strength."

The last two words were those which led the Commission astray. They conceived it their business, not to be content with making recommendations for improving the Militia and Volunteers on their present basis, but to create an Army for home defence of "adequate strength" to resist invasion by the whole force of a European military Power. They examined and reported against suggestions for the enforcement of the ballot for the Militia, with exemption for Volunteers, and also the system of compulsory military training in Switzerland, where, they think, the initial training is not sufficient for the purpose, and the mode in which the army is officered cannot be recommended. They add:—

"The principles which have been adopted, after the disastrous failure of older methods, by every great State of the European continent, are, first, that as far as possible the whole able-bodied male population shall

† [Cd. 2061] Price 8½d.

be trained to arms; secondly, that the training shall be given in a period of continuous service with the colours, not necessarily in barracks; and, thirdly, that the instruction shall be given by a body of specially educated and highly-trained officers. We are convinced that only by the adoption of these principles can an army for home defence, adequate in strength and military efficiency to defeat an invader, be raised and maintained in the United Kingdom."

In other words, the only way to make the Militia and Volunteers of "adequate strength" is to abolish these forces and substitute an entirely different one.

The responsibility for this ludicrous result is in part, it must be admitted, due to the War Office. The Commission consulted the War Office in May, 1903, as to what the strength of the Auxiliary force was to be. That was at a time when Mr. Brodrick was at the War Office, when the Army Corps scheme existed (if only on paper), and before either the War Commission or the Committee of Three had reported. The War Office in a Memorandum (May 11th, 1903) told the Commission:—

"The strength of the hostile force which, having regard to the existing balance of sea power, could be landed in this country, is a matter on which there is a diversity of opinion. It is held by some that the Navy can guarantee the complete protection of the United Kingdom against the danger of invasion by any larger force than from 5,000 to 10,000 men."

The Memorandum went on to say (apparently) that the War Office thought the number of troops needed for home defence was 330,000. The Commission at once proceeded to try and turn itself into an amateur Committee of Defence. They sent for the Director of Naval Intelligence, only to be refused his attendance by the Lords of the Admiralty, who referred them to the Committee of Defence, at that time presided over by the Duke of Devonshire. The Duke, in a Memorandum (June 22nd, 1903), told the Commission to stick to their terms of reference:—

"For the purposes of the Royal Commission, it is suggested that they should accept the numbers of Militia and Volunteers to whom duties have been allotted under the present scheme of mobilisation of the War Office, either in the defensive garrisons or in the mobile forces, and should consider whether the conditions of service in these forces are such as to enable these numbers to be maintained in a state of efficiency."

But the Commissioners had tasted blood, and were not to be baulked of their prey. They had been told that the Admiralty were prepared to "guarantee the complete protection of the United Kingdom against the danger of invasion by any larger force than from 5,000 to 10,000 men." What, then, could the War Office mean when it asked for 330,000 for home defence? Clearly only one thing—that "the views thus attributed to the Admiralty" were "evidently not accepted by the military authorities." The average man, unlike the Majority Report, will be inclined to say, "So much

the worse for the military authorities," and to be glad that the War Office is no longer under the same direction as it was a year ago. Whilst the Government was not responsible for this Report, it was for the state of things which made it possible. The public are not going to adopt conscription, moved thereto by the set of ideas which led to the Army Corps Scheme—now thrown contemptuously on the scrap heap.

We need not deal here with the technical part of the Report, which concerns itself with the question of improving the Militia and Volunteers on the present basis. But it should be noted that three Commissioners did not sign the Majority Report—Sir Ralph Knox, Colonel Satterthwaite, and Colonel Dalmahoy. The two latter said that they considered "universal military service to be unnecessary and inadvisable," whilst Sir Ralph Knox said:—

"I am unable to concur in the view that the necessity of the case requires the immediate abolition of the Militia and Volunteers and the substitution of a conscription of all the young men of the country in their 21st year for a year's continuous service in barracks and camp. Neither do I agree in the opinion expressed as to the value of the Army to the country for defence.

"The real and only defence of an island power is its fleet; it constitutes the first and second line of defence and must be maintained at a paramount strength. Such a power must possess the command of the sea, for, without it, it is at the mercy of its enemies, even without a blow being struck; and further, without the command of the sea an island power is unable to use its military forces to deliver an attack beyond the sea which surrounds it.

"The position of this country differs so widely from that of Continental powers that its military problem is totally dissimilar."

THE GOVERNMENT AND CONSCRIPTION.

The Government have, so far, declined to have anything to do with conscription. Mr. Arnold-Forster has said:—

"The Government does not intend to make any proposal to the House in favour of conscription."—(*House of Commons, June 2nd,* 1904.)

Mr. Balfour has been even more emphatic. When Sir Howard Vincent asked him about the Majority Report of the Duke of Norfolk's Commission, the Prime Minister's reply was to refer him to Mr. Arnold-Forster's statement, whilst he added a really remarkable sentence:—

"We do not agree, *of course,* with the recommendation."—(*House of Commons, June 6th,* 1904.)

And Mr. Arnold-Forster, in the course of his statement on July 14th, 1904, swept the recommendation aside by a demonstration that its adoption would mean "a net annual addition to the Army Estimates of £25,900,000."

This sounds all very satisfactory, but it is never safe to assume that the Government's Army policy at any given time is the result of "settled convictions."

THE ARMY STORES SCANDAL.

In examining the accounts of the winding-up of the South African War—when the surplus stocks were sold which had accumulated during the war—the Auditor-General came upon a large number of suspicious transactions.

His Reports (on the Army Appropriation Account, 1903-4, and on the Store Accounts of the Army) bore date January 31st, 1905, and contained numerous references to enquiries (some of them as far back as March and April, 1904) addressed by him to the War Office in regard to these transactions, to which, up to then, he had received no reply. It transpired, however, that the Army Council had been moved by these enquiries to appoint (only so late as January 17th, 1905) a Departmental Committee to enquire into the matters involved. The Report of the Committee, which was presided over by Sir William Butler, appeared in the following June, and created a profound sensation.

The terms of reference were:—

1. To investigate and report on the terms of contract and other circumstances connected with sales and refunds to contractors in South Africa at the end of the war.
2. To make special inquiry into six specified transactions.
3. To report upon the responsibility of those concerned.

A full summary of the Report will be found in the Liberal Magazine for July, 1905, at page 388; here we can give only a few of its more important findings. The situation at the close of the war is thus described by the Committee:—

In June, 1902, the military authorities held immense accumulations of food supplies in South Africa. These would have sufficed to feed more than 300,000 men and 200,000 animals for four months. . . . The price of provisions, always high in South Africa, had become abnormally extravagant. Money, however, was plentiful. . . . Under such economic conditions the holders of the only food supply in a territory of great extent might reasonably have anticipated being able to dispose of their surplus stocks of food and forage at rates advantageous to the State. They held this food under conditions of cost price, freightage, and transport of a distinctly favourable character.

Lord Kitchener said in a despatch (June 15th) that the sales "should amount to large sums if judiciously carried out," on the 17th he "anticipated being able profitably to dispose of all surplus stores," and on the 18th he put the "amount of money involved" as likely to "reach some six or seven millions."

What the War Office Sanctioned—The Dual System.

What was done was to set up a "dual system of sales and contracts under which the Army concurrently sold with one hand and bought with the other the same article or a similar description of the same article," and it was arranged that "these concurrent dealings should be worked by the Army Service Corps, under Colonel Morgan as Director of Sales as well as Director of Supplies." The idea "had its inception in South Africa," but it was directly

sanctioned by the War Office. On June 10th Lord Kitchener "contemplated being able to sell locally good quantity of reserve of forage at good prices." On the 18th he "put in order the organisation under Colonel Morgan, Army Service Corps, of a special department called Sales Department." "On the 20th the War Office approved the proposal as to the supervision of sales by the Army Service Corps." As to supplies, Lord Kitchener first recommended the system of local contracts on June 3rd, "this course being likely to be most satisfactory for peace conditions." On June 11th, in a minute, "in the War Office," on this proposal, the Quartermaster-General expressed the opinion that it would be "preferable to adhere" to the existing system of home contracts. On July 1st an urgent telegram was sent from Pretoria "strongly recommending that local contracts for supply of food and forage to troops be entered into." On July 5th the Director of Contracts, throwing over the opinion of the Quartermaster-General in favour of home contracts, replied: "Proposals as to local contracts approved." It is to be noted that, while both parts of the system were proposed by Lord Kitchener, only the arrangement as to sales was approved before he left South Africa on June 23rd, when Sir Neville Lyttelton took his place.

THE ONLY CHECK—MONTHLY RETURNS FROM THE SALES DEPARTMENT.

On the system thus set up one check was imposed. The history of this is thus set out by the Committee:—

The returns from the Sales Department, ordered in the telegram from the Quartermaster-General on July 31st (and covered by letter of the same date), were not forwarded in compliance with that order subsequent to those for the month of August, but on October 31st a letter, signed by Colonel Hipwell, was sent, forwarding sales made in September and October, but only those to the Repatriation Department, and omitting reference to sales to the general public.

The omission to comply with the orders given on July 31st (Monthly Return of Sales) was noticed by the War Office in an inter-departmental minute of October 8th, 1902, but it does not appear that action was then or subsequently taken in regard to it, and the return was cancelled on April 24th, 1903. Had this order been complied with, it might have been possible for the War Office earlier to have realised the nature of the transactions proceeding in South Africa in regard to sales of their vast surpluses, contracts, and the dual system generally.

THE DUAL SYSTEM AT WORK.

The best illustration of the working of the system is afforded by the "Meyer sales and refund" case. From the Committee's statement of this, the following two extracts must suffice:—

(1) A comparison between the prices at which Meyer was to buy from and sell to us, at Pretoria (*e.g.*), will be easily seen from the following table:—

Meyer paid us.	We paid Meyer.	Difference in favour of contractor per 100 lb.
For oats 11s. per 100 lb....	17s. 11½d. per 100 lb. ...	6s. 11½d.
For oat hay and hay 10s. per 100 lb. ...	17s. 8½d. per 100 lb. ...	7s. 8½d.
For bran 9s. 3d. per 100 lb.	14s. 3d. per 100 lb. ...	5s. 0d.
For mealies 9s. 6d. per 100 lb... ...	16s. 0½d. per 100 lb. ...	6s. 6½d.

(2) The evidence given by Colonel Lewis and others shows the actual method or machinery of exchange which followed. We still continued to store and issue practically as before the contract had been, and some 60,000 animals became the machines by which Meyer was made the daily gross gainer upon oats alone of something over £2,000 sterling.

The Operation of the System Reviewed.

Reviewing the entire course of the sales and contracts, with the losses that followed them, the Committee say:—

We can only see a succession of situations by which an ultimate goal has been attained—that goal being handing over to a few contractors the great bulk of the surplus food and forage belonging to the Government at "absurdly low prices." First, we see the inception of the sale and the contract systems—put forward with anticipations of profit and success. We come next to the failure of the sales, to the continued increase of stocks, not only automatically produced by continuous decrease of garrison, but by pouring into Pretoria stocks from the seaport bases, and the fresh stocks of oversea imports. We find that this steadily increasing congestion was never referred to specifically in the correspondence with the War Office, but, on the contrary, we find silence and omissions, which all tended to obscure from the War Office the knowledge of what was happening to these supplies in the Transvaal. A single telegram would have sufficed to clear the situation. It was not sent.

"One Channel of Safety."

The Committee point out how, even after the inauguration of the dual system, the situation might have been saved:—

One channel of safety lay open all this time. It was safe, simple, and needed no effort of administrative steering to reach. We had only to refuse the tenders offered, and to continue to use our own stuff for our own animals on our own ground. They were both together at our stations. Nothing need have been altered or added to. We preferred to buy our own forage from a man to whom we had just sold it at some 60 per cent. more than he had given us for it. We were still to store it —to carry it to our animals, and it was to stand in our forage yards at our risk of deterioration. . . . The Committee have never been able to understand why a method of meeting all the civil and military requirements at the end of the war was not adopted, viz., handing over to the Repatriation Department the whole surplus army stock at a joint valuation. This simple stroke-of-the-pen administrative method between two departments of the State would, the Committee think, have saved much money and placed an effective barrier against the various activities alluded to in this report.

What the War Office Ought to Have Done.

Looking at the whole question from the point of view of Home Administration, the Committee thus strongly criticise the action of the War Office at the close of the war:—

It appears to the Committee that a great error was made in not having sent to South Africa at the conclusion of the war a specially trained selected officer of high rank, and a small but very capable staff of civil and military officials, who would have taken in hand the entire business of winding up the war, disposing of surplus stock by sale or by shipment to England, and, generally speaking, replacing the haphazard and always wasteful ways of war by regular methods of peace adminis-

tration. Such a mission would have cost a few thousand pounds, and the Committee think it would have possibly saved the State some millions sterling.

The Moral for the Taxpayer.

The Committee conclude Part I. of their Report by asking this pertinent question:—

And there is another point, perhaps the strongest of all, to which the Committee must refer, it is: Are the taxpayers of this country to continue to be the sport of the many questionable contractors who are as ready to follow their several avocations in the wake of a war as they are also willing to be its pioneers?

Part II. of the Report.

The general judgment of the Committee on four cases submitted to it is that "the refunds were devoid of claim either in equity or in reason." As to the chaff sales at Pretoria the case is thus set out:—

Cost to the Public.			Realised by Sale.		
Item.	Total Cost.	Per 100 lb.	Per 100 lb.	Quantity.	Amount.
	£	s. d.	s. d.	Lbs.	£ s. d.
(*a*) Chaff, cost at Durban including freight from Melbourne to Durban ...	2,055	6 5 nearly	1 6	4,000	3 0 0
(*b*) Demurrage proportion on s.s. *St. Jerome* at Durban	213	0 8		193,100	144 16 6
(*c*) Landing Charges at Durban	70	0 $2\frac{5}{8}$		444,300	333 4 6
(*d*) Railage from Durban to Pretoria	588	1 10		—	—
Cost of 641,400 lbs. ...	2,926	9 $1\frac{1}{2}$		641,400	481 1 0

Loss to the public, £2,445.

The Committee further point out that in some of the sales, producing a total credit to the public of £13,084, the Customs claims alone amounted to £16,902.

In regard to the absence of necessary documents and the nature of the evidence given, the following statement is made:—

There can be little doubt that an extensive loss or destruction of documents has occurred, and it is to be noted that in the evidence given by the officers and non-commissioned officers who were connected with the Director of Supplies' office in Pretoria that defective memories are more the rule than the exception whenever the salient or critical points of any question are reached.

THE ROYAL COMMISSION.

When the House of Commons met after the Whitsuntide Recess (during which the Report appeared) it might have been

thought that Mr. Balfour would have taken a serious view of the situation, and would have been able to announce to the House of Commons what the Government proposed to do. Instead of that he treated the whole matter with characteristic carelessness—as a mere peg on which to hang the small devices of his rhetoric. What happened can be very briefly summarised.

June 20th.—Mr. Balfour announced that he rather thought he would appoint a Select Committee further to inquire into the subject dealt with in the Butler Report, but that he could say nothing definite until the Cabinet had met.

June 21st.—Mr. Balfour announced that the Select Committee plan was discarded, and that there would be a judicial Commission, which would not be able to compel the attendance of witnesses.

June 22nd.—Mr. Balfour announced that the Commission would, after all, have statutory powers.*

A day or two later the Royal Commission was appointed, consisting of:—

Mr. Justice Farwell (*Chairman*),
Sir G. Taubman Goldie, K.C.M.G.,
Sir George White, G.C.B.,
Sir Francis Mowatt, G.C.B.,
Mr. Samuel Hope Morley.

The terms of reference of the Commission are as follows:—

To investigate the allegations made in the report of the Committee presided over by Lieutenant-General Sir W. F. Butler, K.C.B., dated May 22nd last. To report upon all the circumstances connected with contracts, sales, and refunds to contractors in South Africa after the conclusion of peace, and upon any previous transactions which may throw light on them. Further, to report upon the responsibilities of the persons concerned, whether in this country or in South Africa.

THE VOTE OF CENSURE.

The appointment of the Royal Commission did not, however, relieve either the House of Commons or Ministers of their responsibility in the matter. Mr. Balfour himself appointed the Commission, and settled the terms of reference without the concurrence of Parliament. That being so, the Commission clearly does not, and could not, affect the responsibility of Ministers to the House of Commons. It was quite proper, therefore, for Sir Robert Reid to move (as he did on June 26th) the following Vote of Censure:—

"That the conduct of his Majesty's Government in connection with the supply and disposal of stores and the sales and refunds to contractors in South Africa at the end of the war, and their failure to inquire promptly into and deal with these transactions, deserves the censure of this House."

This was lost (on a strict party vote) by 74 (331 to 257). It cannot be said that Ministers succeeded in divesting themselves of responsibility by their *apologiæ* in the debate, but their speeches contained nothing that calls for special comment.

---

*For a summary of the War Stores (Commission) Act, conferring these powers on the Commision, see LIBERAL MAGAZINE for October, 1905, page 561.

POINTS AND FIGURES.

Liberals and Imperial Defence.

It is a favourite claim of the Tory party that they are peculiarly fitted to "run" the Empire, and that Imperial defence is safe in their hands alone. As a fact, the Empire is quite as safe in Liberal as in Tory hands, and Tory Ministers themselves have admitted as much. Here is what Mr. Balfour said about the state in which the Empire was left by the late Liberal Government:—

"No, gentlemen, *there never was a moment*, I believe, in the recent history of this country, *when the British Empire was a better fighting machine than it is at the present time.* The energetic efforts of successive Governments, principally the Unionist Government which existed between 1886 and 1892, and *the Home Rule Government which succeeded them between* 1892 *and* 1895, chiefly through their efforts in the last decade or more, an addition has been made to the fighting power of the Empire, of which the Empire itself, I believe, is unaware."—(*Manchester, January* 15*th*, 1896.)

The above disposes of the ridiculous legend that the last Liberal Government had neglected to take precautions for Imperial safety. As to the Navy Mr. (now Lord) Goschen said:—

"Successive First Lords of the Admiralty, Lord George Hamilton, Lord Spencer, and others, had received well-merited praise for the additions which they had made to her Majesty's Navy, and for the firmness which they had shown in adding to our national strength."—(*East Grinstead, January* 21*st*, 1896.)

The late Mr. Hanbury said:—

"Dependence must mean self-dependence, and, thanks to the late Government, we were much stronger on the water than we were fifteen years ago. Speaking as a Conservative . . . he could assure them that the nation owed a great deal to his lordship (*Lord Spencer*)."—(*Leek, February* 3*rd*, 1896.)

And (to quote the most recent testimonial to the same effect) Lord Selborne, in his last speech as First Lord of the Admiralty, said:—

"In conclusion, I wish to say that if the Board have been able in the last year or two to advance the efficiency of the Navy, as has been so generously admitted by Lord Spencer and Lord Goschen, it is only because of the work of the Boards that preceded them under Lord Goschen, Lord Spencer, and Lord George Hamilton. The whole has been one long process of evolution. Every point of our policy has its starting-point in the work of Lord Goschen, Lord Spencer, or Lord George Hamilton, and I hope it will always be so. . . . There never has been, as there never ought to be, a revolution in naval administration. We have had one continual development and change from the days of Nelson to the present day, and as long as that remains true the Board of Admiralty will deserve the confidence of the country."—(*House of Lords, March* 21*st*, 1905.)

The Navy has been called the "Great Soporific"—since it allows us to sleep soundly at nights without fear of invasion. Well, no one need sleep less soundly because a Liberal Prime Minister wields power. In fact, a sensible man will sleep *more* soundly, since Liberal foreign policy is so much more peaceful and less provocative than Tory. To appreciate the truth of this we have only to compare the record of this Tory Government and its Liberal predecessor.

Liberals and Army Reform.

It should not be forgotten in this connection that past Liberal Governments have not failed to carry out many reforms in order to strengthen the Army and to improve the conditions of service. They have introduced the short service system so that the country should be provided with a large and powerful Reserve. They abolished the degrading punishment of flogging. By putting an end to the disgraceful practice of officers buying their commissions for money, they made it possible for men to rise from the ranks. It is only necessary on this point to quote Colonel Brookfield, the late Tory member for the Rye Division of Sussex:—

"Army reform was not a party question, but it would have been well for the Conservative party if years ago the safety and efficiency of the Army had been treated by Conservative Governments less on a departmental and more on a patriotic footing. It could not be denied that the only great reform in military matters which had been carried out in the present generation—that of Mr. Cardwell and his friends—was the work of their political opponents."—(*London, November 16th,* 1897.)

Lord Roberts on the Army.

Speaking towards the end of the Session of 1905 Lord Roberts said:—

"I have no hesitation in stating that our armed forces, as a body, are as absolutely unfitted and unprepared for war as they were in 1899-1900." —(*House of Lords, July 10th,* 1905.)

February-March, 1900, it may be recalled, was cited by Mr. Balfour (May 11th) as marking the "lowest depth" we were ever likely to reach in home defence.

Later, in a speech on Home Defence, Lord Roberts repeated and expanded this statement, saying:—

"I think, therefore, that my condemnation of the condition of the armed forces was not, as the Secretary of State for War described it, of too sweeping a character, and that I was justified in stating that the military forces of the Crown are no better prepared for war than they were in 1899-1900. The truth is, I rather understated than overstated the fact; for while, as regards organisation, efficiency, and power of expansion, we are no better off than before the war, in one particular we are far worse off—I mean in the falling off in the number of officers, which is a question of the utmost gravity."—(*Mansion House, August 1st,* 1905.)

Mr. Balfour's comment on Lord Roberts's Mansion House statement is particularly worth noting, as it contains an admission that

all the Government's schemes of reforms since 1900 have done nothing for the Army. Mr. Balfour said:—

"I do not agree that the Army is in the same condition that it was in 1899. It has improved, in my opinion, upon the Army of 1899, just as the Army of 1899 improved on that of 1895. . . . With the progress of years and the increased knowledge, it would be unfortunate if no corresponding increase in efficiency were attainable."—(*House of Commons, August 8th*, 1905.)

The Army, that is to say, has improved only in the same way and degree during the Reform period (1900-5) as during the pre-Reform period (1895-9).

And this is the upshot of the work of a party that ten years ago came into power on an Army question, that five years ago made the Army Reform the one definite issue (apart from the South African settlement) of their appeal to the country, and in whose hands alone the country is said to be safe!

Armaments Expenditure on Peace Footing.

	1895.—LAST LIBERAL YEAR.			**1903.**—TORY YEAR.		
	Army	Navy.	Army and Navy.	Army.	Navy.	Army and Navy.
	£	£	£	£	£	£
United States	11,083,000	6,006,000	17,089,000	24,833,000	16,824,000	41,207,000
Germany	30,245,000	3,845,000	34,090,000	31,880,000	10,252,000	42,132,000
France	25,282,000	10,640,000	35,922,000	32,189,000	12,539,000	44,728,000
Russia	30,119,000	6,033,000	36,152,000	36,647,000	12,350,000	48,997,000
Great Britain	18,770,000	17,545,000	36,315,000	33,400,000	39,221,000	**72 621,000**

The British figures include *capital* expenditure.

Five Years' Naval Construction.

On May 8th, 1905, Mr. Pretyman (in a printed reply to Mr. Partington) gave the following interesting figures as to the amount of tonnage and its cost added by new construction to the British, French, German, United States of America, and Russian navies for the five years ending March 31st, 1905. The figures do not include torpedoes or submarines:—

	Tons.	Cost.
Great Britain	601,755	£46,712,123
France	178,322	17,589,215
Germany	198,561	18,830,704
United States	154,184	14,663,817
Russia	267,586	23,836,892

Omitting Russia (for obvious reasons), we get—

FIVE YEARS' NAVAL CONSTRUCTION, 1900-1905.

	Tons.	Cost.	
Great Britain	601,755 ...	£46,712,123	or £78 per ton.
France, Germany, and United States ...	531,067 ...	51,083,736	,, £96 ,,

That is to say, we have built 70,000 more tons than the three Powers named, but in so doing have spent $4\frac{1}{4}$ millions less.

LONDON.

The political position in the Metropolis during the last sixteen years has been remarkable for the wide discrepancy between the views of the electorate on Imperial matters, as evidenced by the results of Parliamentary elections, and their views on those domestic concerns which are brought under their consideration at elections of the County Council. At the General Election of 1886, Conservatives were returned in 78 per cent. of the London constituencies: in 1892 they succeeded in 61 per cent., and in 1895 and 1900 in 87 per cent. On the other hand, at the County Council election in 1889, the Moderate party won only 40 per cent. of the seats; in 1892, 29 per cent.; in 1895, 50 per cent.; in 1898, 41 per cent.; in 1901, 25 per cent.; and in 1904, 30 per cent. At the first two elections for the Council the contests were fought on somewhat independent lines, but since 1895 the Prime Minister and leading members of the Cabinet have openly appealed to Conservatives to support the Moderate candidates, and the machinery of the party has been made the utmost use of, although, it is true, with but little success.

Whatever may have been the cause of it, the fact remains that for sixteen years, whilst the voice of London on the County Council has been progressive, in the House of Commons it has been reactionary; and the result has been that the interests of the Metropolis have been not only disregarded, but absolutely damaged by Parliament. Supported by the knowledge that it could rely upon the submissive adherence of four-fifths of the London representatives, the Conservative Government have not hesitated to thwart the London County Council in almost every important proposal that this democratic body has brought forward, and to use their party majority to crush the aspirations of the Council towards a higher and more effective municipal existence.

In the annals of Parliament there is no precedent for the National Government interfering with legitimate municipal work to the extent to which this Government have opposed the London County Council; and the only possible explanation is that the Tory leaders are afraid of that very democracy in which they pretend to believe, and think it a safeguard against the advance of reform to check and pinion the body in which democratic progress has made itself the most apparent.

THE GOVERNMENT AND THE METROPOLITAN WATER COMPANIES.

One of the earliest acts of the present Government was to throw its influence into the scale in favour of the London Water Companies as against the London Council.

The question of the London water supply is one of importance and complexity. Not only were the Metropolitan Water Companies established by Parliament on a peculiar basis unknown in other towns, but by the year 1889 it had become evident that their resources were totally inadequate to meet the future needs of London. In 1893 an inquiry by a Royal Commission, presided over by Lord Balfour of Burleigh, resulted in proving that London would by the year 1931 require more than double the quantity of water which the Companies were then in a position to supply. The Council thereupon resolved to purchase all the undertakings at their then fair value, and to resort to the mountains of Wales for the necessary additional supply.

Purchase Bills were accordingly introduced into Parliament in 1895, and, after having been read a second time, were referred to a Committee presided over by the present Lord Rathmore (formerly a member of a Conservative Government).

The chief fight raged over the terms of purchase, the Council urging that the special position of the Metropolitan Water Companies was such as to require that the arbitrator should take cognisance of all the circumstances of the case, whilst the Companies claimed to be paid out under the Lands Clauses Act, the operations of which would have given to the shareholders a large additional compensation in respect of compulsory purchase. The Companies' claims, if successful, would have entitled them to receive out of the ratepayers' pockets a bonus of six millions beyond even the then value of the shares on the Stock Exchange. In the end the Council made good its contention, and the Bills, with certain modifications proposed by the Council, would in all probability have passed into law had not the sudden defeat of Lord Rosebery's Government in July, 1895, necessitated a dissolution of Parliament. The Council's Water Bills were suspended, and when the new Parliament assembled the forms of the House required that they should again be submitted for second reading. On this occasion the complexion of Parliament having changed, the Water Companies, assisted by the London Tory members, succeeded in enlisting the support of the President of the Local Government Board, and on March 17th, 1896, Mr. Chaplin advised the House of Commons to reject the Council's Bills, notwithstanding that they had practically obtained the approval of a Committee in the previous year. Since then the process has been repeated time after time.

Each year the Council demanded the right that is never refused to any other municipal body, namely, that of laying its case fairly before a Committee of Parliament, and on every occasion the Government refused this request. At the same time great facilities were given to the Companies to strengthen their position. At the time the Council first took action the Companies were practically at the end of their resources; since then they have succeeded in obtaining no less than fifteen new Acts of Parliament, under which their powers of expending capital have been increased from fifteen

to twenty-two millions. Nearly five millions of this capital have been granted since the Council's Bills were rejected, with the result that the compensation payable by the ratepayers in the event of purchase will now be far in excess of that which they would have been liable to had the Council's original proposals been allowed to proceed.

At last it became impossible for the Government to continue their obstructive tactics, and in 1902 they introduced a Bill for the compulsory purchase of the water undertakings by a new Water Board, emanating chiefly from the Borough Councils, and framed on the model of the old and discredited Metropolitan Board of Works. This Bill was referred to a joint Committee of Lords and Commons, consisting of seven Unionists and three Liberals. After a minute inquiry, this Committee, by six votes to three, decided to strike out the representation of the boroughs, leaving the representation of London in the hands of the County Council alone. But this was far too dangerous to the Water Companies, and accordingly Mr. Walter Long, President of the Board of Trade and formerly a director of the East London Water Company, interposed his authority, and compelled the Committee to reconsider this decision. The Committee divided again. This time five voted on each side, and the Chairman ruled that this left the Bill in its original form, notwithstanding the former vote of a majority to alter it. The Bill was then postponed till the Autumn Session, and at the fag end of the sittings, in December, 1902, it was forced through Parliament without any proper discussion being allowed. Thus an unworkable and inefficient Board was established to carry out arbitration of enormous complexity and magnitude, with no experience, no officers, and no means of fighting the ratepayers' battle properly. No better proof can be given of the value to the Companies of Mr. Long's policy than that afforded by the following figures: Taking seven of the eight Companies (the New River Company being, for special reasons, not easily comparable), it can be shown that at the date when the Bill was introduced the amount of stock which was ultimately purchased from these Companies by the Water Board was valued by the Stock Exchange at £21,700,000. When the Bill was passed, in December, 1902, the value rose to £22,800,000, and, in the end, the cash awarded by the Arbitrators amounted to the enormous sum of £24,700,000. Including debentures the total purchase of all the Companies has cost the public almost exactly £43,000,000.

The Tory Government were elected in order to take care of their friends, and well have they looked after the interests of the London Water Lords!

THE ATTACK UPON THE LONDON COUNTY COUNCIL.

The Tories hate the County Council. It represents that power of democracy of which they are continually in fear. In setting up,

in 1888, County Councils all over the country, to consist of Tory squires, the then Conservative Government found it impossible to avoid dealing with the County of London, and they hoped then that the Conservatism of London, which had hitherto flourished in the Metropolitan Board of Works and in most of the Vestries, would still hold its own on the new Council. In this they were disappointed, for the spirit of London freed itself with a great effort from the influence of jobbery and corruption, and returned to power a majority of Progressives, able, honest, and enthusiastic, by whom the public work of the Metropolis has now been carried on for ten years, and in whom the people have since renewed their confidence in five successive elections.

The reform of London Government was, however, only partially effected in 1888, the Vestries remaining untouched; but it was announced that the Government intended, in a subsequent session, to deal with this branch of the subject, and Mr. Ritchie declared that the intention of the Government at that time was "not to proceed upon the lines of separate municipalities," but "to establish District Councils."

This announcement was, however, made by a Minister having far greater sympathy with the democratic movement of the age than have the majority of his own party, and no sooner had the County Council been constituted and had demonstrated what a forcible engine of progress had been set up than its own creators forthwith set to work to demolish it.

A society was formed for the purpose of substituting for the County Council separate municipal bodies for different districts in London. It was very largely supported by leading Conservatives, and immediately after the election of 1895 it started an active agitation against the County Council.

This agitation culminated in a violent attack upon the Council on the occasion of the election in March, 1898, when the leaders of the Tory party actively intervened in the contest in support of the Moderate candidates. Lord Salisbury himself distinctly invited the Conservatives of London to vote for the Moderate candidates in order that when elected they might adopt a "course" of "patriotic" and "enlightened" "suicide." London replied to this menace by returning an overwhelming majority of Progressives, and the open policy of destruction was no longer practicable.

But the Corporation of the City and the London Tory members pressed for the introduction of some measure to cripple the aspirations of the Progressive County Council, and in 1899 a Bill was introduced for establishing Metropolitan Borough Councils, to whom it was proposed to transfer many of the powers hitherto exercised by the County Council. Thanks to the Liberal Opposition in Parliament, the Bill was greatly altered, and its most objectionable features got rid of before it became law. The Act has, however, proved to be of very doubtful benefit to London, the majority of the

Borough Councils having turned out to be more reactionary and more opposed to progress than even the old Vestries were in earlier days.

These characteristics have, however, earned for the Borough Councils the admiration and devotion of the Tory party, and since 1899 every effort has been made by the Government to force them to the front, and to place them in opposition to the County Council. The establishment of Mr. Long's Water Board, already referred to, was the first step taken in this direction, and this body fully justified the intentions of its creators, for when the members had all been appointed, it appeared that the Tories had a majority of three to one over the Progressives. When it is borne in mind that on every occasion upon which the London ratepayers themselves have been consulted on the water question they have given their confidence to the Progressive party, it is clear that the institution of this new Water Board was nothing less than an ingenious method of gerrymandering the appointment of a public body in the interests of the water shareholders.

THE EDUCATION ACT, 1903.

Fired with their successful manipulation of the London Water Question, the Government, in the following year, tried to gerrymander their own party into a position of authority over the administration of public education. By the Education Act of 1902, Parliament had made the County Councils responsible for education in England and Wales; but London was left out of that measure, in order that it should be dealt with specially in the next Session. When the London Bill was produced, it appeared that the antagonism of the Government to the London County Council had operated to such an extent that they had abandoned the principle upon which they had acted in every other county, and had devised an Education Committee, similar in construction to the Water Board, between which and the Borough Councils the administration of the schools was to be divided. This outrageous and unworkable project was, however, too absurd even for a servile Parliamentary majority to swallow, and during the debates in Committee, the Government had to beat a hasty retreat by throwing over the Borough Councils altogether, and simply applying the Act of 1902 to the London area.

But even with this improvement (if it can be called an improvement) the people of London have good ground for complaining of the action of the Government. In the first place, the Bill of 1902, if intended to be applied in principle to London, ought to have included London. By its exclusion London was practically debarred in 1902 from contesting the educational proposals of that year. And yet there is no place in which the principles of the Government's educational policy are more repugnant to the voters than

they are in London. The London School Board did magnificent work during thirty years of stress and difficulty, and London as a whole bitterly resents the destruction of that useful body. So far as religious instruction is concerned, London has on several occasions declared herself as fully satisfied with the course of Bible teaching adopted by the School Board, and has no wish to maintain denominational schools at the expense of the rates. And yet by the subtle device of the Government the real opposition of London could not be evoked until it was too late to contest effectively a principle that had already been forced upon the rest of the country. Londoners, however, cannot rest under the injustice to which they have been subjected. By one means or another they will resist the establishment of sectarian supremacy over schools maintained at their expense and freed from their control. The battle for popular rights over popular education has only just begun, and there can be little doubt that London will not be backward in asserting herself in a matter of supreme importance both to her present and future population.

LONDON TRAMWAYS.

The hostility of the present Parliament to the County Council has never manifested itself more clearly than in the treatment accorded to the Council's proposals for improving the tramway service in London. The need that exists for a combined and efficient system of locomotion all over London is evident to the most casual observer, and yet, year after year, the Council has introduced Bills for connecting the districts on the north and the south of the Thames, by running tramways across Westminster and Blackfriars Bridges, but up to the present, thanks to the action of the Conservative members for London, it has failed in the attempt. In 1904 a Bill for this purpose was rejected by the House of Commons on second reading, only five of the forty-nine Conservatives representing London constituencies voting in its favour. In 1905 a similar Bill passed its second reading by the Speaker's casting vote, and on this occasion only nine London Conservative members supported it. This Bill was successful in Committee, and obtained a third reading in the Commons, but on reaching the House of Lords that Chamber refused even to send it to a Select Committee. Thus, through mere prejudice, for another year thousands of working men and women are condemned to drag themselves across the bridges, in wind and wet, to their great discomfort, and oftentimes to the detriment of their health. The Council will doubtless renew its attack until the noble and wealthy owners of carriages and motor-cars are shamed into granting to the poor the means of locomotion which they would be the first to claim for themselves if they required it for their own comfort and convenience.

THE PORT OF LONDON.

The latest exhibition of the anti-County Council views of the Tory party in London has been apparent in the method of dealing with the important subject of the Port of London. The condition of the Port and Dock accommodation has long constituted a serious menace to the whole trade of the Metropolis. Nothing has been done to make the waterway suitable for modern ships, or to improve the antiquated methods followed by the dock companies, and it was not until the institution of the London County Council that any serious attempt was made to deal with this great question. In 1892 that body pressed upon Parliament the need for a reform in the Thames Conservancy; but in this it met with only partial success. At the same time it urged strongly that inquiry should be made into the adequacy of the Thames for the admission of large vessels. This inquiry was granted, and resulted in a recommendation that the Conservancy should forthwith proceed to deepen the channel. The Conservancy, however, took no steps in this direction, although pressed to do so by the representatives of the County Council, and accordingly the Council instituted an inquiry of its own into the whole question of the administration of the Port, and in 1900 approached the President of the Board of Trade with an urgent request for a Royal Commission to be appointed to investigate and report upon this subject. A Royal Commission was accordingly appointed, and its report was an absolute condemnation of the existing system, and fully justified the action of the County Council. It recommended the abolition of the Thames Conservancy so far as affected the Port, and the establishment of a Port Trust consisting of forty members, of whom eleven should be appointed by the London County Council, ten by other public bodies, and nineteen by persons interested in shipping and trade.

Following upon this report, the Government introduced legislation for establishing a new Port Trust, consisting of shippers and traders, together with representatives of the ratepayers, upon whom a considerable financial burden was to be laid. For the election of trustees of the public the Government proposed to look chiefly to the London County Council, but this proposal offended the City Corporation, which demanded that the interests of the public should be confided to its care. It had made this same claim when before the Commission, but it had been rejected with contumely. But the influence of the City is very powerful with a Tory Government, and with the assistance of the Conservative members for London, by dint of lobbying, and threatening, it succeeded in forcing Mr. Balfour to withdraw the Bill. Thus for the twentieth time have the general interests of London been sacrificed to the reactionary tendency of its Tory members and to the selfishness of the small and self-centred oligarchy that carries on its business with mediæval methods in no very meritorious manner.

THE TORY DOLES AND THEIR EFFECT ON LONDON.

In no place has the financial legislation of the Tory Government effected greater injustice than in London. Pledged to repay their party supporters in coin of the realm, the Conservative majority first doled out a million and a quarter a year to the country party. Next they provided an annual subsidy of six hundred thousand pounds to denominational education, and, lastly, they have allotted a sum now amounting to one hundred and thirty thousand pounds a year to relieve the clergy of the Established Church from part payment of rates upon tithes.

These doles have, however, been thrown out with no regard to the question as to who would provide the money, and with little consideration, even, as to justice between the participants in this indiscriminate charity.

The system of grants from the Imperial Exchequer towards assisting local administration was very fully considered in 1888, when it was decided that an annual sum of about five million pounds should be set aside out of the Consolidated Fund and applied to this purpose. A part of this money was derived from the Probate Duty, and under the Local Government Act, 1888, this amount was directed to be divided between the various local authorities in certain carefully ascertained proportions. The proportion received by London under this enactment is about 22 per cent. of the whole, and, in the view of many persons well qualified to judge, this fraction is below that to which the Metropolis is equitably entitled. Be this as it may, even this low figure has been absolutely abandoned by Parliament in allotting the recent Imperial subsidies. Out of £1,330,000 per annum handed over in relief of rates under the Agricultural Rating Act, the Metropolis only receives £3,166, or about one quarter of one per cent. This result is, of course, not unnatural, seeing that the object of the Government was to subsidise the country at the expense of the towns; but with regard to the contributions to Voluntary schools, and to the clergy, some more equitable results might have been expected. Here again, however, the same disregard for the Metropolis has been exhibited. The total relief given to educational authorities under the Voluntary Schools Act in the year 1902-3 was £620,000, and of this the London schools received only £48,000, or 7¾ per cent. of the whole. Similarly under the Clerical Tithes Relief Act, 1899, a sum of about £130,000 is annually distributed to local authorities for the assistance of the parson, and of this sum only £700, or one half of one per cent., enures to the benefit of the London clergy. And this last case of injustice to London is even more striking than the others, for the money, being taken out of the Local Taxation Account, which by the Local Government Act is subject to the rules of distribution already alluded to, the recent Act actually deprives London of no less than

£29,850, which otherwise would have been paid to the County Council in relief of Metropolitan rates.

The total amount of these doles is over two millions a year, of which London receives some £52,000. If the proportion laid down in 1888 had been adhered to, London's share would be no less than £450,000, an annual subvention which would have rendered possible, without resorting to the rates, a capital expenditure of eleven millions on public improvements, artisans' dwellings, or other necessary works. It can hardly be wondered at if the County Council refrains from costly improvements when the Government of the day treats it with so great injustice.

It may be replied that the recent educational policy of the Government has tended to rectify this inequality. This is true to a certain extent. Whereas under the old Acts London received 5½ per cent. of the amounts granted for Voluntary schools, etc., under the new *régime* it will be entitled to 10¼ per cent. But the fact must not be lost sight of that, of all money raised by taxes, Londoners contribute at least 25 per cent., and thus the system of grants in aid established by the Conservatives invariably tells against London. London has been mulcted for other parts of the country because its band of fifty Tory members have not dared to stand up for their own city.

Whilst depriving the London ratepayers of their fair share of relief in the form of national subvention the Tories at the same time have put every impediment in the way of the Council in its attempts to call to the help of municipal work the ever increasing value of land in London. After several defeats the Council in 1893 succeeded in inducing the House of Lords to assent to the principle of Betterment as applied to particular properties. Its efforts, however, to raise an owners' tax on all ground values has been hitherto successfully resisted, and it is clear that no progress is possible in this direction so long as a Conservative majority has the conduct of affairs.

In former days London led the van of Liberal and Progressive thought. Is it too much to hope that when this City realises how great has been the betrayal of its interests by a Government to which in 1895 and 1900 it gave its almost undivided support it may once more show itself in Imperial, as it has done in Municipal, politics, the advocate of sound and just finance, of progress and reform?

IRELAND.

I.—QUESTIONS DEALT WITH.

1.—IRISH LOCAL GOVERNMENT.

The first important fact in connection with the Irish record of the present Government is the passing in 1898 of the Irish Local Government Act. It is quite true that from the beginning of the Home Rule controversy in 1886 Local Government has formed part of the Unionist policy on paper. Local Government was declared to be *via media* between the two extremes of Coercion and Home Rule; but the only result of putting into power in 1886 a party pledged to that policy was (1) the Coercion Act of 1887, and (2) the ridiculous Local Government Bill of 1892, introduced at a time when it was clearly never intended to press it, and so farcical in many of its provisions (*e.g.*, the "put 'em in the dock" clause, referring to the County Councils where guilty of "misconduct") that no one could seriously contemplate its finding its place upon the Statute-book. The difference between Mr. Arthur Balfour's Bill of 1892 and Mr. Gerald Balfour's Act of 1898 is a measure of the advance made in the interval by the Irish Nationalist cause. No one pretends that the Local Government Act of 1898 is a full measure of Home Rule, but in itself it gives the *coup de grace* to many of the arguments used to confound Home Rule. To take only one instance, the theory that the Irishman is cursed with a double dose of "original sin" was worked for all that it was worth against Mr. Gladstone's policy—though (it need hardly be added) the theory was not enunciated in that particular form of words. Yet it is a Tory Government which endows this same sinful Irishman with the power of managing his own local affairs in County Councils, for which he must (on the "original sin" theory) be quite as unfit as to manage Irish affairs in an Irish Parliament on College Green. Lord Salisbury, indeed, in a famous speech at Newport in 1885, pointed out that of the two things Local Government would be even more dangerous than Home Rule:—

"A local authority is more exposed to the temptation and has more of the facility for enabling a majority to be unjust to the minority than is the case where the authority derives its sanction, and extends its jurisdiction over a wider area. That is one of the weaknesses of local authorities. In a large central authority the wisdom of several parts of the country will correct the folly or the mistakes of one. In a local authority that correction to a much greater extent is wanting."—(*Newport, October 7th*, 1885.)

Yet when the Home Rule struggle came, Unionists were at once driven to *promise* equal treatment for all parts of the United Kingdom. Lord Randolph Churchill in 1886, during the short time he was Tory Leader of the House of Commons, declared for "similarity, simultaneity, and equality" in the grant of Local Government to the United Kingdom, but though England and Wales got it in 1888, and Scotland immediately after, Ireland had to wait until 1898.

WHAT THE IRISH LOCAL GOVERNMENT ACT OF 1898 DOES.

The following is a brief summary in outline of the effect of the Irish Local Government Act:—

(i) *The Framework of Local Government.*

Ireland now has as its local governing bodies

County Councils.	Urban District Councils, (including in that term : (*a*) Councils of County Boroughs. (*b*) ,, ,, Boroughs). Rural District Councils.	Boards of Guardians.

Six towns with populations exceeding 25,000—Dublin, Belfast, Cork, Limerick, Londonderry, and Waterford—are constituted County Boroughs.

All these bodies are elected for three years, the members all retiring together. The register is the Parliamentary electors, together with qualified peers and women. Ministers of religion are disqualified from being elected. There are no Aldermen on the County Councils, and no *ex-officio* Guardians. The Rural District Councillors are the Guardians for the areas for which they are elected on to the District Council. The Chairman of the Rural District Council is an *ex-officio* County Councillor. The Rural District Councils *may* (but not *must*) elect from outside a Chairman, a Vice-Chairman, and two additional Councillors. There are no Parish Councils.

(ii) *The Powers of the Local Bodies.*

(1) THE COUNTY COUNCILS.—The County Council has:—

(*a*) The former business of the grand jury and the county at presentment sessions, except that the grand jury business as to compensation for criminal injuries is transferred to the County Court.

(*b*) Provision and management of lunatic asylums.

(*c*) The management of main roads.

(*d*) Relief of exceptional distress without exceptional legislation. The County Councils do *not* have control of the police.

(2) THE DISTRICT COUNCILS.—In all districts—Urban or Rural—the District Council is the Sanitary Authority, and has to transact the business formerly transacted at the baronial presentment sessions. The Urban District Council makes the Poor Rate.

(3) THE BOARDS OF GUARDIANS.—The Guardians retain their

old powers, and, in addition, have the business of the old Dispensary Committees.

(iii) *The Finance of the Act.*

All expenses of Guardians and Rural District Councils are raised equally over the Union and District, as the case may be.

The occupier, who used to pay half the Poor Rate, now pays all, the landlord for the future paying none. In existing tenancies the rent is to adjusted accordingly (the year 1896-97 being taken as the standard year).

The agricultural rates are relieved by one-half. An "agricultural grant"—amounting in all to £730,000—was made by which half the County Cess and half the Poor Rate is paid by the State. Further particulars of the dole will be found in the Chapter on "FINANCE" at page 39.

THE ACT—AND THE CREDIT FOR IT.

The Irish Local Government Act was passed into law, thanks to the fact that the House of Lords was bribed into accepting it by the "dole" given to the Irish landowners (see page 39). Except for this financial part of the Bill it was warmly supported by the Liberal party, and when the Bill was read a third time in the House of Commons on July 18th, 1898, there were Nationalists to point out that the Bill was the direct result of Liberal efforts on behalf of Home Rule. This is a fact that is undeniable, but it is far too often forgotten. Mr. Knox (at that time the Nationalist Member for Derry) said:—

"He wished to give due measure of praise to the Liberal party, for this Bill was due to the strong fight they had made for Ireland in the last thirteen years. But for the great work done by Mr. Gladstone, Ireland would never have got this Bill."—(*House of Commons, July* 18*th*, 1898.)

Mr. John Dillon, M.P., said:—

"It had been the fate of the Liberal party in England to see most of the reforms which they had worked for carried out by their opponents. That, he imagined, was the history of all reforming parties, and no doubt it was not always agreeable to see one's opponents effect a reform which they had denounced as revolutionary when they were in opposition. No one could think that this Bill would have been passed by the Unionist party if there had been no Home Rule Bills and no Home Rule campaign, and he desired to thank the Radical party for their assistance in the past, and for the support which they had given to this measure."—(*House of Commons, July* 18*th*, 1898.)

It may be added that the new Irish local bodies are overwhelmingly Nationalist in composition.

THE WORKING OF THE ACT.

It is satisfactory to find that the Councils have done their work exceedingly well, as will be seen from the following extract from a recent (1903) report of the Irish Local Government Board:—

"The term of office of the first County Councils and Rural District Councils, on whom, with their officers, rests the credit of having success-

fully assisted in carrying the Local Government Act into operation, expired in June; and the new Councils, with the experience of the past three years, will, no doubt, endeavour to bring the system into a state of even greater efficiency. Attention has been directed to certain political differences which have been introduced by some of the smaller bodies into their ordinary business transactions with reference to the appointment of officers and giving of contracts; but it is only fair to state that these cases have been quite the exception, and not the rule; they have been promptly dealt with, and we feel confident that the conduct of their affairs by the various local authorities and their officials will continue to justify the delegation to them of the large powers transferred to their control by the Local Government Acts.

"In no other matter have the Councils been more successful than in their financial administration. After the heavy preliminary expenses necessarily attending the introduction of a new system of Local Government had been provided for, and the Councils and their officers had succeeded in obtaining a satisfactory basis on which to make their estimates of future expenditure, they found it possible to effect considerable reductions in their rates, and there seems to be every reason to anticipate that with extended experience there will be a still further general reduction of county rates.

"The collection of rates continues to be very satisfactory. In the majority of counties the poor-rate collectors are under an obligation to lodge the entire amount named in their warrants, whether collected or not, irrecoverable items being subsequently refunded to them, and this system is found to work admirably—the Councils, by this means, can rely upon having in the hands of their treasurer at the end of each half-year the great bulk of the rate levied, and thus they can meet their legal liabilities at their quarterly meetings. Nearly every county in Ireland has adopted the principle of striking one rate in the year, collectable in two moieties, and a great economy has resulted in the cost of assessment."

2.—THE IRISH LAND QUESTION.

The Government has passed two principal measures dealing with the Irish Land Question—in 1896 and 1903; but the earlier measure is made of little importance by comparison with the remarkable Act which was placed upon the Statute Book in August, 1903. This Act was the outcome of the Land Conference between representatives of the landowners and the tenants, which in 1902 met as the result of the enthusiasm of Captain Shawe-Taylor. The Conference led to a series of unanimous recommendations, and the Land Purchase Act of 1903 is the result, though (as could hardly fail to be the case) the measure does not in all particulars carry out the Conference recommendations.

THE ACT OF 1903 IN OUTLINE.

In the very many measures dealing with Irish Land which have been passed up to the present time by the Imperial Parliament some have proceeded on the basis of a dual ownership of the land by landlord and tenant, some on the desirability of enabling the tenant to buy out the landlord and become the owner of the land he farms. In the former case, what the State has done has been to fix, for a term of years, the tenant's rent; in the second case, the State has

lent its credit to facilitate the purchase of farms, without, however, adding anything to the amount paid by the tenant before it is accepted by the landlord. The Act of 1903 aims at making the Irish tenant the owner of his farm by offering the tenant such inducement to buy and the landlord such inducement to sell that both will almost certainly be willing to come to terms. This inducement—in the form of money—is provided by the State, which gives to the landlord a cash "bonus" in addition to the sum payable to him by the tenant. This bonus is 12 per cent. of the price to be paid by the tenant.

The total capital amount of cash bonus to be provided by the Treasury out of taxes (to which it must be remembered Ireland contributes) is twelve millions. The maximum amount payable in any one year is to be £390,000. As a set-off, Mr. Wyndham (then Irish Chief Secretary) pledged himself to effect immediate economies in Irish administration amounting to £250,000 a year, So far as the cash bonus is concerned, the net cost will be therefore, at most, £140,000 a year, to which Ireland herself contributes roughly one-tenth.

The State, in addition, lends its credit. The landlord is to be paid in cash, to be obtained by the State by the issue of new stock at $2\frac{3}{4}$ per cent., guaranteed by the common exchequer, not redeemable for thirty years. The State gets the money from the investor and pays it to the landlord; the interest ($2\frac{3}{4}$ per cent.), which will have to be paid to the investor, will be provided by the Irish tenant. The tenant will also pay a certain amount each year towards paying off the capital sum until that capital sum is paid off.

The State will thus have a very large sum of money invested in Irish land. The total amount is roughly estimated at £100,000,000, though during the first three years of the operation of the Act not more than £5,000,000 a year can be advanced. As a guarantee for the investment there is the security of (*a*) the land itself, and (*b*) the amount paid every year (£2,500,000) from the common exchequer for Irish purposes. A great blot upon the Act is that it creates no Irish authority with responsibility for seeing that the Irish tenants pay their rents to the British Exchequer. As to that, Mr. Wyndham said, in introducing the Bill:—

"Then the hon. and learned member asked me whether I had accidentally omitted to say that at some future time, if not now, this eighth would be collected by, and, I presume, administered by, some local bodies in Ireland. I have given a good deal of thought to some such project as that; and, speaking for myself—and I speak for no one else on this matter—I should like to see some such project carried out. I believe it would be a good project. I believe that it would be wise for local bodies in Ireland to collect some part of these instalments and hold them as a perpetual form of income, of course surrendering some of the grants given from this country in exchange. I think it would be a very sensible thing to do to interest local bodies in Ireland in land purchase. But this is a long Bill. I want this Bill to pass. I am afraid of overweighting it, and I have been persuaded to the belief that to bring any-

thing in the nature of a Local Government Bill into this Bill would be to risk the loss of it. On matters of local government there is not that agreement between all parties in Ireland which, thank Heaven, there is now on the matter of land purchase; and had I persisted in bringing local bodies into this Bill I might have thrown down a possible bone of contention between parties who are drawing so close together on the question of land purchase. If that is ever to be done it must be done in the future, in a separate measure, on the responsibility of a Minister who feels it is safe to do it. It would not be safe, we think, to do it now —quite safe from the point of view of Ireland, but not safe from the point of view of this Bill." (*House of Commons, March 25th*, 1903.)

It should be added that in previous schemes of land purchase there have during twelve years been only two irrecoverable debts. In other words, the rents have been paid to the State practically without any loss at all.

The price obtained for $2\frac{3}{4}$ per cent. stock when it is issued is less than par—*i.e.*, the investor will not give more than (say) ninety-five sovereigns in return for £100 worth of stock. This occasions a loss, since the State will owe £100 whilst it only gets (say) £95; and, in addition, there will be initial expense in connection with floating the stock. Both this loss and initial expense are to be paid by Ireland herself out of the £185,000 a year, to which she has an absolute right as an equivalent grant for the £1,400,000 given to England and Wales by the Education Act of 1902.

A provision in the original Bill, creating a perpetual rent charge of one-eighth of the purchase annuity (intended to be a check on sub-letting and excessive borrowing), was cut out in Committee in the House of Commons at the instance of the Nationalist members.

THE SECOND READING.

It cannot be said that the Act was warmly supported in the House of Commons, except by the Irish members and by Mr. Balfour and Mr. Wyndham. John Bull's attitude was summed up with absolute accuracy by Sir Henry Campbell-Bannerman:—

"The people of this island do not like this Bill—I am sure I shall not be contradicted in any quarter—they are being led quietly and judiciously up to it; but their attitude towards it is that of a shying horse. They shrink from this huge employment of their credit, and this huge gift of their cash in order to oust from their property a set of men against whom they themselves have no complaint and in order to instal in possession those farmers who happen at this juncture to be holding farms. But the people of this country are well disposed towards Ireland; they have a notion that they have a duty to do to Ireland; and now they are told that, if some such great scheme as this is adopted, all classes in Ireland will be friends, old feuds will be forgotten, new prosperity and industries will arise, the government of the country will be made easy, and the preposterous force of constabulary will be no longer necessary. What I say is, once convince our countrymen that these things will be attained and I altogether mistake them if they will not support you in the effort to achieve them, and stretch, not one or two, but any number of points to do it."—(*House of Commons, May 4th*, 1903.)

The rejection of the Bill was moved by two Tory members—Mr. D. H. Coghill (Stoke-upon-Trent) and Sir G. T. Bartley (North Islington). Their combined oratory evoked from Mr. Balfour a remarkable vindication of Mr. Gladstone's Irish land policy, none the less remarkable because it was not intended to be such. Mr. Balfour said:—

"I hardly know whether hon. members who are not acquainted personally with Ireland have in their minds the enormous difference between the land system in that country and the land system which prevails in England and Scotland. I do not believe there is a vital or important point in which these two systems are not at absolute variance. To begin with, English and Scottish land are marketable commodities. I admit, speaking as a landowner, I wish there were more purchasers, and that I could say that the turn of the market was more in our favour that it is at the present moment. But English and Scottish land always has been a marketable commodity. Irish land is not, and has not been for years, a marketable commodity. There are no purchasers for it outside the actual tenants. . . . Another great difference closely allied with it . . . is that about one-sixth or one-seventh of the Irish land does not in any sense belong to the landlord at all, but is managed by a Court and by a Judge. . . . Another great difference between English and Irish land—and this is most vital—is that in England and Scotland the land is owned by one man, it is cultivated by another, but the capital and the instruments for cultivating it are provided partly by the owner and partly by the farmer; and even that is really a great under-statement of the case, because, speaking from my own experience, the amount of money which a Scotch landlord has to put into his farm in the shape of buildings and permanent improvements is far greater than the tenant is asked to put in. And the tenant's capital is, of course, recoverable. When he leaves, he takes it with him. In Ireland you have a system under which—again for historic reasons—the landlord does not spend a shilling on his property. There were a certain number of English furnished estates before 1870, but since then that landlord would be thought a very rash speculator who put money into his land; and since 1881 such a landlord would have been shut up. Of course, you cannot ask them to do it, and they have not done it. But what is the inevitable result? When a farmer is evicted for not paying his rent, he cannot carry off with him his farm buildings; and there is a sense of proprietary right, which also has its origin in and which has been supplemented and fostered by many historic traditions—a sense of co-ownership which has never existed in England or Scotland, but which may be seen embodied in the Ulster custom. When to all these differences you add the other great difference that every transaction is regulated by a Court, I declare that you have the most intolerable land system that the world has ever seen. I can imagine no fault attaching to any land system which does not attach to the Irish system. It has all the faults of peasant proprietary; it has all the faults of feudal landlordism; it has all the faults incident to a system under which the landlords take no interest in their property and under which a large part of the land is managed by a Court. It has all the faults incident to the fact that it is the tenant's interest to let his farm go out of cultivation as the term for revising the judicial rent approaches."—(*House of Commons, May 4th*, 1903.)

Little wonder that Sir Henry Campbell-Bannerman was moved to ask, "Is Saul also among the prophets?"

THE WORKING OF THE ACT.

Before the Irish Land Act had been passed a year, it was discovered not to be watertight, and the undoubted Parliamentary pledges of the Government were found not to be redeemed by the phraseology of the Act. Accordingly, in 1904, an amending Act was brought in and passed. This measure explains and amends Section 48 of the Irish Land Act, 1903, with respect to the payment and application of the "percentage" provided therein. It provides than any land, wholly or partly untenanted, sold to the Land Commission or the Congested Districts Board may be regarded as an estate for the purpose of the payment of such percentage, which is to be paid to any vendor other than the Congested Districts Board, whether he be entitled to a beneficial interest in the soil, or is a trustee or other person not so entitled, and to be held by him on the trusts affecting the purchase money. When the vendor is a tenant for life he may retain the percentage for his own use and benefit.

THE BLOCK IN LAND SALES.

The limiting of the amount of money available in any one year to a sum not exceeding five millions for Irish land purchase has led to a great block in the sales, since the applications, as might be expected, are for a much larger amount. Mr. Long made proposals at the end of the Session of 1905 for accelerating the rate at which applications could be acceded to by the State, but, as a matter of fact, these proposals came to nothing, the terms not being approved by the Nationalists. Indeed, it will be remembered that the Government sustained its famous defeat by 4 votes on an amendment in Supply moved by Mr. John Redmond in order to protest against the way in which the administrative work of the Irish Land Act was being conducted by the Government. Mr. Long, however, in a letter to Sir John Colomb in September, 1905, announced that he has been able to effect two things:—

1. The Treasury has agreed to provide additional funds amounting to two millions before the end of 1905, together with such an amount of stock during the year 1906 as will produce in two loans ten millions of cash. By this means by the end of 1906 the Treasury will have issued in all, say, twenty-three millions of stock for the purposes of the Act of 1903.

2. There is to be a considerable increase of the staff of the Land Commission, and Mr. Long is considering whether further assistance is necessary.

Mr. Long, indeed, is a real enthusiast for land purchase—"the blessings and advantages of a change of ownership are obvious," he says. An incisive commentary enough on Irish landlordism!

II.—QUESTIONS NOT DEALT WITH.

The present Government has actually legislated with regard to Irish Local Government and Irish Land; during their term of office four other Irish questions have been prominent—

1. Home Rule.
2. The Financial Relations between Great Britain and Ireland.
3. An Irish Catholic University.
4. Irish Representation.

We have only space very briefly to set out what has happened in connection with these subjects.

I.—HOME RULE.

The Tories have thus far resisted the Irish demand for Home Rule, though (as we have pointed out) the Local Government Act is a big step forward in the direction of Home Rule, whilst Mr. Wyndham's Irish Land Act is another step in the same direction. He would be a very rash prophet who would be certain that the Irish will not yet get Home Rule from the Tory party. As Mr. John Morley said in 1899:—

"Nobody supposed the day was never going to come when the Irish would hold the balance between the two English parties, and did anybody suppose that the Tories would not angle for that vote as they did in 1885? They must not be under any delusion of the kind."—(*Montrose, January 19th,* 1899.)

Recent events have proved a very speedy fulfilment of Mr. Morley's words. On the second reading of Mr. Wyndham's Land Bill two remarkable speeches were made. Mr. Gibson Bowles (C) (King's Lynn) said:—

"His desire to see Ireland contented and prosperous was one of the dearest wishes of his heart. He would rather have a contented and prosperous Ireland than an extended empire. He had always felt great sympathy with the Irish members, and admired their devotion to the interests of their constituents, and when he had heard them called rebels he had wished there were more rebels of that kind in the House as a check upon its decadence and on the tyranny of Ministers. That it should be said that every vote given for this Bill would be a vote given for Home Rule did not frighten him. *When they had a score of Parliaments in that great Empire, he was not to be frightened at the prospect of another added.* He did not minimise the difficulties of such a system of Home Rule as would secure—and that was the only thing he was concerned about—the strategic and military safety of this island. But could that be secured? He believed it to be not at all impossible."—(*House of Commons, May 7th,* 1903.)

Mr. (now Sir) Ernest Flower (C) (West Bradford) said:—

"Referring to the criticisms of his hon. friend the member for Stoke-on-Trent, he would ask whether it was to be an article of creed amongst Unionists that local government was not to be extended from time to time to Ireland alone among the countries of the United Kingdom as political exigencies rendered possible? If that were so, then he did not

understand how it was that they were asking the Irish people to become reconciled and friendly to their policy on the ground that the Imperial Parliament was able to remedy their grievances and redress their legitimate complaints. (MR. COGHILL: Does my hon. friend forget the Irish Local Government Bill?) On the contrary, he rejoiced at the Local Government Bill, and he rejoiced at this Bill, too, and he was not at all sure that in future a larger Local Government Bill would not be a necessary consequence of this Bill. There was no finality in Irish politics any more than there was finality in English local self-government."—(*House of Commons, May 7th,* 1903.)

Thus it will be seen that bit by bit the case against Home Rule —*i.e.*, the local self-government of Ireland by Irishmen themselves in accordance with Irish ideas—is being broken down.

HOME RULE IN PARLIAMENT: 1895-1905.

We give a brief summary of Home Rule in Parliament since 1895.

1896.—On February 13th Mr. Dillon moved an amendment to the Address:—

"And we humbly represent to your Majesty that your present advisers, by their refusal to propose any measure of self-government for Ireland have aroused feelings of the deepest discontent and resentment in the minds of Irishmen; and that they have thereby added to the complication and difficulties which have arisen from their Foreign and Colonial policy."

Lost by 276 to 160, the minority including Mr. Asquith, Mr. Bryce, Sir H. Campbell-Bannerman, Mr. Herbert Gladstone, Sir E. Grey, Sir W. Harcourt, Mr. Mundella, and Sir G. O. Trevelyan.

1898.—On February 11th Mr. John Redmond (at that time the leader of the Redmondites, a party of twelve Irish Nationalists) moved an amendment to the Address:—

"And we humbly represent to your Majesty that the satisfaction of the demand of the Irish people for national self-government is the most urgent of all subjects of domestic policy, and that that demand can only be met by the concession of an independent Parliament and an executive responsible for all affairs distinctly Irish."

Lost by 233 to 65. Only three Liberals voted in the minority—Mr. Atherley-Jones, Mr. Labouchere, and Mr. C. P. Scott. The bulk of the Liberal party voted in the majority, including Mr. Asquith, Mr. Bryce, Sir W. Harcourt, and Mr. John Morley. In giving his reasons for opposing this motion, Sir William Harcourt made an important speech, in the course of which he said:—

"I say that the fundamental principle of the Home Rule Bill which we who took part in that measure and were responsible for it always asserted, and the members of the Liberal party who supported it—all those who at any time recommended its adoption to their people—was the principle of the supremacy of the Imperial Parliament. For that means, I say, in answer to the friendly question of the hon. and learned gentleman, I think he asks us too much when he asks us to recant and alter all we have said and done on this question of Home Rule; and when he asks us to support a resolution which declares for an independent Parliament. . . . On the subject of Home Rule I firmly

believe that the general principles—I do not say all the details—but the capital principles laid down in the measure of 1893, and above all the maintenance of the supremacy of the Imperial Parliament, were entirely correct. We desire to see Home Rule for Ireland under these conditions, as a measure and a policy which we believe will be for the advantage not only of Ireland but also of Great Britain. But the principles declared by Mr. Gladstone are the principles to which we adhere. These are the principles which are put in issue and contradicted in this resolution; and I can only inform the hon. and learned member for Waterford that against that resolution I at least will vote."—(*House of Commons, February* 11*th*, 1898.)

It should be noted that speaking a few days later, Mr. Asquith said:—

"The other night they had a very remarkable and significant discussion initiated by Mr. Redmond in the House of Commons on the subject of Home Rule. He did not wish at that moment to say more in reference to that debate than that, speaking for himself and for himself alone, but echoing, as he believed, a widely diffused sentiment in the party to which he belonged, he would never by any pledge or assurance fetter his complete freedom of action and of judgment if and when—for the time must come—the responsibility was cast upon them of carrying into legislative and practical action the ideals upon which their hearts as a party were set."—(*Eighty Club Dinner at Café Monico, February* 15*th*, 1898.)

1899.—On February 16th Mr. John Redmond (still the leader of the Redmondites only) moved an amendment to the Address:—

"And we humbly assure your Majesty that the establishment of popular self-government in local affairs in Ireland has intensified the demand of the people of that country for Legislative Independence, without which Ireland can never be prosperous or contented, and which, in our opinion, is and must remain the most urgent of all questions of domestic policy."

Lost by 300 to 43. Only 4 Liberals voted in the minority—Mr. Atherley-Jones, Mr. Labouchere, Mr. C. P. Scott, and the Hon. Philip Stanhope. The bulk of the Liberal party voted with the majority, including Mr. Asquith, Mr. Bryce, Sir H. Campbell-Bannerman, Sir Henry Fowler, and Sir E. Grey. Sir Henry Campbell-Bannerman, speaking against Mr. Redmond's motion, said:—

"The Liberal party stands to Home Rule as it stood before. What I said in the speech to my constituents on the occasion to which he refers I repeat now. We are practical men, and we are men of common sense. He (*Mr. Redmond*) apparently invites us to go on year after year passing resolutions of this sort, which do not advance the cause one whit, and he invites us also to promise and pledge ourselves before the world that, whatever the situation or the circumstances may be, this shall be the very first subject with which we shall deal when we have the opportunity of dealing with any subject. The hon. gentleman knows perfectly well the conditions of public life and the instruments with which we work in public life. The Liberal party was described by its great leader as a great instrument for progress. It is a great instrument for progress, and the question is: How are we best to use that great instrument? The hon. member's idea of doing the best is to exhaust the patience of all the members of the party by continually striving to attain

what is unattainable—what is for the moment unattainable, as I said in the words quoted, 'kicking against a stone wall'—while in the meantime all other questions, however urgent they may be to them, however deeply affecting their own interests and their conceptions of public policy, are to be set aside. So far from that being the most direct and straight and immediate way of helping Home Rule, it is the very way to hinder it. The proper way is to retain—and as long as I have connection with it I shall endeavour to retain—the force and energy of the Liberal party and be ready to apply it, when opportunity offers, to such a subject as it seems most likely capable of being effectively applied to. Our principles are well known. They have been declared over and over again. The only question that remains is as to the method of their application. Of the most effective method of their application we have a right to retain our judgment. That right I am not willing to surrender either to the hon. member for Waterford or to any hon. friend behind me who is strongly in favour of any particular reform, because, as I say, the true way to accomplish success in legislative reform is to apply your forces at the proper moment in the right direction."—(*House of Commons, February* 16*th*, 1899.)

1902.—On January 24th Mr. John Redmond (by this time the leader of a United Irish Nationalist party) moved an amendment to the Address, the concluding paragraph of which was:—

"And finally to represent to Your Majesty that the government of Ireland is not supported by the opinion of the vast majority of the people of Ireland, and that the condition of that country demands the serious and immediate attention of Parliament, with a view to the establishment of harmony between the Government and the great majority of the people."

Lost by 237 to 134. The bulk of the Liberal party voted in the minority, including Sir H. Campbell-Bannerman, Mr. Herbert Gladstone, and Mr. John Morley. No Liberal voted in the majority.

1903.—After Mr. Wyndham's Land Bill had been introduced in 1903, Mr. John Redmond made the following remarkable declaration as to the propriety of discussion on Home Rule:—

"He desired to deprecate the mixing up of the question of Home Rule with the question of this Bill. He had noticed with some anxiety that certain prominent leaders of the Liberal party had intimated that they intended as far as they could to mix up the question of Home Rule with the question of the Land Bill. . . . He believed that a settlement of the land question would remove the most formidable obstacle in the path of Home Rule, and would be an enormous step along the road to it; but he desired to say that in his view the suggestion put forward by Mr. Lloyd-George and other Liberal leaders that this Bill, in order to be satisfactory, must be accompanied by Home Rule, was a dangerous suggestion, which, while it could not advance Home Rule, was exceedingly likely to wreck the chances of a land settlement. He saw no reason why he should hesitate to express quite candidly his own opinion upon the present situation; and that was that, in the words of Mr. Wyndham himself, this Bill was an honest attempt to deal with the Irish land question, and that Ireland ought to be prepared to give to that attempt a fair trial."—(*Dublin, April* 8*th*, 1903.)

1905.—On February 20th Mr. Redmond moved the following amendment to the Address:—

"But humbly represent to your Majesty that the present system of government in Ireland is in opposition to the will of the Irish people, and gives them no voice in the management of their own affairs; that the system is consequently ineffective and extravagantly costly, does not enjoy the confidence of any section of the population, and is productive of universal discontent and unrest, and has proved to be incapable of satisfactorily promoting the material and intellectual progress of the people."

This was supported by the whole of the Liberal Opposition and lost by 286 to 236, the low majority being in part due to the abstention of a few (some half-dozen or so) Irish Unionists on account of their dissatisfaction with the Government's conduct over the MacDonnell incident.

On April 12th Mr. Tuff (Tory member for Rochester) moved:—

"That, in view of the conflicting statements which have been made by the various Leaders of the Opposition on the subject of Home Rule, it is expedient that the right hon. gentleman the member for Stirling Burghs should explicitly declare whether or not it is his intention to recommend to the electors of the United Kingdom the policy of establishing a Parliament in Ireland."

The Liberal reply to this was neither to run away nor to move the previous question. Instead of that, Sir Henry Campbell-Bannerman replied to the Tuffian challenge in a speech which was at once straightforward and statesmanlike. We have only space for the following extract:—

"The Government have gone bail for the Irish people, for their character, for their capacity, their integrity—to follow the poetic words of the late Chief Secretary—their chivalry. Are you going thus far and no farther? Are you going to trust them only to the doors of Dublin Castle? Is this the last word of your statesmanship? Let me tell the hon. member for Rochester that it is not the last word of ours. The Liberal party through twenty years of effort and sacrifice, amid misrepresentation and vilification, have pursued and contended for the cause of good government in Ireland, and so, as time and circumstances allow, we will prosecute the same beneficent course, believing also that we shall have the sympathy of our countrymen with us, believing also that the divisions between the different sections of society in Ireland will heal the faster as better government extends, and not without hope, I thank Heaven, that both parties in the State, as the goal is better realised, will unite in the effort to attain it."—(*House of Commons, April 12th*, 1905.)

2.—THE FINANCIAL RELATIONS BETWEEN GREAT BRITAIN AND IRELAND.

In 1894 Mr. Gladstone appointed a Commission to consider the financial relations between Great Britain and Ireland. That Commission reported in the autumn of 1896. As is usually the case, the Commissioners found themselves unable to sign any one detailed report, but all, with the exception of Sir Thomas Sutherland and Sir David Barbour, agreed to the following five conclusions:—

I. That Great Britain and Ireland must, for the purpose of this inquiry, be considered as separate entities.

II. That the Act of Union imposed upon Ireland a burden which, as events showed, she was unable to bear.

III. That the increase of taxation laid upon Ireland between 1853 and 1860 was not justified by the then existing circumstances.

IV. That identity of rates of taxation does not necessarily involve equality of burden.

V. That, whilst the actual tax revenue of Ireland is about 1-11th of that of Great Britain, the relative taxable capacity of Ireland is very much smaller, and is not estimated by any of us to exceed 1-20th.

The natural result of this finding was a demand on the part of Irishmen—Unionists as well as Nationalists—for a remedy for the grievance found by the Commissioners. In the first instance the Government decided to appoint a Commission (No. 2) to re-find the facts already found by Commission (No. 1). "Royal Commissions are no good," said Lord Salisbury in effect, "*if you want a grievance to be remedied*," but another Commission was his answer to the Irish demand, as made in Mr. Blake's motion on March 29th, 1897. As a fact that Commission was never appointed, for the Government succeeded in burking the question by their financial proposals in the Local Government Act of 1898. When the English Rating Act was passed in 1896 it was proposed to give Ireland a proportional grant of £180,000, which was not to be devoted to agricultural purposes. This implicitly recognised that Ireland was a separate entity—that Ireland was not one great "common country" with England. The Irishman, however, said:—

(1) If our proportional grant to correspond to the money given to England by the Rating Act is to be £180,000 you admit we must be treated on a separate footing financially. In that case you must carry out the findings of the Royal Commission, which says that if Ireland is a separate financial entity she is overtaxed.

(2) But if you decline to do this, our "common country" agricultural grant would be three-quarters of a million. Are you prepared to give it to us?

The Government chose the latter alternative as their way out, and very cleverly from the point of view of "taking care of their friends" gave Ireland in the Local Government Act £730,000 a year in remission of half the agricultural rates, £315,000 of which went straight into the landowners' pockets. To this extent the Financial Relations question has been dealt with, whilst in connection with the Irish "equivalent grant" for the money given to England and Wales by the Education Act of 1902 Mr. Wyndham announced that for the future these grants would be calculated on a basis of population instead of taxable capacity. The financial arrangement of the Land Act of 1903 must also be taken into account. The general question remains unsolved and untouched. Sir William Harcourt, speaking on a resolution moved by Mr. John Redmond, said:—

"What I hope is now established on both sides of the House, in a manner which cannot be assailed, is that the fundamental principle of financial reform, whether in Ireland or England, is the principle conse-

crated in this covenant of the Union—that people should be taxed in proportion to their means of bearing the burden. That is a proposition which is not peculiar to Ireland alone. It applies to the poorer classes in England as much as it does to the predominantly poorer classes in Ireland, and it is on that principle alone that you can meet questions of this complexity. This is a difficult question, and no one can deny, either, that it is one which cannot be set aside. We must endeavour to find some satisfactory solution. . . . This question cannot be dealt with by peddling remedies, or by denying the solidity of the claim in both cases. It cannot be met by throwing a bone here or a sop there. It can only be dealt with by adopting some wise, broad, and sound principle of financial reform; a principle simple in its character and universal in its application—that the burden of your taxation should be laid in proportion to the bearing power of the classes or the countries to which it is applied. And, adhering to that principle, and making it of universal application, you will be able to redress the admitted grievance of Ireland, and also the grievance, which is not less, of other parts of the United Kingdom. That is the principle on which I think you ought to proceed, and in conformity with that principle I shall certainly support this resolution. I shall certainly support this resolution, because it does declare that there is a grievance in Ireland which has been specially reserved; a system of that kind will redress that grievance; and I think it no disadvantage that in redressing that grievance we shall redress the grievance of others who have an equal right to complain."—(*House of Commons, July 5th*, 1898.)

In other words, rearrange the incidence of taxation on equitable lines, and *ipso facto* the Irish grievance ought to be solved.

3.—AN IRISH ROMAN CATHOLIC UNIVERSITY.

The two most important things that have happened in this long-standing controversy are (*a*) Mr. Balfour's Manifesto in 1899, and (*b*) the Royal Commission of 1901.

(A).—MR. BALFOUR'S MANIFESTO, 1899.

Mr. Balfour, early in 1899, launched a manifesto in favour of constituting two new Irish Universities. There would then be:—

1. Trinity College, Dublin, with an *Episcopalian* "atmosphere."
2. St. Patrick's University, Dublin, with a *Roman Catholic* "atmosphere."
3. Belfast University (absorbing Queen's College), with a *Presbyterian* "atmosphere."

Both the two new Universities (Nos. 2 and 3), like the old (No. 1), would be "rigidly subject to the Test Acts; all scholarships and fellowships paid out of public funds would be open to competition, irrespective of creed; no public endowment would be given to chairs in philosophy, theology, or modern history; professors would have a right of appeal against unjust dismissal; and the number of clergy on the governing body would be strictly limited." Mr. Balfour added:—

"That the scheme thus sketched out violates no accepted principle of legislation, that it confers no exceptional privilege upon any particular denomination, I hold to be incontrovertible. . . . For myself, I

hope it will be granted, and I hope it will be granted soon. I hope so, as a Unionist, because otherwise I know not how to claim for a British Parliament that it can do for Ireland all, and more than all, that Ireland could do for herself. I hope so as a lover of education, because otherwise the educational interests both of Irish Protestants and of Irish Roman Catholics must grievously suffer, and suffer in that department of education the national importance of which is from day to day more fully recognised. I hope so as a Protestant, because otherwise too easy an occasion is given for the taunt that, in the judgment of Protestants themselves, Protestantism has something to fear from the spread of knowledge."

We express no opinion here on the scheme, but it should be pointed out that Mr. Balfour's appeal was in form and substance one to his own side. He seemed to be pleading with the Tory who would be delighted to take State money for Protestantism but objects to spending it on Roman Catholicism. So far as Liberals are concerned, the questions are entirely different; they are rather—(1) Does Ireland want the suggested scheme? (2) Is the matter one which Irishmen can decide for themselves without detriment to the rest of the country? (3) Is there any obligation on Liberals to give Ireland something of which they may disapprove on the merits, but which, under Home Rule, Ireland would certainly choose for herself? These are questions upon which Liberals differ just as Tories do. The Duke of Devonshire quickly differed from Mr. Balfour:—

"Mr. Balfour has always been careful to explain that the views which he entertains on this subject are his own personal opinions; that the Government is not in any degree pledged by any declarations which he has made. I think I may say there are many members of the present Government who feel just as strongly opposed to these views as he feels strongly in their favour. I should be extremely surprised if, during the existence of the present Government, any practical measure dealing with this subject is brought forward."—(*Liberal Unionist Council Meeting, March 16th,* 1899.)

It need only be added that the Duke of Devonshire has proved to be a true prophet.

(B.)—THE ROYAL COMMISSION OF 1901.

The Commission (appointed in 1901) was constituted as follows:—

Lord Robertson (*Chairman*).
Lord Ridley.
Dr. J. Healy.
Mr. Justice Madden.
Sir R. C. Jebb, M.P.
Professor S. H. Butcher.
Professor J. A. Ewing.
Professor John Rhys.
Professor R. H. F. Dickey.
Professor J. L. Smith.
Mr. W. J. M. Starkie.
Mr. Wilfrid Ward.

The following is a summary of the Commission's Final Report.

The Royal University System.

In Ireland there are two Universities, viz., the University of Dublin, of which Trinity is the only College, and the Royal University of Ireland. Since the establishment of the latter, the

"Catholic University of Ireland" has been practically inoperative, although nominally it exists as an association of certain colleges which prepare students for the Royal University examinations.

The Commission decided "that the terms of our reference, in excluding Trinity College, Dublin, did not permit us to regard the University of Dublin as being within the scope of our enquiry." The bulk of the report therefore deals with the Royal University system. This University, founded under the University Education (Ireland) Act, 1879, confers degrees in all the usual faculties, except Theology, on every student who passes its prescribed examinations, irrespective of his place of education. In its governing body —the Senate—the balance has to be strictly maintained between Protestants and Roman Catholics, and this even balance principle is even extended to the appointment of Fellows, Examiners, etc. The fellowships of the University are distributed among five colleges —the three State-endowed Queen's Colleges, of Belfast, Cork, and Galway, University College, Dublin, and the Magee Presbyterian College, Londonderry. The courses of these colleges are, of course, framed to suit the requirements of the Royal University, but of the number of students who annually pass its examinations only a small minority are trained in these colleges; the greater part are educated "privately or in other institutions." There are several other colleges, but the Commission examined only two important institutions, viz., the Roman Catholic Ecclesiastical Seminary of Maynooth, whose students do not, as was originally intended, compete for the Royal University degrees, and the Royal College of Science for Ireland, which, in 1900, was placed under the control of the Department of Agriculture and Technical Instruction for Ireland.

Faults of the Existing System and the Religious Difficulty.

The Commission comments upon the entire lack of any academic training in the Royal University, which is solely an examining body, and also upon the faults arising from its peculiar organisation, due largely to the attempt to balance the two religions in all appointments and offices. But the greatest defect in the system is the fact that the Roman Catholic Hierarchy have condemned the three State-endowed Queen's Colleges as being intrinsically dangerous to faith and morals. T.C.D. is, of course, in the same category. "The result is," say the Commissioners, "that the Roman Catholics of Ireland, forming 74 per cent. of the whole population, a large number of whom are interested in the question, are totally unprovided with any adequately endowed University education of which they are willing to avail themselves." In emphasising the evils, social and economic, arising from the want of higher education, they point out that "from the religious difficulty it has, as a matter of fact, resulted that a comparatively small number of the Irish population go to college at all; from the defective system of the Royal University it has resulted that the education supplied

to those who go is not what it should be. . . . The one College—University College, Dublin—which meets with the entire approval of the Roman Catholic Church, is crippled on the side of the practical sciences. It has no funds for the equipment of laboratories."

Scheme Recommended by the Commission.

The Commissioners then discuss the two alternative schemes open to them, viz., a separate Roman Catholic University or a reconstruction of the Royal University with a new Roman Catholic College added. The latter alternative is the one that, in the opinion of the Commissioners, best meets educational needs. *They therefore recommend a federal teaching University with four constituent colleges—the three Queen's Colleges and a new Roman Catholic College.* Changes in the organisation of the University and the Queen's Colleges are suggested so as to remove religious difficulties and improve their educational system. In referring to the proposal for a new Roman Catholic College, the report says that "it is claimed that this is not truly open to the objection that it introduces denominational endowment into the university system of Ireland, for that has been done already. This is a salient point, and in any impartial representation of the subject it must receive high prominence. The college in Dublin which bears the name of University College, and is conducted with much ability by Dr. Delany and other Jesuits, receives, and has received for more than twenty years, £6,000 a year out of the moneys provided by Act of Parliament for University purposes. . . . If, indeed, the course of least resistance were followed and the Roman Catholic claim were limited to a further subsidy of Dr. Delany's College, and its recognition as a constituent college, it is hard to see upon what ground of principle it could be resisted. Yet the fact that not this, but a new college is proposed, arises primarily from the meagre scale of the existing College making it unsuitable for expansion." The new college would be in Dublin, but it would be expected to draw students from all parts of Ireland; it would be adequately equipped and endowed, and in sketching out its constitution, the Commissioners lay stress on the fact that if a separate college for Roman Catholics is desirable, provision must be made for protecting the Roman Catholic faith within its walls.

In concluding their recommendations the Commission regret that they cannot see their way to any proposal for bringing Maynooth and Magee Colleges into the new University.

The report approves of women students being admitted to examinations and degrees on the same footing as men, and suggestions are made for the co-ordination of Primary, Secondary, and Technical Education.

Only one member of the Commission found himself unable to sign the report, but eight notes are appended, signed by different members, dealing chiefly with the scheme recommended.

4.—IRISH REPRESENTATION.

A certain number of members of the Unionist party have for some time past been very anxious to cut down the Irish representation, admittedly higher than it would be on a mere population basis. The attitude of the Irish members during the war led to a great deal of tall talk on this subject, which reached its culminating point at the great Blenheim Park Demonstration in August, 1901, when Mr. Chamberlain was made a really "honest" Tory of by being allowed to appear on a Primrose League platform by the side of Mr. Balfour. The two Unionist leaders each made a remarkable speech worthy of a remarkable occasion. Mr. Balfour said:—

"We have it from the leaders of the Irish party—gentlemen who in my opinion are worthy of better things—we have it from the leaders of the Irish party that they have little hope from general elections, from great movements, from public opinion in this country, but they mean to torment, to worry, to annoy the British House of Commons until the British House of Commons says 'We have had enough of you, and almost at any cost we will get rid of you.' They have mistaken their men. I do not deny their power of annoyance, though I think we have diminished that, and though *I trust that we shall diminish it yet more in the future.* But it is folly to suppose, in my judgment, that methods of this kind will alter the course of history, or will induce this country to adopt a policy to which it is unalterably opposed. We will neither sacrifice our Empire to the Boers nor our Constitution to the bores."—(*Blenheim, August* 10*th*, 1901.)

Mr. Chamberlain said:—

"We still believe that they (*the Liberal party*) are willing as before to sell the interests of the country for 80 Irish votes. And what is the Irish party? It consists of 80 persons, more or less, who have all taken the oath of allegiance, and who openly avow themselves to be the enemies of this country. Pretty allies for an English party! It is led by a gentleman who only a few days ago in the House of Commons prayed God that the resistance of the Boers might be prolonged that they might be revenged upon the British Empire, and that once more the Republics might retain their independence and their freedom. Well, Great Britain is strong enough to be contemptuous of this toyshop treason, which takes advantage of our toleration in order to shout for the Mahdi, or King Prempeh, or President Kruger, or anyone else with whom we may happen to be engaged in hostilities. . . . If you had watched our proceedings, if you looked to our divisions, you would find night after night that the Radicals, and, I am sorry to say, many of the Liberal Imperialists also, troop into the Lobby at the tail of Mr. Swift MacNeill and his colleagues, and give them at all events a tacit assent and approval of their proceedings. It is my conviction that the nation is taking note of these proceedings. I think they expect that the mother of Parliaments will know how to defend herself against these attacks—attacks by men *who by our liberality come to us in numbers altogether disproportionate to the wealth, to the intelligence, and to the population which they represent. But this great question, which has now become urgent, was not before you at the last General Election.*"—(*Blenheim, August* 10*th*, 1901.)

Only three days later these brave words received an apt commentary in the proceedings on the report stage of the Factory Bill. Mr. Ritchie moved the omission of the whole clause dealing with

laundries—that is to say, he completely surrendered to the Irish Nationalists. Mr. Balfour and Mr. Chamberlain, for all their Blenheim oratory, "trooped into the lobby at the tail of Mr. Swift MacNeill and his colleagues."

The sequel to Blenheim destroyed for the time being the movement for cutting down Irish representation, and in the debate on the Address in 1902, Mr. Balfour said:—

"I very much dislike and very much distrust arguments upon this subject founded simply upon considerations of nationality or of the divisions which make up the United Kingdom. I do not say Ireland is over-represented, or that England is over-represented, or under-represented, as the case may be. It is a fact which I admit cannot be forgotten, it is a fact which must have its due weight. But we do not come here simply as representing nations. We are here as representing constituencies; and in so far as we are representing constituencies it is a matter of absolute indifference whether our constituencies are in Scotland, Wales, Ireland, or England. You cannot wholly ignore the national element, but do not attach too much weight to it; do not regard it as of excessive value; and, above all, I should not like this controversy as to the redistribution of seats to degenerate into a three-cornered fight between England, Scotland, and Ireland as to which is to snatch the greatest share of representation within these walls."—(*House of Commons, January 29th*, 1902.)

Here was a distinct pledge that redistribution should be (so to speak) country-blind. This pledge has been kept to the letter, but broken in the spirit in the Government resolutions introduced in July, 1905. The Government scheme appears to treat all constituencies according to certain fixed rules, but the fact is that these rules were arrived at not on the merits, but were so adjusted as very materially to cut down Irish representation from 103 members to 81—a diminution of 22. This explains the different standard applied to boroughs and counties—a low level for the boroughs saves the English small boroughs, mostly Tory; a high level for the counties gets rid of 20 Irish seats. There are no Irish boroughs with populations between 16,257 and 28,153; so 18,500 was fixed upon as the disfranchising figure, since that got rid of three Irish boroughs whilst leaving the 13 British boroughs between 18,500 and 25,000; in the case of two-membered counties or boroughs, the figure was chosen at 75,000, since, as compared with 65,000, that got rid of 5 Irish county seats and one seat in England (at Ipswich). Whitehaven with 19,324 population, was left with its member; Monaghan, with 74,611 population, had its representation cut down from two members to one. By the Act of Union Ireland was given 100 members in the House of Commons, and 28 representative peers in the Lords, together with 4 Irish Church Bishops (these last disappeared, of course, when the Irish Church was disestablished). On a poulation basis Ireland would have been entitled to more than 100 members, and this number was in fact increased in 1832 to 105; it now stands at 103. By a general agreement between parties in 1885 (to which Lord Salisbury was a party) the Irish representation was not touched.

III.—THE MACDONNELL INCIDENT.

No more remarkable incident in our modern politics has taken place than that which is concerned with Sir Antony MacDonnell. The facts in connection with it are fully set out in the following record.

1.—The New Departure.

At the retirement of Lord Salisbury in July, 1902, Mr. Balfour became Prime Minister. One of his first acts was to give Mr. Wyndham, the Irish Chief Secretary, a seat in the Cabinet. The Government were working with the Irish members, and counted on their active assistance to carry the Education Bill against the opposion of Liberals. The House rose in August with the Education Bill partly through; it met again in October to complete the work, and the transactions, an account of which follows, took place in September. The air was thick with rumours of the "new departure" in Ireland—a departure which was to heal the quarrel in Ireland, to conciliate the Unionist and the Nationalist parties, and to detach the latter from the Opposition for many years to come.

2.—Sir A. MacDonnell Appointed.

Mr. Wyndham, now in the Cabinet, was convinced that a new order is necessary in Ireland; the existing system of administration is inadequate. Accordingly, in September, 1902, he appointed a new agent to inaugurate this new era. Sir Antony MacDonnell was recommended to him for this purpose by Lord Lansdowne. Sir Antony was given "greater freedom of action and greater opportunities of initiative"* than former Permanent Under-Secretaries; he was appointed "rather as a colleague than as a mere Under-Secretary to register" Mr. Wyndham's "will."†

3.—The Terms of Sir A. MacDonnell's Appointment.

The terms and conditions of Sir Antony's appointment are contained in the following letters, the publication of which was dragged out of the Government in the House of Commons by Mr. Redmond on February 22nd, 1905, though until then nothing was publicly known of their contents.

(*a*) Sir A. MacDonnell *to* Mr. Wyndham (*September* 22*nd*, 1902).

"I told you that I had been offered and had accepted the nomination to a seat in the Council of India, and that it would be necessary for me to consult Lord George Hamilton before anything was settled regarding the Irish appointment. I have now seen Lord George Hamilton, and I understand from him that there would probably be no difficulty in allowing me to retain a lien on the India Council and lending my services to the Irish Government. This procedure would be in accordance with my own wishes, and it would, I think, strengthen my position in Ireland

* Lord Lansdowne's speech, House of Lords, February 17th, 1905.

† Mr. Wyndham's speech, House of Commons, February 20th, 1905

if I go there. But if the matter, through Lord George Hamilton's considerateness, is simplified in this direction, there still remains the difficulty to which I alluded when I saw you. I have been anxiously thinking over the difficulty. I am an Irishman, a Roman Catholic, and a Liberal in politics. I have strong Irish sympathies. I do not see eye to eye with you in all matters of Irish administration, and I think that there is no likelihood of good coming from such a *régime* of coercion as the *Times* has recently outlined. On the other hand, from the exposition you were good enough to give me of your views, and from the estimate I formed of your aims and objects, I find that there is a substantial measure of agreement between us. Moreover, I should be glad to do some service to Ireland. Therefore it seems to me that the situation goes beyond the sphere of mere party politics, and I should be willing to take office under you, provided there is some chance of my succeeding. I think there is a chance of success on this condition—that I should have adequate opportunities of influencing the policy and acts of the Irish administration, and, subject, of course, to your control, freedom of action in executive matters. For many years in India I directed administration on the largest scale, and I know that if you send me to Ireland the opportunity of mere secretarial criticism would fall short of the requirements of my position. If I were installed in office in Ireland my aims, broadly stated, would be—(1) the maintenance of order; (2) the solution of the land question on the basis of voluntary sale; (3) where sale does not operate, the fixation of rent on some self-acting principle whereby local inquiries would be obviated; (4) the co-ordination, control, and direction of boards and other administrative agencies; (5) the settlement of the education question in the general spirit of Mr. Balfour's views, and generally the promotion of material administrative improvement and conciliation. I am sure you will not misinterpret this letter. I am greatly attracted by the chance of doing some good for Ireland. My best friends tell me that I am deluding myself—that I shall be abused by the Orangemen as a Roman Catholic and Home Ruler, and denounced by the Home Rulers as a renegade; that I shall do no good, and shall retire disgusted within the year. But I am willing to try the business under the colours and conditions I have mentioned. It is for you to decide whether the trial is worth making. In any event I shall be your debtor for having sought me in connection with a great work."

(*b*) Mr. Wyndham's *Reply* (*September* 25*th*, 1902).

"Your letter was most welcome. I accept your offer to serve in the Irish Office with gratitude to you and confidence that your action will be for the good of your country. When Sir David Harrel resigns, I shall accordingly nominate you as his successor; and it is understood between us that I make and you accept this appointment on the lines and under the conditions laid down in your letter with a view to compassing the objects which you hold to be of primary importance—namely, the maintenance of order; the solution of the land question on the basis of voluntary sale, and where that is impossible, on the basis of substituting some simple automatic system of revising rents in place of the present costly processes of perpetual litigation; the co-ordination of the detached and semi-detached boards and departments; the settlement of education in such a way as to provide higher education in a form acceptable to the majority of the inhabitants; and administrative conciliation. To these I add—(1) Consolidation and increase of the existing grants for Irish local purposes with a view to revising the rates where they are pro-

hibitive to enterprise; (2) if we are spared long enough, the development of transit for agricultural and other products, possibly by guarantees to railways, on the Canadian model. But this is far off. We have each of us terminated 'an option' in the sense which I have all along desired. I ciphered the purpose of your letter to the Prime Minister and received his concurrence by telegram yesterday. It is understood that you accept the seat on the India Council and are to be transferred when the vacancy occurs. I will ask Lord George Hamilton to see that the Press understands and insists on your great administrative achievements in India. That will prepare the public for the further move. I can only thank you once again with all my heart for coming to my assistance."

4.—The First Fruits of the New Departure.

One of the first fruits of the new departure was the dropping of the application of the Coercion Act (which had been applied in April, 1902), whilst Lord Dudley, who had just succeeded Lord Cadogan, said in almost his first speech:—

"There were those who seemed to believe that the only way in which a great Empire could be successfully maintained was by suppressing the various distinguishing elements or components; in fact, in running it as a huge regiment in which each nation was to lose its own individuality and to be brought under a common system of discipline. That was not his view. In his opinion, they were very much more likely to break up an Empire by such a method. *The opinion of the Government was, and it was his own opinion, that the only way to govern Ireland properly was to govern it according to Irish ideas, instead of according to British ideas.*"

5.—The Beginning of the Devolution Scheme.

In 1904 Sir Antony MacDonnell, with the knowledge and consent of the Chief Secretary and the Viceroy, entered into communication with Lord Dunraven. Sir Antony wrote that their first meeting had better not be in his own house lest "everyone should say that Mr. Wyndham was a prime mover in the business."* Sir Antony and Lord Dunraven had frequent conferences. Sir Antony talked over with Mr. Wyndham the idea of an Irish Budget prepared like the Indian Budget. Mr. Wyndham, "being colossally ignorant of Indian affairs, did not know that in India there was a semi-elected Council, with a voice in financial matters."† Sir Antony also conferred with the Viceroy, who "on several occasions discussed with him the reforms"‡ which he and Lord Dunraven were elaborating. The Viceroy "did not think that Sir Antony was exceeding his functions."‡

6.—Lord Dunraven's Manifesto.

On August 31st, 1904, Lord Dunraven published the Reform Programme of his association. This included proposals in general

---

* Lord Dunraven's speech, House of Lords, February 17th, 1905.

† Mr. Wyndham's speech, House of Commons, February 20th, 1905.

‡ Lord Lansdowne's speech, House of Lords, February 17th, 1905.

terms for administrative devolution and "a decentralisation of Irish finance." The publication caused much indignation among the Unionist extremists; but elicited no disclaimer from the Chief Secretary, and no rebuke to Sir Antony from the Viceroy. The following is the full text of the Reform Programme:—

Preamble.—Believing as we do that the prosperity of the people of Ireland, the development of the resources of the country, and the satisfactory settlement of the land and other questions depend upon the pursuance of a policy of conciliation and goodwill and of reform, we desire to do everything in our power to promote a union of all moderate and progressive opinion irrespective of creed or class animosities, from whatever source arising, to co-operate in recreating and promoting industrial enterprise, and to advocate all practical measures of reform.

Devolution.—While firmly maintaining that the Parliamentary union between Great Britain and Ireland is essential to the political stability of the Empire and to the prosperity of the two islands, we believe that such union is compatible with the devolution to Ireland of a larger measure of local government than she now possesses. We consider that this devolution, while avoiding matters of Imperial concern and subjects of common interest to the kingdom as a whole, would be beneficial to Ireland and would relieve the Imperial Parliament of a mass of business with which it cannot now deal satisfactorily, and which occupies its time to the detriment of much more important concerns.

Finance.—In particular, we consider the present system of financial administration to be wasteful and inappreciative of the needs of the country. We think it possible to devise a system of Irish finance whereby expenditure could be conducted in a more efficient and economic manner, and whereby the resources of revenue might be expanded. We believe that a remedy for the present unsatisfactory system can be found in such a decentralisation or localisation of Irish finance as will secure to its administration the application of local knowledge, interest, and ability without in any way sacrificing the ultimate control over the estimates presented, or in respect of the audit of money expended, at present possessed by the Imperial Parliament. All moneys derived from administrative reform, together with whatever proportion of the general revenue is allocated to Irish purposes, should be administered subject to the above conditions.

Private Bill Legislation.—We think the time has come to extend to Ireland the system of Private Bill Legislation which has been so successfully worked in Scotland, with such modifications as Scottish experience may suggest, and as may be necessary to meet the requirements of this country.

Other Reforms.—We are of opinion that a settlement of the question of higher education is urgently needed, and that the whole system of education in this country requires remodelling and co-ordinating. We desire to do all in our power to forward the policy of land purchase in the spirit of, and on the general lines laid down in, the Land Conference Report. We consider that suitable provision for the housing of the labouring classes is of the utmost importance, and we shall be prepared to co-operate in any practicable proposals having the betterment of this in view. Among many other problems already existing, or which may arise in the future, the above-mentioned appear to us to comprise those most deserving of immediate attention, and which afford the most reasonable prospect of attaining practical results. Towards their solution we

earnestly invite the co-operation of all Irishmen who have the highest interests of their country at heart.

7.—The Reform Association Scheme.

Lord Dunraven thereupon wrote to Sir Antony, asking him to suggest a detailed scheme in accordance with the general programme. Sir Antony did so, and visited Lord Dunraven, going on afterwards to visit Lord Lansdowne. Lord Dunraven drew up a scheme, of which Sir Antony had typewritten copies made for him in Dublin Castle. The scheme was revised by the Reform Association, and published on September 26th. This scheme consisted of nineteen paragraphs, which were thus apportioned:—*I. Finance* (paragraphs 1—15 inclusive); *II. Private Bill Procedure* (paragraph 16); *III. Statutory Legislative Assembly* (partly, in paragraph 16, and, wholly, in 17). In paragraph 18, they propose the appointment of a Royal Commission to inquire into II. and III., and in 19 they reiterate the points in their programme (see above) not dealt with in this report. We give the Report in a summarised form, retaining the numbering of the paragraphs as published.

I. Administrative Control over Irish Finance.

(3) We believe that these desirable results (*i.e.*, a great improvement in the mutual relations between Great Britain and Ireland, increased confidence in the government of the latter country, and amelioration in her economic condition) would be to a large extent attained if the control over purely Irish expenditure were taken from the Treasury, . . . and were entrusted under Parliament to an Irish financial council interested in making savings for Irish purposes.

(4) Power to raise revenue would remain as now with Parliament. The duty of collecting the revenue would also remain an Imperial concern, unless Parliament desired to delegate the duty to the council under prescribed and revocable conditions in respect of any heads of revenue localised in Ireland.

(5) The Council should be under the presidency of the Lord Lieutenant, and we think that it might consist of, say, 12 elected and 12 nominated members, including the Chief Secretary for Ireland, who should be a member *ex-officio* and vice-president; that the county and borough council constituencies or the Parliamentary constituencies might be gathered into convenient groups, each group to return a member of the council, and that the power of nomination should be exercised by the Crown to secure the due representation of the Government of commercial interests and of important minorities. One-third of the members of the council should vacate their seats in rotation at the end of the third year, but should be eligible for re-election and re-appointment. The votes of the majority should determine the decision of the council—the Lord Lieutenant having only a casting vote—and its decisions should be final, unless reversed by the House of Commons on a motion adopted by not less than a one-fourth majority of votes.

(6) It would be the duty of the council to prepare and submit the Irish estimate to Parliament annually. The estimates might be transmitted through the Treasury Board if, for formal reasons, this was thought desirable. The audit and check over expenditure would remain as now with the Auditor-General and the Public Accounts Committee of the House of Commons.

(7) Regarding the powers of the council, rules would, we assume, be prescribed by Parliament for the council's guidance, while the council should, we think, regulate its own procedure subject to Parliamentary control. The council should be competent to examine, supervise, and control every item of expenditure, and to call for information relevant to financial questions of all kinds; to propose such reductions as it considered consistent with the efficacy of the public services, and to apply such reductions and all other savings on the annual estimates to the improvement of the administration and the development of the country's resources. Under the Budget system here contemplated all such proposals on the part of the council would necessarily come under the cognisance of Parliament, which would afford an adequate safeguard against undue interference with any establishment or service.

(8) The financial council might be placed in possession of funds in three ways—(*a*) The entire revenue contributed by Ireland might be assigned to her, subject to payment to the Treasury of a fixed contribution or of a contribution regulated by a fixed principle; or (*b*) the estimates for an average of years might be taken as the standard contribution from the Imperial Exchequer, towards Irish expenditure for the year or for a fixed period of years, and that contribution, with the addition of savings effected by the Irish Government in a preceding year of the period might be voted, half voted, and allocated, in accordance with the Budget annually submitted by the council to Parliament; or (*c*) heads of revenue and the income derived from them, supplemented, if necessary, by a grant from general revenue, might be assigned to Ireland either annually or for a period of years.

The Association do not think (*a*) a "desirable" method, but "see no objection to the adoption" of (*b*) or (*c*).

(12) If a financial contract for a fixed period of years were made with the Treasury, Ireland should be secured in the full enjoyment of the results of better financial administration during the contractual period. But whether a contract is made or not, the council should be entitled to carry forward balances and to meet deficits under one head of expenditure by saving under another. Supplementary estimates would cease to be submitted to Parliament. Savings on Ireland's contributions to general services would be available for the reduction of the public debt. We should have no objection to the Treasury Board's exercising such degree of supervision over the Irish financial department as will assure it of the due observance of uniform procedure and prescribed rule.

(13) In the event of further subventions in aid of local taxations in Great Britain being granted by Parliament, Ireland would of course be entitled to an equivalent grant. . . . .

(14) The Irish Government should take over and continue the existing arrangements under which loans for public purposes and land improvement are now made in Ireland. . . . In respect of them the right of the Irish Government to look to the Treasury Board for financial aid on suitable conditions will, of course, follow from the fact that Ireland continues to contribute to the general Exchequer.

(15) It is essential that the chief spending department in Ireland, the Board of Works, which is now subordinate to the Treasury, should come directly under the undivided control of the Irish Government, and that the responsibility to that Government of the numerous other boards and departments now operating with much irresponsibility, should be made clear and complete.

II. Private Bill Procedure.

The Association advocate (16) a Private Bill Procedure Act for Ireland similar to that for Scotland.

III. A Statutory Legislative Assembly.

The proposals under the third head we give in full:—

(16) . . . But the disabilities under which Ireland labours are not confined to private Bill procedure. The problems that affect her well-being, the peculiarities of her position and requirements are such that similarity of treatment does not always involve equal justice. Her case is in many respects exceptional, a fact which is admitted in the Act of Union. The great and increasing difficulty which Parliament finds in dealing with the unwieldy mass of business that comes before it is very generally admitted. Under existing circumstances the special needs of Ireland do not and cannot receive adequate attention. Sufficient relief cannot, in our opinion, be afforded by mere amendment in the standing orders of the House of Commons. Some delegation of authority is necessary. We believe that power to deal with much of the business relating to Irish affairs, which Parliament is at present unable to cope with, might with perfect safety and with advantage both to Ireland and Parliament be delegated to an Irish body to be constituted for the purpose.

(17) We are thus led to the consideration of the constitution of a statutory body and of the business to be delegated to it. On the first point we suggest that this body might be composed of Irish representative peers and members of the House of Commons representing Irish constituencies and of members of the financial council which would thus become an extra-Parliamentary panel for the purpose. In order to enlarge the panel and thus widen the field of choice, we are disposed to recommend that past as well as present members of the financial council might be eligible. On the second point we suggest that Parliament should confer on the statutory body authority to promote Bills for purely Irish purposes, including some of those now dealt with by the provisional orders of the Local Government Board and the Board of Works; and Parliament should take power to refer to the statutory body not only business connected with private Bill legislation, but also such other matters as in its wisdom it may deem suitable for reference under prescribed conditions. The experience gained by this method of *ad hoc* reference would materially assist Parliament in the ultimate grouping into distinct classes of matters to be referred to the statutory body.

8.—Mr. Wyndham's Disclaimer.

The publication of the foregoing Report led Mr. Wyndham to adopt the unusual course on the part of a Minister of writing to the *Times*, "since," as he says, "silence, pending the usual opportunities of the platform, would, I believe, be misrepresented by the advocates of Home Rule, and might, conceivably, be misunderstood by some of those who, in common with myself and all members of the Unionist party, are opposed to that policy." His letter appeared on September 27th, 1904. The following are his comments on the proposals:—

I. Finance.

I would briefly indicate certain pertinent considerations—*e.g.* (1) Whilst it is admitted by the Government that savings on Irish expenditure may well be applied to purposes peculiar to Ireland, it is not admitted that such an application can be accompanied, as of right, by grants proportionately equivalent to grants for exclusively English or Scotch purposes. (2) The last "equivalent grant" to Ireland, called the "Irish Development Grant," is hypothecated up to the hilt for (*a*) losses incidental to the flotation below par of stock for land purchase; (*b*) education; (*c*) reproductive expenditure. (3) Future savings on Irish administration are hypothecated up to £250,000 a year as a partial set-off to the land purchase bonus of £12,000,000.

It follows that any body, of whatever complexion, created now to deal with Irish finance would either fall into contempt for lack of funds, or else endure only as a lever for extorting expenditure incompatible with the high standard of existing taxation and the comparatively low standard of public credit. Under these circumstances the destruction of existing departments charged with the administration of Irish finance, to make way for the construction of some other body, vaguely adumbrated, is a matter for speculation, proper enough for private individuals, but outside the sphere of practical politics.

II. Private Bill Procedure.

The difficulty of devising a "panel" suited to Ireland has not been solved.

III. A Statutory Legislative Assembly.

Upon that I have to say, without reserve or qualification, that the Unionist Government is opposed to the multiplication of legislative bodies within the United Kingdom, whether in pursuance of the policy generally known as "Home Rule for Ireland" or in pursuance of the policy generally known as "Home Rule all round."

On this only one comment need be made. Mr. Wyndham, it will be noted, was careful to say, not that *he* is "opposed to the multiplication &c.," but that "the *Unionist Government* is opposed." It would appear that this is not unintentional, for virtually the same phrasing occurs in the last sentence of his letter:—"To any such plan (*i.e.*, the multiplication of legislative assemblies), however contracted in scope and vague in feature, the *Unionist party* is opposed."

9.—Sir E. Carson's Criticism.

Early in February, 1905, Sir Edward Carson, speaking at Manchester, said:—

". . . They all knew the fatuous, ridiculous, unworkable, and impracticable scheme lately set going in Ireland, by certain gentlemen whose names had been attached to it, for the future government of Ireland. He had looked at the scheme, and now declared honestly and openly that he preferred the repeal of the Union to any such tampering with constitutional government as set up in the Act of Union. He was aware that it had not attracted any great number of Unionists from their ranks. He did not think it had even attracted many Nationalists. The grievance of the Irish Unionists was, rightly or wrongly, that the scheme had originated with a permanent official retained under a Unionist

Government at Dublin Castle. He was not making the charge that that was so, because it would be unbecoming, as a member of the Government, to make any charge against any permanent Civil servant. The charge of the Irish Unionists was that a permanent Civil servant had himself evolved a policy which had been disavowed by the Prime Minister and disavowed by the Chief Secretary for Ireland. He did not say that it was true, but what he did say was that if it was true it was a public scandal, and against all the best traditions of our public service. If that was one of the grievances of their Irish Unionist members it was a matter that ought to be set at rest at the earliest possible moment by satisfying them that there was no foundation for the suspicions entertained. Let them imagine in the present position of parties what their position in the country would be if any untoward incident happened to the Government and their Irish Unionist friends were found in a majority against them. The position would be untenable, and at all costs must be avoided."—(*Manchester, February 4th,* 1905.)

10.—The Government Censure of Sir A. MacDonnell.

On February 16th, Mr. Wyndham, in answer to a question in Parliament by Mr. C. C. Craig, said:—

"Sir Antony MacDonnell, in response to a request from Lord Dunraven, assisted him in discussing and formulating these proposals, which Sir Antony erroneously, but honestly, believed to be within Unionist principles. The Government hold that such proposals, embracing as they do the creation of a financial board and the delegation of legislative powers other than for private Bills, are altogether inadmissible. I understand that the two proposals I have named were discussed for the first time by Sir Antony MacDonnell with Lord Dunraven in August or September last. Sir Antony, I know, has discussed other matters at earlier dates with Lord Dunraven, and there is no reason why he should not have done so. I saw these proposals in the *Times* newspaper of September 26th last, and immediately expressed my total dissent from them. Sir Antony MacDonnell at once wrote to Lord Dunraven stating that he could have no further communications with him in connection with the programme of the Reform Association. The matter was considered by the Cabinet, and the Government expressed through me their view that *the action of Sir Antony MacDonnell was indefensible.* But they authorised me to add that they were thoroughly satisfied that his conduct was not open to the imputation of disloyalty. Sir Antony MacDonnell undertook the office of Under-Secretary at my special request and without any intention of permanently devoting to Ireland the administrative talents which have won him so high a place among Indian officials. It was in the full knowledge of this fact that his services were accepted; but it is obviously impossible to state the precise date of their completion."—(*House of Commons, February 16th,* 1905.)

The matter was discussed in the House of Commons, on Mr. Redmond's amendment to the Address (February 20th and 21st, 1905), and on Mr. Redmond's motion for adjournment (February 22nd), and in the House of Lords on February 17th.

11.—Mr. Wyndham's Resignation.

On March 6th, 1905, Mr. Balfour announced the resignation of Mr. Wyndham:—

"It is with the deepest regret that I have to inform the House that I have not found myself any longer able to resist the appeals made to me by my right hon. friend the member for Dover that he might be permitted to resign his office. The ground of his resignation is not ill-health, though I frankly admit I do not believe that he would be at present able to support all the labours and all the anxieties of a great administrative office. His principal reason is that he is of opinion that the controversy which has recently taken place both within and outside these walls has greatly impaired, if not wholly destroyed, the value of the work which he could do in the office he has so long held. On the merits of that controversy I propose to say nothing, though there are parts of it on which I retain a very strong opinion. But with regard to the effect it has had upon my right hon. friend's usefulness he, and he alone, must be the judge; and, reluctant as I am to yield to his desires, I feel that when they are pressed on such grounds as these it is impossible for me longer to resist them. I ought, perhaps, to add that my right hon. friend is not able to be present to do what is usual on these occasions—to make his own statement in explanation to the House, and I earnestly trust—and I am sure hon. gentlemen on all sides of the House will agree with me in wishing—he may soon be sufficiently restored to give fully that explanation which I have only imperfectly outlined."—(*House of Commons, March 6th*, 1905.)

Mr. Walter Long was subsequently appointed to succeed Mr. Wyndham.

12.—Mr. Wyndham's Personal Explanation.

On May 9th, 1905, Sir Henry Campbell-Bannerman's vote of censure was preceded by a personal explanation (explaining, as a fact, nothing) from Mr. Wyndham, in the course of which he said:—

"I neither differ from my late colleagues on any issue of policy, nor have I found cause to change in the smallest degree the views which I have long held and frequently expressed upon Irish administration. I think now, as I have always thought, that the maintenance of the Union is a fundamental principle of any sound Irish policy. I think now, as I have always thought, and on more than one occasion said, that the plans for what are now called devolution are, from some points of view, more open to criticism than Home Rule, since they have not even the merit of appealing to any large section of Irish opinion. I insisted on resigning, therefore, not on grounds of policy, but because certain circumstances, partly political and partly personal, convinced me that I could best help the party to which I belong and the Government as an unofficial member than as Secretary for Ireland. The situation both in Ireland and here becomes complicated, as everyone knows, by personal misunderstanding, and this, as is apt to happen in such cases, produced an atmosphere of rumour and suspicion. Looking back with wisdom born after events, I think, and am perfectly willing to say, that I have been myself in part to blame. . . .

"I did not consequently give that attention which I now think I should have given to the earlier proceedings of the Reform Association

which were reported in August last. I do not, sir, intend this afternoon to repeat the explanation which I have already given of the subsequent misunderstanding between myself and the Under-Secretary. Sir, misunderstandings are very rarely to be explained, and they do not occur unless men who believe that they know all that is in each other's minds are, as a matter of fact, inaccurately informed of what is in each other's minds. Subsequent attempts at explanation rarely lead to any satisfactory conclusion to either party; but, in view of comments which have come to my notice to-day, I wish to make the following observations. At the end of last Session I did not know that the Land Conference was still in existence. I did not know that it intended to take a new name and a new lease of life; and, therefore, I did not anticipate the publication which appeared in the Press on August 31st. I paid no heed to that document. I will not, and I feel no obligation to, dwell again upon the considerations that a Minister who goes away at the end of the Session in the full belief that he may safely divert attention from the cares of his office may be excused from such an admission. I do not base on the fact that I gave insufficient heed to that document or on the vague nature of the terms in which it was drawn up. Having read it again recently in a pamphlet which has been published I know that I could, if that were to the point, show that it would not have led me to expect the later proposals. I do not urge that, and I cannot urge that, since I did not attend to the document at the time. No copy of it was sent to me. I was not reading the Irish newspapers. I did not know then, though afterwards I did, that the leading Unionist paper published in Dublin, after studying its proposals on the spot, concluded by saying that, for the present, 'We are content to bid the Irish Reform Association a cordial welcome and to wish success to its patriotic efforts.' The Under-Secretary wrote me a letter. I cannot produce that letter because I have not got it, and I cannot speak of it from recollection because I cannot recall it. But its terms were sufficiently explicit, in view of the earlier publication, to lead me to expect the later development. I say, however, without a shadow of doubt on my mind, that I did not expect the proposals to which I objected when they appeared. This second manifesto contained concrete proposals to which I strongly objected and which I could not ignore. I at once stated my objections; and here the matter would, no doubt, have ended but for the fact that the Under-Secretary was cognisant of this document. He was sincerely, though erroneously, under the belief that I should not object to its contents. It was inevitable that such a misunderstanding should give rise to every species of rumour and misconception as to my own action and aims. Such misconceptions, while they last, are destructive of all efforts for good. I came to the conclusion that my power of doing useful work in Ireland was at an end; and, therefore, I felt justified in pressing on my right hon. friend to accept my resignation, believing that I could best strengthen his policy and support his Government by resigning from his Government, and tendering to him, as I do again to-day, the assurance of my unwavering support as a private member."—(*House of Commons, May 9th*, 1905.)

All that this amounts to is that Mr. Wyndham was prepared to take it lying down rather than do or say anything which would embarrass the Government of his dear friend, Mr. Balfour. This is a touching piece of personal and party loyalty, but its only effect is to darken counsel, so far as the public are concerned.

13.—Sir H. Campbell-Bannerman's Vote of Censure.

Sir Henry Campbell-Bannerman's motion (May 9th) was drawn in the following terms:—

"That, in view of recent events in Ireland, and the revelations which caused the resignation of the right hon. gentleman the member for Dover, it is in the highest degree desirable, in the public interest, that the correspondence and other information necessary to enable the House of Commons and the country to form a judgment on the policy and proceedings of the Irish Government, connected with and subsequent to the appointment of Sir A. MacDonnell, be communicated to Parliament."

The Government refusing to give either correspondence or information, the motion became a vote of censure, and the division (on strict party lines) gave the Government a majority of 63. The case against the Government was well put by Mr. Robson:—

"Whether the Liberals were able to carry out their promises in regard to Ireland or not, it was certain that there was no possible Government for Ireland in the future unless it adopted what was known as the MacDonnell policy, and adopted it in its widest sense. Liberals did not complain of the action of the Government. They thought it was a sensible and statesmanlike action. But they wanted to know why it had been done by stealth. The truth was that the Prime Minister knew that there was a strong Unionist and anti-Irish feeling in England, and, while he deplored its existence, he felt that he could not afford to part with it in the management of the Unionist party."—(*House of Commons, May 9th*, 1905.)

Mr. Balfour made a speech, the ingenuity of which consisted in this, that he evaded and avoided with characteristic skill the real points at issue. If his contentions were worth anything, it is simply ludicrous that Mr. Wyndham should have resigned; if Mr. Wyndham did right to resign, Mr. Balfour clearly ought to have resigned with him. Mr. Balfour endorsed Mr. Wyndham's plea that Devolution is worse than Home Rule:—

"Home Rule, at all events, is a logical and consistent system, which, however destructive of the United Kingdom, does at all events leave a machinery which may conceivably work in some fashion or another, while the scheme of devolution neither satisfies Irish aspirations nor British views of administration. It is a scheme intrinsically bad, and not only that, but a scheme which has no merits of any kind whatever; it does not satisfy what are called Nationalist aspirations, it certainly gives no satisfaction to my friends from Ulster below the gangway, and certainly no man sitting on this bench and responsible for the government of Ireland would tolerate such a system for twenty-four hours."—*House of Commons, May 9th*, 1905.)

This is singularly unconvincing, when we remember Lord Salisbury's declaration, quoted at page 247.

Mr. Asquith, in the concluding speech of the debate, with merciless analysis, recalled the House to the real issue at stake:—

"Amid the fog of obscurity in which we still move, let me remind the Prime Minister and the House that there stand out clearly three

plain, patent, and indisputable facts. What are they? First, that the late Chief Secretary has resigned; next, that the Prime Minister has not resigned; and, third, that Sir Antony MacDonnell retains his place in Dublin Castle. These are facts which are beyond the region of controversy; and yet they are as difficult, as impossible, I should say, now as they were at the beginning of this debate, to reconcile as co-existing facts in our political system. In this search after truth, what discoveries have we made in the course of the debate? Let me take the first question of all—a question to which neither the right hon. member for Dover nor the Prime Minister has given any intelligible answer. Why did the right hon. gentleman resign, and why did the Prime Minister accept his resignation? I have not the faintest idea. What cause was there for him to resign which did not logically and ethically involve a similar necessity in the case of the Prime Minister and all his colleagues in the Cabinet? What had the right hon. member for Dover done of which they disapproved? Nothing. What has he left undone which they thought he ought not to have omitted? Nothing. What new fact has been disclosed which was not perfectly well known to them before? Nothing."—(*House of Commons, May 9th,* 1905.)

The Morals of the Incident.

Let us extract some of the morals of this remarkable story:—

(*a*) Sir Antony MacDonnell has been "censured" (Mr. Balfour used the word "censure" as applicable to the Cabinet's finding contained in Mr. Wyndham's statement) for conduct declared to be "indefensible" though clearly permissible, due regard being had to the terms on which he was appointed.

(*b*) Lord Dudley, the Viceroy, equally incurs this censure, since he was equally involved in what Mr. Balfour calls the "Home Rule project."

(*c*) Mr. Wyndham denies that he is in any way personally involved in the Dunraven scheme, but the net impression created is that he only escapes responsibility by the card, so to speak. A gives to B a blank cheque that he knows will be filled in with some amount between £100 to £200. When the amount proves to be £184 10s. 8d. A can, of course, say that he disapproves of the exact amount which he then sees for the first time.

(*d*) Despite the exposure, nobody is called upon by Mr. Balfour to resign, although Lord Dudley is clearly charged with not knowing the difference between Home Rule and Unionism. Mr. Wyndham insisted on resigning, a resignation accepted by Mr. Balfour, himself equally culpable in the matter.

(*e*) The effort which the Government clearly made from 1902 onwards to adopt a conciliatory policy is as entirely admirable as their dropping of it in 1905 at the instance of the Orange extremists is discreditable.

(*f*) Once again it has been shown that those responsible for the administration of Ireland are driven by the logic of events to "co-ordination," "devolution," "Home Rule"—it does not much matter what the exact name on the label is.

CHAPTER XIV.

WALES.

Since the last Liberal Government quitted office in 1895, not one of the reforms specially desired by the people of Wales has received attention. There have been ten Speeches from the throne, and the case of Wales is not even remotely alluded to in one of these speeches. No step has been taken to right wrongs against which a great majority of Welsh people have repeatedly protested in the only constitutional way open to them. In no part of the United Kingdom has public opinion on certain great questions been more clearly or more emphatically expressed than in Wales.

RELIGIOUS EQUALITY.

During the last six General Elections, this has been, in one form or another, the predominant question in Wales, and the educational phase of the subject promises to overshadow every other topic at the next election. The enormous majorities obtained by candidates favourable to Disestablishment prove clearly, if proof were needed, that the Welsh people are determined to free their Church from the control of the State, and to place all denominations upon an equal footing in the eye of the law. But so far from taking a single step in the direction of justice to Wales, the Government have had the hardihood to strengthen the establishment and augment the endowment of the Church of England in Wales by such measures as the Benefices Act, which has strengthened the powers of the Bishops, the Clerical Tithe Act, which relieves the clergy of payment of one-half of their rates, the Voluntary Schools Act, placing national funds, which can be used for proselytising purposes, under the control of the clergy, and the Education Act of 1902. Most of these measures are unjust in England, where the Tories have made use of their temporary majority for the permanent enrichment of their clerical supporters, but the injustice is multiplied tenfold in the case of Wales, where there is a permanent majority against such measures. No greater insult or injustice could be offered to Wales than the introduction of such Bills, in defiance of the constitutional protests of the Welsh people. It should be noted that the Government has, moreover, plainly intimated that they will do nothing in this matter. Sir M. White (the late Lord) Ridley said with reference to the Church and the land:—

"If they desired those questions dealt with separately for Wales, they must get other people to do it."—(*House of Commons, February 13th*, 1899.)

Wales did her best to "get other people to do it." Although the Government, taking the fullest advantage of the war fever, dissolved

Parliament at the most favourable time possible, they lost some seats in Wales, in others their supporters had the utmost difficulty in holding their own, and they now have only seven supporters out of thirty-four Welsh members. There is every probability that, at the next General Election, the Liberal representation of Wales will be still further increased.

EDUCATION.

We have already dealt with the Education Act of 1902 (page 77), and it must suffice here to note the revolt of the Welsh County Councils against that Act. The story of the Welsh Coercion Act will be found on page 91, while the treatment by the House of Lords of the Welsh School Schemes is set out on page 294.

TEMPERANCE REFORM.

This is a question in which the people of Wales are deeply interested. They believe in the popular control of the liquor traffic. A private member's Bill to that effect has been before the House on five occasions. On one occasion 25 Welsh members voted for it and only 2 against it. On another occasion 25 Welsh members supported the Bill and only 1 opposed it. Could anything more clearly demonstrate the views of the Welsh people on the temperance question? But this Government has not only refused to grant Wales the power to control the liquor traffic, it has even refused to pass a Bill amending the Welsh Sunday Closing Act in accordance with the unanimous recommendation of a Royal Commission appointed by a Tory Government. It has been left to a private member year after year to bring in a Bill for the amendment of the Act. In the Session of 1900 the Bill was read a second time without a division, but the Government show no sign of adopting this non-controversial and urgently needed Bill, and unless they do so its prospects of passing into law are hopeless.

THE LAND QUESTION.

The agricultural population of Wales have long agitated for Land Reform. Mr. Gladstone in 1893 appointed a Welsh Land Commission, which reported in 1896. As usual there were two reports, the majority and minority, but all the Commissioners signed a large number of important recommendations. It was particularly with regard to these that Lord Carrington in 1899 wanted to know if the Government intended to do anything by way of legislation. It must be admitted that there was at least no ambiguity about Lord Salisbury's reply:—

"I only wish to say, in answer to the noble lord, that we have not the slightest intention during the present Session of attacking the Welsh agrarian question, and I do not venture to prophesy when that question will be dealt with. I do not myself think that it is desirable to have an agrarian measure for Wales. When the Irish question was put before us we were always told that Ireland was a highly exceptional country, and that the precedents which were created then would not be employed

to the injury of property in this island. I am afraid that I always thought this too sanguine a view, but, at all events, such reasons as there were, to which I never attached any value, for the Irish Act in no way apply to Wales. The proposal of the noble lord was, I think, enveloped in unnecessary complications. He tried to persuade us that he was simply the mouthpiece of the Commission at the moment when it became unanimous, but he gave us a speech which, if it had meaning or object at all, must have pointed—and I do not think he denied it—to the erection of a land Court with compulsory powers. That is, to give some persons a right to take money out of the pockets of the landlord and to put it into the pockets of the tenants."—(*House of Lords, June* 20*th*, 1899.)

Surely the real question is—in whose pocket ought the money to be? If the money comes into existence as the result of the tenant's industry and husbandry, we should have thought that it properly went into his pocket. The favourite Tory operation is just the reverse—to take the money out of the taxpayer's pocket and put it into the landowner's. On March 24th, 1903, the House of Commons unanimously resolved, "That in the opinion of this House the unanimous recommendations of the Welsh Land Commission demand the immediate consideration of Parliament," but Welshmen have long ago realised that they have nothing to expect from the present Government in the way of land legislation.

PRIVATE BILL LEGISLATION.

The commercial community in Wales have repeatedly asked for cheaper and simpler Private Bill Legislation, the cost of which strangles in their very birth many important enterprises which would benefit large classes of the community, but the Government would not extend to Wales their Bill which applied to Scotland. They would not even spend the few pounds required to obtain a return (asked for by the Welsh members) showing the enormous cost to Wales of the present wasteful system.

THE BERRIEW ACT, 1897.

With the exception of the Welsh Coercion Act the only Bill specially relating to Wales passed since 1895 is the Berriew Bill, affecting a single Welsh parish. When the voice of the parish was taken 349 County Council electors out of a total electorate of 381 signed a petition against it. That Bill, opposed by the people of the parish affected in the proportion of 12 to 1, was pushed through its various stages in the teeth of the strongest opposition. Needless to say it was a clerical Bill! That is the way in which a Tory Government treats Wales. The unanimous recommendations of Royal Commissions are rejected, the fully ascertained and clearly expressed wishes of the people are flouted. Two classes, and two only, in Wales are favoured by this Government—the landowners and the clergy. To add wealth to wealth and privilege to privilege, to violate some of the deepest convictions of the Welsh people—that has been the task of the Government, and well have they performed it.

CHAPTER XV.

THE HOUSE OF LORDS.

"I will ask you what would have become of the country if the Lords—the majority of the Lords—had ruled unchecked for the last fifty years? (*A Voice:* 'A revolution.') By this time the country would have been enslaved or ruined, or a revolution would have swept them away—it might possibly have swept away even the venerable monarchy itself."

John Bright, *August 4th*, 1884.

"During the last hundred years the House of Lords has never contributed one iota to popular liberties or popular freedom, or done anything to advance the common weal. . . . It has protected every abuse and sheltered every privilege. It has denied justice and delayed reform. It is irresponsible without independence, obstinate without courage, arbitrary without judgment, and arrogant without knowledge."

Mr. Chamberlain, *August 4th*, 1884.

". . . Their claim to dictate the laws which we shall make, the way in which we shall govern ourselves—to spoil, delay, even reject measures demanded by the popular voice, passed after due discussion by the majority of the people's House, . . is a claim contrary to reason, opposed to justice, and which we will resist to the death. . . . The House of Lords has become, so far as the majority is concerned, a mere branch of the Tory Caucus, a mere instrument of the Tory organisation."

Mr. Chamberlain, *October 7th*, 1884.

"I believe that the feeling which exists in the majority of the Liberal party with regard to the House of Lords does not arise from the fact that the House of Lords is an hereditary body or an aristocratic body, but from this, that they are a permanent Conservative or High Tory Committee. . . . I say that a legislative body having a permanent majority belonging to one political party in the State is a danger to that body itself."

Mr. (now **Lord**) **Goschen**, *September 18th*, 1885.

"Lord Salisbury forgets that the Chamber in which he leads ought not to be used for mere party purposes. . . . He seeks to convert it into an additional wing of the Carlton Club."

Sir Henry (now **Lord**) **James**, *July 6th*, 1884.

We have headed this chapter with the above quotations not so much with any desire to criticise the authors of the speeches of which they form part, but rather because in these quotations the anomalous position of the House of Lords is so clearly, determinedly, and uncompromisingly stated. Its tendency to become more and more a

branch of the Tory party, to pass any legislation, however revolutionary, sent up to it by Ministers of that party, and to block all the really progressive legislation of Liberal Governments has culminated in latter years in a state of affairs intolerable to the Liberal party, constituting the Lords "an anomaly and a danger" which clamours for treatment before a Liberal Government can really be effective for the fullest possible amount of good.

Ancient history is not within the purview of the Handbook, but a few instances of the dangers of an unrepresentative and irresponsible Upper Chamber, consisting almost solely of the land-owning class of the country, surrounded from the cradle to the grave with class prejudices, and with little or no inducement to the exercise of those qualities which bring men to the front benches of the House of Commons, may not be out of place.

The House of Lords delayed the Act for the abolition of the death penalty for forgery in 1832, and again in 1839. It refused to allow the law of seditious libel to be amended in 1844, maintaining the principle that a charge made against the Government, though true, and for the public advantage, was a libel. It rejected the Bill proposing to give the plea of privilege to reports of meetings, etc., in 1858, and again in 1860.

Between 1845 and 1881 it either rejected or mutilated a number of Irish Land Bills calculated to alleviate the admittedly pitiable condition of the Irish peasant and tenant farmer.

During the whole of that time it repeatedly prevented the reduction of the Irish franchise so as to put it on the same basis as the English. It is not too much to say that the treatment of Ireland by the House of Lords is largely the cause of its present unhappy state.

It was only in 1829, after repeated rejections, that the Lords passed the Catholic Relief Bill "reluctantly, ungraciously, under duress, from the mere dread of civil war." The Penal Laws remained unrepealed until 1844 owing to the action of the Lords.

In 1835 the Commons proposed to repeal the penal law which permitted any scoundrel married by a Catholic priest to repudiate his wife when he pleased by proving that he had attended a Protestant place of worship within twelve months of his marriage. The prostitution of the Marriage Service for purposes of seduction in the name of Protestantism was maintained by the Lords by a majority of 42 to 16.

Every attempt at Parliamentary reform has been thwarted by the Lords. They repeatedly refused to pass Bills disfranchising corrupt boroughs, Lord Ashburton once protesting against the idea that a borough should be disfranchised for treating—"ordinary treating."

The Ballot Bill was first of all thrown out by the Lords, and was not passed without an attempt to render secret voting optional.

In 1871 University Tests were abolished, Bills with that object having been rejected by the Lords in 1867, 1869, and 1870.

The Jewish Disabilities Bill was only passed in 1858 after having been rejected by the Lords in 1833, 1834, 1836, 1848, 1851, 1853, and 1857.

These are only a few examples culled from "Fifty Years of the House of Lords,"* from which the record at length of the Lords may be gathered.

THE HOUSE OF LORDS AS A STANDING COMMITTEE OF THE TORY PARTY.

"I venture to assert that if you look at the action of the House of Lords for the last sixty years, you will find that it has judged measures when they have come before it, not by reference to their character, not by reference to their consequences, but by reference to the quarter from which they proceeded. There is no greater fallacy than to imagine that the House of Lords affords any effective safeguard against rash and revolutionary legislation . . . there is no leap so long, no darkness so impenetrable, but the House of Lords is perfectly prepared to make the one and to plunge into the other at the bidding of a Tory Prime Minister. The effectiveness of this drag upon the democratic coach only comes into view, only makes itself felt, when you happen to have a Liberal Government in power, and a Liberal majority in the House of Commons."

Mr. Asquith, *at Glasgow, October 17th,* 1893.

"But the Lords are also a partisan body, who invariably act in the interests and at the bidding of one party in the State, the party to which nearly 19-20th's of them belong. What is the working of such a system? If the Tory party has a majority in both Houses, the Lords simply register the decisions of the Commons. There is then not only no conflict, but scarcely even a suggestion of amendments. But if the Liberal party has a majority in the Commons, the Lords become a mere tool of the Tory party for the purpose of maiming or rejecting Liberal Bills. We are told that the Lords stop bad measures. But what measures, however bad, have they ever stopped which emanated from a Tory Government? It is only by assuming that all Liberal measures are bad, and all Tory measures good that the Lords can be justified. Now there is probably not a single constitutional change proposed by the Liberal party during the last eighty years which the Lords have not opposed, and there is not one of those which is not now approved by the country."

Mr. Bryce, *at Aberdeen, December 17th,* 1894.

"It is said that I have alleged that this House will pass a measure when introduced by a Conservative Government, and will reject the same measure introduced by a Liberal Government. I have said that. I repeat it, I believe it, and I can prove it. The noble Duke (*of Argyll*) confessed the whole charge in the words with which he began his speech. Alluding to this Bill (*Factories and Workshops Bill*) he said: 'I am glad the noble Marquis has seen his way to allow it to pass.' Yes, those measures pass which the noble Marquis sees his way to allow to pass, but any others have no chance. That is the point on which we have insisted, and I am glad to find it supported by the noble Duke."

The late Lord Herschell, *House of Lords, July 5th,* 1895.

---

* To be obtained for 4d., *post free*, from the Liberal Publication Department, 42, Parliament Street, S.W.

Of course, these Liberal leaders were reviewing the past, but in the light of subsequent and recent events, their criticism is in the nature of prophecy, now fulfilled. Here is the record of how, for the last thirty-four years, the House of Lords has treated Bills carried through the House of Commons by Liberal Governments, and Bills passed through the House of Commons by Tory Governments:—

LIBERAL MINISTRIES.	TORY MINISTRIES.
1869—1874.	1874—1880.
UNIVERSITY TESTS BILL **rejected** (twice). LIFE PEERAGE BILL **rejected.** BALLOT BILL **rejected** and subsequently **mutilated.** ARMY PURCHASE BILL **defeated.** RATING (LIABILITY AND VALUE) BILL **rejected.**	**Nothing.**
1880—1885.	1885.
COMPENSATION FOR DISTURBANCE (IRELAND) BILL **rejected.** LAND ACT (IRELAND) **mutilated.** ARREARS ACT (IRELAND) **mutilated.** AGRICULTURAL HOLDINGS ACT **mutilated.** FRANCHISE BILL **rejected.**	**Nothing.**
1885—1886.	1886—1892.
	Nothing.
1892—1895.	1895—1900.
HOME RULE BILL **rejected.** EMPLOYERS' LIABILITY BILL **mutilated and lost.** PARISH COUNCILS ACT **mutilated.** LONDON IMPROVEMENTS BILL **mutilated.** SUCCESSION TO REAL PROPERTY AMENDMENT BILL (abolishing primogeniture) **rejected.** RAILWAY SERVANTS (HOURS OF LABOUR) ACT **mutilated** so as to exclude men employed in railway shops and factories. EVICTED TENANTS BILL **rejected.** LOCAL GOVERNMENT (SCOTLAND) ACT **mutilated.**	**Nothing.**
	1900—1905.
	EDUCATION ACT **amended in interests of the Church.**

In 1905, apparently in anticipation of a General Election and the advent of the Liberal party to power, the Peers, after nine years of undeviating acquiescence in the proposals of the Tory Government (except in an occasional rare case, when they felt that they could do better for some class interest—as for the Church on the Education Act—than even that Government itself), suddenly seemed to think it time that they should assert their position as a legislative body, a position which had so long lain dormant. On February 16th Lord James of Hereford called attention to the insufficient opportunity given to the House of discharging its legislative duties, and Lord Lansdowne promised that some of the measures mentioned in the King's Speech would be introduced in the House of Lords. On April 6th Lord James moved:—

"That this House, recognising its duties as a deliberative assembly, protests against the practice of introducing Bills into it under conditions which afford insufficient time for their consideration, and declares its intention to refuse to consider any Bill unless sufficient opportunity be afforded for due consideration thereon."

For the Liberals Lord Rosebery put in, in the course of the discussion on this, the natural and necessary *caveat*:—

"They had now been ten years under a Conservative Government. There were indications of all kinds—some even came from fashionable watering-places—that within no distant time noble lords behind him and those on the Front Bench opposite might change places. Supposing that by this time next year his noble friends behind him occupied the bench opposite, this somewhat tardy recognition of the rights of the House of Lords might be used against them, and therefore this motion had, to some extent, the look of furbishing up a weapon which had not been thought of for the last ten years, in preparation for a change of Government. He only indicated this. He entered a *caveat* on behalf of his noble friends behind him that when they brought forward motions at the end of August, as it was quite possible they might do, this motion might not be cited as an absolute bar or obstacle to their proceeding with them in the usual way."—(*House of Lords, April 6th*, 1905.)

The Government "deeply sympathised" with Lord James, and the motion was agreed to. But they knew their House of Lords. Lord Lansdowne's pledge of February 16th was duly kept, but it turned out that, in spite of this, the House of Lords was, in the matter of treatment, not only no better off than before, but if anything rather worse. What happened may best be set down in the words of Lord James, when towards the end of the Session he again raised the subject:—

"Sixteen Bills of considerable importance were introduced into the House, considered, dealt with in detail in committee, and forwarded to the House of Commons. They were Bills singularly uncontroversial, but yet Bills of great utility. They were not political Bills of the first class—it would, perhaps, be inexpedient that such Bills should be introduced into the House—but they were all Bills dealing with the social and economic life of the country and singularly deserving the attention of Parliament. What happened? Not only had not one of those Bills been returned to that House, but, as far as his information went, not one step had been taken in regard to them except the auto-

matic step of placing the Bills on the paper of the House of Commons. Not even the compliment was paid to any one of them of being placed on the sacrificial altar of the Prime Minister. They had been put on one side as if they were of no account and as if no one desired that they should pass into law."—(*House of Lords, August 7th,* 1905.)

In regard to the second part of his motion pledging the House to "refuse to consider any Bill unless sufficient opportunity was afforded for due deliberation thereon," Lord James said:—

"He desired to ask the noble Marquis another question which represented a serious matter, because, as they stood now, there would be a clear contravention of the resolution of April 6th. When the Aliens Immigration Bill and the Churches (Scotland) Bill came to their lordships' House some twelve or thirteen days before the rising of Parliament, he certainly hoped that that would give sufficient time for their consideration, but what occurred when the Aliens Immigration Bill was before the House showed that he was in error. As it turned out, there was not time for one amendment to be moved on that Bill. Lord Belper put down certain amendments which were needed, or he would not have put them down. They were withdrawn. Why were they withdrawn except it was because there was not time to consider them when the Bill went down to the House of Commons? The Session was not yet ended. There was an important Bill relating to the unemployed poor. That was a Bill with which their lordships were eminently capable of dealing. Where was the possibility of their discussing it?"—(*House of Lords, August 7th,* 1905.)

Lord Newton described the proceedings in the Lords at the end of a Session as "the harlequinade with which they terminated the Session," and roundly said that "if there was a culprit in the case, it was no less a personage than the Prime Minister," while the Archbishop of Canterbury, speaking as one of those "who cared most for the maintenance of its usefulness and privileges," complained that "their lordships' House was being degraded." Lord Lansdowne admitted that the result of the redemption of his pledge had been "disappointing." He insisted that "the blame could not be laid on his Majesty's Government, and certainly could not on their lordships' House," and referred, as the real reason, to Mr. Balfour's statement that in the House of Commons there had been only twenty days during the Session available for legislation. Altogether a very pretty little comedy, a charming curtain-raiser to the House of Lords in its well-known part of active Legislative Assembly during a Liberal Government.

THE LORDS' RECORD DURING THE TORY GOVERNMENTS, 1895-1905.

It might be urged by an apologist of the House of Lords that legislation introduced by a Tory Government was never of a kind that would be unpalatable to a Tory House of Lords. This plea would put on one side altogether the claim that the House of Lords now only acts in a judicial capacity—as trustee for the opinions of the people—but the history of the last ten years shows that the Lords are willing even to suppress their own convictions to oblige

a Tory Government. In fact, time after time Lord James of Hereford must have recognised that the body he now adorns is indeed little more than an "additional wing of the Carlton Club." Everybody knows what would have happened if some of the Tory Bills passed by the House of Lords had been sent to that body by a Liberal Government. This will be realised from the following account of the Bills about which, since 1895, questions have arisen as between Lords and Commons:—

(1) The Irish Land Act of 1896.

On this measure the Toryism of the Lords was sorely tried. At first their natural instinct to preserve the landlords' interests prevailed, and they inserted a number of destructive amendments. The Government made it clear that most of these amendments were unacceptable. The obedient Lords forthwith passed the Bill with only two or three comparatively minor amendments, and so ended what at the time was dignified by the title of "The revolt of the Peers." The *Standard*, in commenting on the original amendments of the Peers, said:—

> "No ingenuity can make it appear that the Irish Land Bill has been wrecked because it was opposed to the general sense of the nation. It has been mutilated simply because it contained provisions to which a large number of peers objected as landlords, and against which other peers joined them in voting, because they yielded to the self-regarding calculations of class sympathy."—(*August* 8*th*, 1896.)

It is clear that—

(*a*) The instinct of the Lords was to amend the Irish Land Bill in their own interests, but

(*b*) They gave way merely so as not to embarrass a Tory Government.

(2) The Workmen's Compensation Act of 1897.

It is safe to say that if this had been introduced by a Liberal Government the Lords would have regarded it as another instance of the Commons "misconducting" themselves, and would have treated it accordingly. Being introduced by the Tories there was no course open to the Lords but to accept it.

A typical example of the utter lack of independence and of consistency which is exhibited by the Lords when a Tory Government is in power was afforded by the treatment of the agricultural labourer. Lord Londonderry asked why agricultural labourers were excluded from the Act, and "warned noble lords that its extension to agriculture was only a question of time," whereupon Lord Salisbury replied:—

> "All the fears which the noble lord has expressed so freely that the principles we have adopted would be like a voracious monster going through the country swallowing up every class and subduing everything under its rule, might have been equally urged against the Ten Hours Bill. It might have been argued, 'If you introduce this for any work-

man, why not apply it for all? If you introduce it for women, it will have to be applied to men. You will not stop until you have placed every servant in the country under the protection of the Ten Hours Rule.' But these things have not happened. What we have to consider is whether the advantages we obtain outweigh the disadvantages. *I do not think that we should distrust ourselves and imagine that we cannot give proper restraint and proportions to the principles that we are accepting.*"—(*House of Lords, July 20th*, 1897.)

One would have thought that in their past record there was ample ground for no small amount of self-distrust.

(3) The Irish Local Government Act of 1898.

The explanation why this great measure of reform safely passed the Lords is simple; their opposition was bought off in advance by giving the Irish landowners a sum of £300,000 a year on an agricultural "dole." [For full details see the chapter on "Finance" at page 25, and on "Ireland" at page 249.] It illustrates very well the anomaly of the House of Lords that in a freely governed country people should have to tax themselves to bribe an absolutely irresponsible body into acquiescing in a measure desired by the people themselves. Rightly considered, the circumstances under which the Irish Local Government Act became law are most damaging to any claim put forward on behalf of the House of Lords as a really important Revising Chamber. It exists to make good terms for the vested interests, particularly for the landed interest. Its price for the reform of local government in Ireland—promised by the Unionist party so long ago as 1886—was £300,000 a year for ever!

(4) The Vaccination Act of 1898.

The conduct of the Lords in connection with the Vaccination Act should be carefully noted by every Liberal for its political significance, altogether apart from the merits or demerits of Vaccination itself. Here are the facts:—

1. The Vaccination Bill, *as introduced*, contained no clause allowing the "conscientious objector" not to have his child vaccinated.

2. In the House of Commons opinion was so strong in favour of allowing the "conscientious objector" not to have his child vaccinated, that the Government gave way, Mr. Balfour "throwing over" Mr. Chaplin on the point.

3. The Vaccination Bill was read a third time in the Commons on July 30th—by 133 to 29, the minority voting against the Bill as a protest against the insertion of the "conscientious objector" clause.

4. In the House of Lords when the Bill was considered in Committee, the omission of this clause was carried by 40 to 38 on the motion of Lord Feversham. Lord Salisbury spoke *for* the clause.

5. The Commons thereupon reinserted the clause by 129 to 34.

6. The Lords then reversed their original decision, and consented

to the inclusion of the clause by 55 to 45. This they did as the result of a strong appeal by Lord Salisbury.

It was frankly admitted by the Ministerial Press that this action of the Lords was a serious blow at their much vaunted "independence." That the Lords act in one way to Liberal measures, in another way to Tory, had to be conceded even by those who are customarily the loudest to exclaim "Thank Heaven we have a House of Lords!" This will be seen from the following extracts from Ministerial journals of August 9th, 1898. The *Times* said:—

"The House of Lords does not possess the courage of its opinions. After expunging the conscientious objector clause from the Vaccination Bill by a majority of two, the peers have reinstated it by a majority of ten. . . . This is precisely the season at which the House of Lords can do effective work in revising the measures sent up from the Commons. . . . As supporters of a Second Chamber we cannot but regard it as unfortunate that the attendance of Peers, just when their power to compel revision of hasty legislation is greatest, should so rarely be indicative of real earnestness."

The *St. James's Gazette* said:—

"The House of Lords has done by its own hands what all the influence of Mr. Gladstone, great as it still was, all the loud scolding of Sir W. Harcourt, the philosophic Radicalism of Mr. Morley, and the envious Radicalism of others has failed to effect. It has cruelly maimed its own authority as a revising power in the State, and has justified those who insist that it ought to be only a registering body for the decrees of the House of Commons, even if it is allowed to exist at all."

The *Standard* said:

"The result will be a disappointment to many people who had hoped that the Upper House would take this opportunity of insisting on the most valuable and important of its Constitutional functions. Here, if anywhere, was a case where a Chamber of Revision might have exercised its powers with perfect propriety and considerable public benefit."

The *Birmingham Post* said:—

"It was, we suppose, too much to expect that principle would outweigh party, even when the issue at stake was the risk of unlimited smallpox. . . . Not one unofficial voice was raised in favour of the clause, and as for Lord Salisbury's contention that they had no means of knowing what the opinion of the country was on the question, we can only say that if Lord Salisbury does not think it worth while to discover the current of public opinion on this, as on other subjects, he will most assuredly receive a very rough awakening at a time when he least expects it."

(5) The Seats for Shop Assistants Act of 1899.

A Bill on this subject relating to Scotland passed through the House of Commons on April 26th, 1899. The Lords at the bidding of Lord Salisbury threw over the Scotch Office (which in the Commons had consented to the Bill) and rejected the Bill. The character of the arguments used may be judged of by the following extract from Lord Salisbury's speech:—

". . . I do not see the logical process by which we should confine it (*sitting down*) to warehouses and shops where female assistants are engaged in retailing goods to the public. *The image of the housemaid crosses my mind.* How often she must desire to sit down! Are you prepared to have an army of inspectors to examine the house of every householder to see that there are a sufficient number of chairs placed at stated intervals, so that at each moment of exhaustion the housemaid may sit down in comfort? I am afraid you will find you have undertaken more work than you can do."—(*House of Lords, May 4th*, 1899.)

In spite of this declaration, and the difficulty about the "logical process," and "the image of the housemaid," the Lords, later in the Session, went back upon their previous decision and passed the Shop Assistants (England and Ireland) Bill not only passed it but *introduced into it an amendment* extending the Bill to Scotland.

(6) The "Wear and Tear" Clause of the Education Act of 1902.

The Education Act furnished an instance of the way in which on occasions the mischief of Tory legislation is intensified by the House of Lords backed up by a Tory Government. The story of the "wear and tear" amendment is alike disgraceful to the House of Lords, to the Bishops, and to the Government. When the Education Bill eventually went up to the House of Lords in December, 1902, it was to all appearances secure against any further encroachments upon the financial "bargain" between Church and State agreed to (under closure) by the House of Commons, since it is a breach of the privileges of the Commons for the Lords to make amendments imposing charges on ratepayers or taxpayers. The Bishops, however, protested that an "injustice" would be done them unless the ratepayer was compelled to defray the cost of repairs as well as the cost of maintenance. The Bishop of Manchester produced some amazing statistics showing the intolerable strain of the cost of "wear and tear" repair on Voluntary schools, which were additionally impressive because in the excitement of the moment he forgot to divide by two, and thus made the cost to the Church double the amount he intended. Thus the "Children of Gibeon" (as Lord Rosebery called them) succeeded, against the protests of the Duke of Devonshire, in passing a financial and therefore unconstitutional amendment by a majority of 26. One would have supposed that any Government with a spark of courage would have made short work of this amendment. It had been carried against them; it touched the privileges of the Commons, of which they are the natural guardians. The Tory Government, on the contrary, thought only of helping the Bishops to dodge the privileges of the Commons. With the consent of the Duke of Devonshire, the Duke of Norfolk, even after the Bill had been read a third time, proposed an addition to the Bishops' amendment, which, while making nonsense of it, paved the way for the final manœuvre to be executed by Mr. Balfour in the Commons. The amendment (with the Duke of Norfolk's addition in italics) now assumed this form:—

"Provided that all damage due to fair wear and tear in the use of any room in the school-house for the purposes of a public elementary day-school shall be made good by a local education authority, *but this obligation on the local education authority shall throw no additional charge on any public funds.*"

The officials of the House of Lords actually had the hardihood to mark the nonsensical words in italics as "proposed to be omitted by the House of Commons," and omitted they were, when the Bill again reached the Commons, thanks to the complaisance of the Government. The incident illustrates only too well how much hard cash it costs the country to be governed by a hereditary House that makes it a matter of primary concern to look after the vested interests of the Land and the State Establishment. Nor should it be overlooked that the Lords, if they had acted in accordance with their professed principles, would certainly have thrown out the Bill altogether. Where was the mandate for it? Was it not abundantly clear that it was disapproved by the country? But this mandate theory is kept for Liberal Government Bills.

(7) London Trams, 1905.

In 1905 the House of Lords distinguished itself by throwing out the London County Council (Tramways) Bill, by which (among other things) the Council sought power to take their tramways over Westminster and Blackfriars Bridges and along the Embankment. This would have been of the utmost benefit, not only to the thousands who have daily to cross the bridges, but to Londoners generally, since it would have brought the northern lines into touch with the southern. This simple, necessary, and urgent proposal of the London County Council had the whole weight of London opinion behind it. The City Corporation loyally accepted it. Twenty-one London Borough Councils supported it. In the House of Commons it was read a third time (July 12th, 1905,) without a division. More than that, the necessity of what the Bill proposed to effect is strongly insisted upon by the Royal Commission on London Traffic, which has been working on the subject for two years:—

"We recommend a large extension of tramways in London and the suburbs; that *immediate attention be given to providing through communication* between the different tramway systems within the Administrative County of London; *across the Thames by the Westminster and Blackfriars Bridges.*" (*Page* 50.)

The reasonableness of the proposal, and all this support of it, went for nothing with the Lords, in their delight at an opportunity of baiting the London County Council. On July 18th (the very day on which the Report of the Royal Commission appeared) the Bill came before them for second reading. Lord Ridley (C), strongly supported by the Lord Chancellor (Lord Halsbury), moved its rejection, and this was carried by 64 to 33 (majority 31). It should be noted that this rejection involved not only the Bridges and Embankment scheme thus lost, but also the other proposals con-

tained in the Bill, to which not even the Lords themselves had offered any objection. Every Liberal Peer present voted in favour of the Bill. The arguments used against the Bill were only arguments *pour rire.* We need only quote what the Lord Chancellor said, for to him was undoubtedly due the fact that the Bill was rejected:—

"He dissented from the statement that the Royal Commission were in favour of this scheme. They pointed out that the system of tramways might be so arranged as to be of great public advantage, and drew attention to the necessity of communication between the north and south of London across the bridges, but only as part of a general scheme. He still entertained the view which he entertained when he resisted a similar motion to that now before the House, made by Lord Morley. He thought a sufficient case had not been made out for the Bill, and that it was proposed to set a dangerous precedent. The County Council in its own way had done a very good work, but if this project, which was admittedly only part of a great scheme, were carried out, the County Council would be invested with enormous power and influence in connection with the proprietary interest and trading interest which it would possess in an enormous area. . . . *He hoped that their lordships would reject the Bill by a majority which would make the recurrence of these attempts year after year impossible.*"—(*House of Lords, July* 18*th*, 1905.)

THE WELSH SCHOOL SCHEMES.

The House of Lords has not neglected its opportunities of wrecking the Welsh Intermediate School Scheme. That relating to Howell's School (Denbigh) was rejected on July 16th, 1897, by 72 to 33, although it had been approved by the Charity Commissioners and was defended in the Lords by the Duke of Devonshire. But Lord Salisbury, instigated by the Bishops, would have none of it—it was "theological piracy."

The two contentions which were urged with any success were (1) that Howell's School was a Church of England foundation, the government of which ought not to be transferred to the representatives of the public bodies in North Wales; and (2) that Dr. Williams's school at Dolgelly, towards which it was proposed to apportion £120 out of Howell's estate, was "a Unitarian school"—the phrase was the Archbishop of Canterbury's. Now, in the first place, if it were true that Howell's Charity was a "theological endowment," the Bishop of St. Asaph could easily have killed the scheme by putting the law into force. For the Privy Council can be asked if any given charity is or is not ecclesiastical, and if the answer is "Yes," the charity cannot be touched. As to the second contention, that money was being taken from a Church school to give it to a "Unitarian school" at Dolgelly, here are the facts with regard to the latter:—

1. The Governors.—Of the twelve Governors ten out of the twelve were known *not* to be Unitarians.
2. The Teachers.—*None* were Unitarians.
3. The Scholars.—Out of 103 pupils *not one* was a Unitarian.

CHAPTER XVI.

OTHER QUESTIONS.

1. The Local Taxation Report 295
2. The Taxation of Land Values 302
3. The Rights of Workmen 304
4. The Penrhyn Quarry Dispute 311
5. Railway Servants—Accidents and Hours 312
6. Government Contracts for Foreign-made Goods ... 315
7. The Exclusion of Prison-made Goods... 316

(1) LOCAL TAXATION COMMISSION REPORT.

This Commission was appointed in 1896 and consisted of the following members:—

Lord Balfour of Burleigh.
Lord Cawdor.
Lord Blair Balfour (*the late*).
Sir J. T. Hibbert.
Sir E. Hamilton.
Sir G. Murray.
Mr. C. B. Stuart-Wortley, K.C., M.P.
Mr. C. N. Dalton.
Mr. C. A. Cripps, K.C., M.P.
Mr. Harcourt E. Clare.
Mr. T. H. Elliott.
Mr. E. Orford Smith.
Mr. James Stuart.
Mr. J. L. Wharton, M.P.
Judge O'Connor, K.C.

Its final report* as to England and Wales, made in June, 1901, is one of the most interesting Royal Commission Reports that have been presented to Parliament in recent years. It is in effect a thoroughly illuminating handbook on the subject of Local Taxation. Like all Royal Commission Reports it really consists of a series of essays by independent contributors. The majority Report is subject to all kinds of reservations and cross-reservations by those who sign it. It has a timorous and tinkering character, and speaks generally in a perplexed and inconclusive tone. The Chairman, Lord Balfour of Burleigh, adds a scheme of his own, with a number of separate recommendations. The real feature of the Blue Book is, however, the separate report of Sir Edward Hamilton and Sir George Murray. There is about this document a refreshing air of well-digested knowledge, logical clearness, and comprehensive practicality. Not the least of its services is the exposition which it gives of part of the scheme of Lord Balfour of Burleigh, which it embodies in its own recommendations. Next comes one of the most interesting portions of the volume—the separate report on the rating of site values. It is signed, as might be expected, by Mr. James Stuart and the late Lord Blair Balfour (better known as Mr. J. B. Balfour), but also by

* [Cd. 638.] Price 1s. 6d.; *post free* from the Liberal Publication Department, 42, Parliament-street, S.W., for 1s. 9d.

Sir Edward Hamilton and Sir George Murray, and (what is, perhaps, the most significant thing of all) by the Chairman, Lord Balfour of Burleigh, himself. Last comes a "one man" Report from Judge Arthur O'Connor (once a well-known Parnellite member, and now a County-court Judge).

THE COMMISSION REPORT.

The subject is far too detailed and technical to be compressed into the necessary limits of a summary. There are, however, certain salient points of general public interest with which the Blue Book deals, and these it is proposed to present as succinctly as possible. They are, briefly stated:—1. Local Subventions. 2. The Rating of Agricultural Land. 3. The Rating of Site Values.

I.—Local Subventions.

Practically all the revenues of local authorities are raised by rates. Rates are, in effect, a tax on a single species of property, *i.e.*, land occupied by the ratepayer, whether for a dwelling or for business purposes. The national revenues, on the other hand, being raised by taxes, are levied upon a much broader basis. To what extent rates or their ultimate incidence fall on the owner and to what extent on the occupier, none of the Commissioners profess to determine, but it seems generally agreed that the basis of national taxation is more equitable than that of local rating. The grievances of certain classes of ratepayers are accentuated by the fact that certain public services—such as poor relief, criminal prosecutions, education, main roads—have been imposed upon the localities, though they are said to be "of national, rather than local concern." The problem, therefore, has been to what extent the local ratepayer should be relieved from the burden of rates at the expense of the general body of taxpayers.

Up to 1888 the solution adopted was the voting by Parliament of specific grants to the local authorities in aid of the services which they performed. This course is still pursued in regard to education. In 1888, however, Mr. Goschen, with the approval of Mr. Gladstone, proposed to put the question upon a different basis. The system of grants in aid was abandoned, and in their place certain sources of revenue—namely, the excise licence duties, and a proportion of the estate duties—were specifically assigned to the local authorities. To these have since been added what are known as the "beer and spirit surtaxes," and a further proportion of the estate duties. The produce of these sources of revenue forms a fund which is operated upon by the Local Government Board, which, subject to several complicated charges and qualifications, distributes the various contributions in the proper quarters. The object of this scheme was to sever Local from Imperial finance, and to broaden the basis of local taxation by placing the owners of personalty under some direct contribution to local charges. The question now arises—is this system a sound one, and has it gone far enough? The answer of the Commissioners is as follows:—

1. *The Majority Report.*—The system is sound, but should be carried further. Further relief should be given to those sources which are "national and onerous," as distinguished from those which are carried on purely for local advantage. Other licence duties besides those of the Excise should be assigned to local purposes, and to these should be added the Inhabited House Duty.

2. *Lord Balfour of Burleigh.*—The system is unsound and fallacious. It has failed to attain its object. The assignment of special sources of revenue to special purposes is mere bookkeeping. The sums assigned have no logical basis. The better course is to grant a fixed sum from the consolidated fund, and to determine its amount for the needs of the localities. The finances of the localities should also be supplemented by a special rate on site values, and of the liberty to impose local taxes, such as taxes on advertisements and on bicycles. The Exchequer contributions should be distributed on an ingenious scheme, so that the poorest localities receive the largest proportionate assistance.

3. *Sir Edward Hamilton and Sir George Murray.*—The system of assigned revenues, though well designed, has proved a failure and should be abandoned. The whole system is subjected to a searching criticism. The best course is a fixed grant from the consolidated fund. "A State provision towards local services is either a right charge or a wrong charge; and if, as we contend, it is a right charge in the case of such services as are national and not a compassionate grant of the taxpayer to the ratepayer, it should fall on *all* taxpayers." The principles they recommend are thus summarised:—

(*a*) That a distinction should be drawn between "onerous" and "beneficial" expenditure.

(*b*) That to "onerous" expenditure persons should contribute according to ability to pay, and to "beneficial" expenditure according to benefit received.

(*c*) That "beneficial" expenditure should continue to be met out of revenue raised by rates, because rates have, or can be made to have, fair regard to benefit received.

(*d*) That to "onerous" expenditure or services which, though locally administered, are, in the main, national in character, *but to such expenditure only* the State should contribute a fixed amount.

(*e*) That this contribution should not, in the total, exceed one-half of the expenditure upon national services.

II.—The Rating of Agricultural Land.

It is certainly a significant fact that, with the exception of Mr. James Stuart and Judge O'Connor, all the Commissioners agree that agricultural land is entitled to some special relief over and above that which they propose should be accorded to the general body of ratepayers. It will be observed, however, that Sir Edward Hamilton and Sir George Murray deliver themselves of some very trenchant criticism of the Land Rating Act of 1896, and that their proposals involve a very serious curtailment of its operation.

The Commissioners give a brief history of the special treatment of agricultural land. They quote the late Professor Sidgwick as an authority for the proposition that the abandonment of protection entitles the agricultural interest to some relief in the matter of rates. They urge that the farmer is in a different position from other occupiers of land. The land which he requires for the purpose of his business is, as compared with that required by other occupiers, out of all proportion to the income he derives from it. They point out that for the purpose of a great many rates, levied under the authority of various Acts of Parliament (as, for example, the Public Health Acts), land is already rated on only a proportion of its value. They point, too, to the fact that canals, railway lines, and land covered with water is accorded a similar differential treatment. They accordingly come to the following conclusion:—

"We consider it to be well-established that in view of the character of agricultural property, the amount of the produce and profits derivable thereupon, and the relative extent to which benefits accrue to the property, and to its occupier, by reason of the expenditure incurred by the local authorities, it would be inequitable that rates should be paid in respect of it on the basis of its full annual value. . . .

"We suggest, as regards England and Wales, that for all burdens which are of an onerous character, and for the cost of the maintenance of local highways, agricultural land should be assessed at one half of its ratable value, and that in respect of other burdens, where the case of the agricultural ratepayer is dependent not only upon his inferior inability to pay, but also upon the meagre extent to which he is benefited, and much of the local expenditure incurred, he should continue to be rated at one-fourth as under the Public Health Act 1875, and other similar enactments."

These recommendations apply also to tithes and tithe-rent charges. The Commissioners propose that the deficiency should still be made good by "grants out of moneys provided by Parliament," and adhere to the system of setting aside a portion of the estate duties for this purpose.

The standpoint of Sir Edward Hamilton and Sir George Murray is a somewhat different one. They would prefer, if it were practicable, a threefold classification, by which residential property should be rated at its full value, agricultural land at half its full value, and other non-residential property at two-thirds of its full value. Not feeling justified in recommending so great a change, they propose that the relief at present accorded to agricultural land should be still, to some extent, continued:—

"It is true that the ultimate effect of a permanent measure may be different from the immediate effect of a temporary measure; yet *we cannot conceal from ourselves the great difficulty of depriving persons of a relief once accorded to them, even if by the direct action of economic forces the relief eventually benefits others.* Moreover, we believe it to be possible to remove much of the objection taken to the existing temporary measure by strictly confining the relief to expenditure on onerous services, and by proposing . . . another mode of allocation which will have better regard to the varying needs and varying abilities of different localities.

"These practical considerations, combined with the fact that profits derived from agricultural land are, as a rule, smaller in proportion to the amount paid in rates than the profits derived from other non-residential property, appear to us to afford ground for assessing agricultural land at half its full ratable value, to the extent—but only to the extent—to which rates have to be levied for onerous expenditure."

Their proposal, however, would involve the cessation of the present grants from the Imperial Exchequer:—

"We consider it admissible that agricultural land should be rated at one-half for the national services on the ground that the ability of the persons paying the rates on these properties is less than the ability of the persons paying the rates upon other properties of equal annual value.

"By this means the local part of the burden of national services would be borne in fair accordance with the ability of the ratepayers; and at the same time, the grants payable under the Agricultural Rates Act, which are so frequently attacked, and perhaps not without reason on several grounds, would be dispensed with."

It will thus be seen that Sir Edward Hamilton and Sir George Murray can scarcely be cited as champions of the Agricultural Rating Act. Their criticisms upon the working of the measure have already been given under the heading "Agriculture" (page 487).

III.—The Rating of Site Values.

The Majority Commissioners will have nothing to say to the rating of site values. The idea is one that is obviously disturbing and repugnant to all their settled notions. They examine it in a suspicious and unfriendly spirit. It cannot be said that they very effectually grapple with the problem or analyse its meaning, but in whatever aspect they look at it, it seems to them to bristle with insoluble difficulties. They accordingly dismiss it with the conclusion that its advocates have failed to make out their case.

There is, however, the separate report signed by Lord Balfour of Burleigh, Lord Blair Balfour, Sir Edward Hamilton, Sir George Murray, and Mr. James Stuart, who come to a very different conclusion. They examine the whole question very closely. They correct a number of fallacies which encumber the popular mind, they make full allowance for the chief objections urged on the side of the established system; but taking all these things into account they find themselves able to recommend a separate assessment of urban site values (*i.e.*, a valuation of the land, apart from the building erected upon it), and the imposition of a moderate site value rate to be levied alongside of the existing rates. The report is of an extremely qualified character, it limits its proposals on every side; but though it will not satisfy whole-hearted believers in the taxation of ground values, it is a great step in the direction in which they desire to move. Those who have not hitherto studied the subject will find the report a capital introduction thereto.

The signatories feel themselves "bound to condemn unhesitatingly all the schemes which have been put before them." It does "not, however, seem to them that the ideas which underlie

the movement are entirely unsound." . . . "It is no doubt a fallacy to suppose that there are huge untapped sources of revenue in connection with urban land, but it is not a fallacy to think that urban site value is a form of property, which from its nature is peculiarly fit to bear a direct and special burden in connection with 'beneficial' local expenditure." They concede that the value of sites is from time to time greatly increased by public improvements: also that "our present rates indisputably hamper building," and that consequently the question "is of special importance in connection with the urgent problem of providing house accommodation for the working classes."

They draw attention to the fact that site values are to some extent taxed already. The present valuation is made of the site and the building taken together. They believe, however, that it would be perfectly feasible to make a separate valuation of the sites alone, and they propose that this should be done. On this valuation a special rate might be levied side by side with the existing rates. It would serve at once to stimulate building where building is needed, and also to exact a larger contribution from the owners of "swollen site values," who are the last persons in the world who should be relieved at the expense of the general taxpayer.

All existing contracts should be rigidly respected. The Commissioners think that this would detract little, if at all, from the value of the scheme. Most tenancies are of comparatively short duration, while those who have the advantage of a long lease are to all intents and purposes owners of the sites. They get all the advantage that comes from public improvements, and there is no reason why they should not bear the burden. The Commissioners believe that, *ultimately*, in all cases the rate would fall upon the owners, but they consider that (subject to existing contracts) it would be convenient, partly because it would evoke popular feeling, partly because it would enlarge the reservoir of taxable capacity, to charge it partly upon owners, partly upon occupiers. Accordingly the rate would be collected first from the tenant, who would deduct the landlord's proportion from the rent; the landlord, if a sub-lessee, would deduct a proportion of this from the rent paid to the superior landlord, and so on till the freeholder (sooner or later) was reached and tapped.

This charging of a portion of the rate directly upon the occupier would act as a kind of "automatic safeguard" against the supposed "predatory tendencies" of owners, and—still further check on alarming possibilities—the rate might be limited by Parliament.

The new site value rate should be levied on occupied and unoccupied premises alike. As to "uncovered land"—*i.e.*, land capable of being used, but not actually used for buildings—the Commissioners are sympathetic but not enthusiastic. They would go so far as to impose the new rate on "all uncovered land which is intended to be let or could be let with a covenant for immediate building." They suggest various safeguards, and, among them, that

if the owner of the land considers the value put upon it excessive, he should have power to call upon the local authority to take it over at a fixed number of years' purchase of the valuation.

The report concludes with the following summary:—

"It may be convenient that we should here briefly summarise the conclusions which we have formed on the question of urban rating, and to which we desire to call special attention. They are as follows:—

(1.) That misconception and exaggeration are specially prevalent on this subject.

(2.) That, as a rule, others besides the freeholders are interested in site values.

(3.) That the value of the site as well as of the structure is at present assessed to rates.

(4.) That, while site value is enhanced automatically by extraneous causes, yet it has no monopoly of such enhancement; but that the outlay of ratepayers' money does increase the value of urban sites to a special, though not easily measurable, extent.

(5.) That sites and structure, which are now combined for rating purposes, differ so essentially in character that they ought to be separately valued.

(6.) That, when separated from structure, site value is capable of bearing somewhat heavier taxation, and should be made to bear it, subject, however, to strict respect for existing contracts.

(7.) That the differential treatment should take the form of a special site value rate, payable in part by means of deduction from rent on the Income-tax method, and that thus a part of the burden should visibly fall on those who have interests superior to those of the occupier.

(8.) That, subject to the conditions which we have specified, the special site value rate should be charged in respect of unoccupied property and uncovered land.

(9.) That, if proper regard be had to equitable considerations, the amount capable of being raised by a special site value rate will not be large; and that the proceeds of it, whatever the amount may be, should go in relief of local, not Imperial, taxation.

"The advantages which can be claimed for the proposal are, we venture to think, not inconsiderable.

(1.) It would conduce to placing the urban rating system on a more equitable, and thus sounder, basis.

(2.) It would be making the ground-owner, and others who may under the leasehold system acquire an interest in site values, contribute somewhat more to local taxation than they do now, and the contribution would be direct and visible.

(3.) It should go some way towards putting an end to agitation for unjust and confiscatory measures.

(4.) It would enable deductions for repairs to be made solely in respect of the buildings.

(5.) It would do something towards lightening the burdens in respect of building, and thus something towards solving the difficult and urgent housing problem.

(6.) It would tend to rectify inequalities between one district and another district, and between one ground-owner and another ground-owner.

(7.) It would, or at least it should, conduce to the removal of some of the widely-spread misconceptions which seem to prevail, not only in political circles, but among economic authorities and responsible statesmen; for, while it would be an admission that there were defects in the urban rating system, and an attempt to remedy those defects, it would show that there is no large undeveloped source of taxation available for local purposes, and still less for national purposes."

(2) THE TAXATION OF LAND VALUES.

It is not possible here, nor would it be within the scope of this *Handbook*, to set out the case for the taxation of land values; but it should be noted that on six occasions there have been important motions or Bills dealing with the land question.

(1) On February 10th, 1899, the late Mr. E. J. C. Morton moved an amendment to the Address:—

"And we humbly express our regret that there is no indication in your Majesty's Gracious Speech that measures will be submitted to the House dealing with the ownership, tenure, or taxation of land in towns."

The Government resisted this, and it was lost by the narrow majority of 139 to 126 (majority 13).

(2) On May 1st, 1900, Mr. Nussey moved:—

"That, having regard to the heavy and increasing burden of local taxation in urban and certain other districts, the House urges upon the Government the necesity of forthwith redressing the undoubted grievances from which many ratepayers suffer."

This was also resisted by the Government and lost by 140 to 98 (majority 42). The Government having appointed a Royal Commission on Local Taxation, Mr. Chaplin protested that it would be disrespectful not to await their report.

(3) On February 19th, 1902, Mr. C. P. Trevelyan moved the second reading of the Urban Site Rating Bill. Its chief provisions were to secure separate assessment of site values in urban communities, whether built upon or not. Upon this valuation municipalities were to levy at their discretion as much as a rate of 2s. in the £ to the relief of the ordinary rates. The Bill, so far from being a measure of confiscation, was drawn up upon the lines of the report in the Local Taxation Commission signed by Lord Balfour of Burleigh, then a member of the Cabinet.

The Bill was rejected by 231 to 160 (majority 71). Mr. Grant Lawson had only the vaguest and most unsatisfactory assurances as to what the Government proposed to do in the matter:—

"The question of rating was too important to be dealt with as a plaything in a private member's Bill on a Wednesday afternoon. The Bill did not go near touching the *crux* of the problem of local taxation, which was, how could local burdens be better distributed according to the ability to bear them? If the question was to be touched, it ought to be touched by the Government, and the Government would deal with it. He was not at liberty to say how the Government would deal with it. . . ."—(*House of Commons, February 19th,* 1902.)

(4) On March 27th, 1903, Dr. Macnamara moved the second reading of the Land Values Assessment and Rating Bill. Resisted by the Government and rejected by 185 to 172 (majority 13).

The Bill directed urban land values to be separately assessed and gave to local authorities power, which they might exercise if they thought fit, to levy a land value rate throughout their areas. The rate to be *levied* on the capital value of all land, whether occupied or not, as distinct from the value of any buildings or structures on the land; to be *payable* generally by the persons at present liable to pay rates, special provision being made for the case of buildings containing several parts separately occupied, and also for the case of unoccupied property. With regard to tenancies created after the commencement of the Act, it was provided that a tenant who paid land value rate might deduct from his rent the amount of the land value rate calculated on the land value as it was when that rent was fixed. No such deduction to be permitted under existing tenancies. The total amount of the new rate in any year was limited to one penny in the pound on the land value.

(5) On March 11th, 1904, Mr. Trevelyan moved the second reading of the Land Values Assessment and Rating Bill, which was carried by 223 to 156 (majority 67), the Government Whips for the first time not telling against the Bill.

It was provided by this Bill that all valuation lists on which local rates are based shall contain a separate assessment of the land values of ratable premises. The land value is to be taken to be an amount equal to 3 per cent. on the selling value of the land as distinct from the building. Unoccupied premises are to be subject to rating, but only on the land value. In any case where the land value of premises exceeds the present ratable value, which may happen where land ripe for building is not used for building or very poor buildings are allowed to stand on valuable sites, rates are to be paid on the land value. Under any lease made after the Bill becomes law, it is proposed that the occupier shall be entitled to deduct from his rent so much, at any rate, as is based on the amount of the land value. But there is to be no interference with existing contracts between landlord and tenant. It is also proposed that deductions made from the gross value for the purpose of arriving at the ratable value shall be made on the value of the buildings only, and not on the land value. The Bill applied only to London and boroughs and urban districts of England and Wales.

The motion for the second reading of the Bill was on this occasion actually seconded by a Tory member—Mr. W. W. Rutherford (West Derby)—who said:—

"He put it as a reasonable principle that every inducement should be given to enterprise and improvement. Let them take three pieces of land of the same size and fronting on the same street. On the first the owner built to the value of £2,000, on the second the owner built to the value of £500 and on the third the owner did not build at all and his land was occupied as a depository for dead cats and old tins. In such a case the Corporation of Liverpool made the road into a fine street, all the improvements being effected at the public expense. Each of these pieces of land was equally benefited by the general outlay under the improvement scheme. Each contained 500 square yards worth about £3 the square yard. The result was that on plot No. 1 the buildings raised the valuation from £1,500 to £3,500. Plot No. 2 was increased in value to £2,000. Plot No. 3 remaining unbuilt upon continued to be valued at £1,500. The owner of

plot No. 1 was a man of enterprise. He had done something for his city and deserved some consideration and even some favour at the hands of his fellow-citizens. But of the taxation falling on these three pieces of land he had to pay seven-eighths. The owner of plot No. 2 paid one-eighth, and the third escaped altogether. Anything more unfair, unjust, or contrary to public policy could hardly be imagined than this condition of affairs which he had thus ventured to describe from personal experience."—(*House of Commons, March 11th*, 1904.)

(6) On April 14th, 1905, Mr. Trevelyan moved (for Sir J. Brunner absent through illness) the second reading of the Land Values Assessment and Rating Bill, which was carried by 202 to 112 (majority 90).* The Bill of 1905 was practically identical with that of 1904. The case for it was well stated by Mr. Asquith :—

"Why should urban land, unoccupied but ripe for development, enjoy an enhanced value from the common expenditure of the community without making any active contribution of its own to the rates? The effect of such a system, by throwing the main burden of the local rates upon buildings, was to raise rents, to discourage building, and to cripple and check the natural and healthy development of the community. The only question that arose was how far, under the existing conditions of social and municipal life, the separate assessment of land was capable of application. This proposal, which he could remember, without going very far back, as having been regarded as the fad of economic doctrinaires, had now behind it the active and growing support of the governing bodies of almost all the great urban communities of the kingdom."—(*House of Commons, April 14th*, 1905.)

The Government Whips, as in 1904, did not tell, but Mr. Grant Lawson made a strong speech against the Bill, which, in fact, did not receive the vote of a single Minister.

(3) THE RIGHTS OF WORKMEN.

During the past few years some decisions of the House of Lords and of the Court of Appeal have seriously affected the position of the Trades-Unions and of organised labour. It is not for us to question the soundness of their decisions in point of law, but undeniably they came as a great surprise to both employers and employed. We briefly summarise the three most important decisions :—

LYONS *v.* WILKINS.—The Court of Appeal (*February*, 1898) granted a perpetual injunction against the defendants—Trades-Unionists engaged in a strike against the plaintiffs—from watching or besetting, because (*a*) it is an offence within Section 7 of the Conspiracy and Protection of Property Act, 1875, and (*b*) it is a nuisance at common law for which an action on the case would lie, for such conduct seriously interferes with the ordinary enjoyment of the house beset. The injunction will be granted when the house watched and beset is not that of the workmen sought to be affected, but that of the employer. The importance of the

* The following shows the progress made in four years by the movement for taxing land values :—

	Mr. Trevelyan's Bill, 1902.	Dr. Macnamara's Bill, 1903.	Mr. Trevelyan's Bill, 1904.	Sir J. Brunner's Bill, 1905.
For	158	170	225	202
Against	229	183	158	112
Majority...	71 Against	13 Against	67 For	90 For

decision is obvious. Very few strikes can be carried on successfully without "attending to persuade" the men who are brought by the employers to take the place of those on strike. Peaceful picketing is by the decision declared to be unlawful, and can be stopped at any moment by the order of a judge.

TAFF VALE RAILWAY COMPANY *v.* AMALGAMATED SOCIETY OF ENGINEERS. —The House of Lords decided (*July*, 1901) that a Trades Union can be sued as a corporation in its registered name, damages thus being recoverable against a Union to the whole extent of its funds. This upset the doctrine (well established until that date) that Unions could not be sued in their corporate capacity. It is indisputable that the Legislature did not intend them to be when, in 1871, it legalised Trades Unions by passing the Trades-Union Act of that year.

QUINN *v.* LEATHAM.—The House of Lords decided (*August*, 1901) that a malicious conspiracy of several to injure a person in his business by inducing his customers or servants to break his contracts with him, or not to enter into contracts with him, or continue in his employment, is actionable, notwithstanding the decision in *Allen v. Flood.*

MR. BEAUMONT'S MOTION, 1902.

On May 14th, 1902, Mr. Beaumont, the Liberal member for the Hexham Division, moved the following resolution in the House of Commons:—

"That legislation is necessary to prevent workmen being placed by 'Judge-made law' in a position inferior to that intended by Parliament in 1875."

In the course of the debate some capital was made out of the phrase, "Judge-made law," but its meaning is perfectly well understood. It was not intended in any way to cast reflection upon his Majesty's Judges; and the real fault lies with Parliament for not having expressed sufficiently clearly what was intended. In the course of the debate the Government were asked to consent to an inquiry into what the law actually is at this moment. This the Government refused, and the House instead passed an amendment (moved by Mr. Renshaw) declining to "commit itself to fresh legislation on the subject of trade disputes until it is shown that the existing law does not sufficiently protect workmen in the exercise of their lawful rights." The small majority (29), however, by which this was passed was very significant.

THE BILLS OF 1903, 1904, AND 1905.

In each Session since, a Bill has been introduced dealing with the matter—in 1903 by Mr. Shackleton "to legalise the peaceful conduct of Trade Disputes," in 1904 and 1905 by Mr. Paulton and Mr. Whittaker respectively "to amend the law relating to Trades Unions and Trade Disputes." These received the approval of the Trades-Union Congress Parliamentary Committee, and were backed by Mr. Bell, Mr. John Wilson (Durham), Mr. Broadhurst, Mr. William Abraham (Rhondda), Mr. Keir Hardie, Mr. Fenwick, Sir Charles Dilke, Mr. Jacoby, Mr. Pickard, Mr. Robson, Mr. Beaumont, Mr. D. A. Thomas, Mr. Johnson, Mr. John Burns, Mr. Runciman, and Mr. Henderson, all Liberal or Labour members.

Mr. Shackleton's Bill (1903) contained two operative clauses:—

Legalisation of Peaceful Picketing.

1. It shall be lawful for any person or persons, acting either on their own behalf or on behalf of a trades-union or other association of individuals, registered or unregistered, in contemplation of or during the continuance of any trade dispute, to attend for any of the following purposes at or near a house or place where a person resides, or works, or carries on his business, or happens to be:—

(1) For the purpose of peacefully obtaining or communicating information.

(2) For the purpose of peacefully persuading any person to work or abstain from working.

Amendment of Law of Conspiracy.

2. An agreement or combination by two or more persons to do or procure to be done any act in contemplation or furtherance of a trade dispute, shall not be ground for an action if such act when committed by one person would not be ground for an action.

The Bills of 1904 and 1905 consisted of the same two clauses, with, in addition, the following clause:—

Protection of Trade Union Funds.

3. An action shall not be brought against a trade union, or other association aforesaid, for the recovery of damage sustained by any person or persons by reason of the action of a member or members of such trade union or other association aforesaid.

This clause seeks to restore Trade Unions to the privileged position which Parliament certainly intended to give them in 1875, but of which they have been deprived by the decision of the House of Lords in the Taff Vale case.

The voting on the second reading of each of the Bills has been highly significant, and may be conveniently set out thus for purposes of comparison:—

	Mr. Shackleton's *Bill*, *May* 8*th*, 1903.		Mr. Paulton's *Bill*, *April* 22*nd*, 1904.		Mr. Whittaker's *Bill*, *March* 10*th*, 1905.	
	For.	Against.	For.	Against.	For.	Against.
Ministerialists	17	248	32	201	29	132
Liberals	153	0	157	0	166	0
Nationalists	58	0	51	0	59	0
	228	248	240	201	254	132
	Maj. **20** Against.		Maj. **39** For.		Maj. **122** For.	

Liberals and Nationalists have been constant in their support of the Bills, no Liberal or Nationalist has opposed any one of them, while each year the disinclination of the Tories to vote against them has strikingly increased. The obvious explanation was supplied by the *Times*, which said (March 11th, 1905) that the division on Mr.

Whittaker's Bill "certainly suggested that the mercury of the political barometer is falling towards the point at which a dissolution of Parliament is no longer regarded as a remote contingency."

Some further points in regard to the Bills individually may now be set out.

(*a*) *Mr. Shackleton's Bill* (1903).—In the debate on the second reading (May 8th, 1903), Mr. Lyttelton, whilst he opposed the particular provisions of the Bill, said:—

"In his judgment the law of picketing might be amended in favour of the trades-unions without such consequences. He believed also that in 1869 so conservative and excellent a Judge as Mr. Russell Gurney, Recorder of London, definitely stated that peaceable picketing was within the law. Furthermore, he had been told by a distinguished person, long a member of that House, that on a Saturday afternoon in July or August, 1871, a Labour Bill having come back from the House of Lords, and Lord Cairns having declared that peaceful picketing was legal, somebody said, 'Why not insert a proviso and make it clear?' Whereupon Mr. Gathorne Hardy said, 'No, the Lord Chancellor said it is not needed.' That showed how this state of things had arisen."—(*House of Commons, May 8th,* 1903.)

One outcome of the debate was the appointment of a Royal Commission (see page 310).

(*b*) *Mr. Paulton's Bill* (1904).—The significant feature of the second reading debate (April 22nd, 1904), was that the Government were afraid officially to oppose the Bill. Mr. Balfour, however, voted and spoke against it. The case for the measure was admirably stated by Sir Robert Reid, who, speaking of the above-quoted third clause—"probably the most disputable of the whole Bill"—said:—

"Before 1871 strikes were unlawful as well as picketing, and trade unions were not lawful, on the ground that they were in restraint of trade. The result was that the trade unions had no remedy to protect their own property, and they were liable to be plundered at will. But the struggle on the part of the workman for the right of combination had never diminished, and at last the workmen were successful in checking employers in acts of oppression which were admittedly common at that time. The unions built up their funds for benefit and superannuation purposes in order to make the hard lot of their members easier; and at last the sense of justice of the community revolted against treating trade unions in the way they had hitherto been treated. It was next considered whether the unions should have the rights and the liabilities of a corporate society, and Parliament, after full consideration, had determined not to confer those rights. At last, however, Parliament legalised them, stating at the same time that no remedy at law should exist for the benefit of trade. No trade union might be registered as a company or benefit and industrial society. The status created by the law of 1871 was believed by everyone to mean that the funds of the trade unions should not be accessible by any process of law, and the unions believed that their funds were secure and that the members might freely contribute to them. The result had been that a great system of relief had been built up until the decision in the Taff Vale case by the House of Lords

showed that the funds were liable to suit on the part of the employers for damages done in the course of a strike. The intention of the Bill was to restore the law to the position in which it was laid down by the Court of Appeal in 1900, before the House of Lords gave its fatal decision. Thus the trade unions were to be liable for the acts of their agents. Who were the agents? In the conduct of a strike every member who took an active interest in it was, in the eye of the law, to be treated as liable. But a stray member over whom a union might have no control might be guilty of action which was described as illegal, and the funds of the society would be liable for the whole of the consequences of the strike. The Prime Minister suggested that there should be a division between the benefit and the other funds of a union. Let that be done by all means, but as the law now stood all the funds were liable. If the law could not be altered in the way suggested by the Bill, then it should be altered so as to establish the old status which had worked very well and about which there had been no complaint."—(*House of Commons, April 22nd,* 1904.)

The following Cabinet Ministers voted in the minority against the Bill:—

Akers-Douglas, A.	Balfour, Gerald W.	Lyttelton, Alfred
Arnold-Forster, H. O.	Brodrick, St. John	Wyndham, George
Balfour, A. J.	Chamberlain, Austen	

With them, also, were Sir Michael Hicks-Beach and Mr. Chamberlain.

(*c*) *Mr. Whittaker's Bill* (1905).—As in the previous year the votes given by members of the Government on the second reading (March 10th) were noteworthy. In the minority against the Bill were the following fifteen Ministers:—

Acland-Hood, Sir Alex.	Crossley, Sir Savile	Law, A. Bonar
Arnold-Forster, H. O.	Dickson, C. Scott	Lawson, J. Grant
Atkinson, John	Fellowes, Hon. A. E.	Long, Walter
Balcarres, Lord	Forster, H. W.	Lyttelton, Alfred
Carson, Sir Edward	Hamilton, Marquis of	Valentia, Viscount

In addition to the above, the following Ministers voted for Sir T. Wrightson's amendment (that the Bill be read that day six months):—

Balfour, A. J.	Chamberlain, Austen	Percy, Earl
Balfour, Gerald	Finlay, Sir R. B.	Walrond, Sir W.
Cavendish, V. C. W.		

The Bill was then referred to the Standing Committee on Law, where the large majority (122) by which it had passed its second reading did not save it from being wrecked by the Tories. Amendment after amendment designed to alter its character was moved by Tory members, and consistently voted for by the members of the Government on the Committee (the Home Secretary, the Solicitor-General, the Lord Advocate, and Mr. Atkinson). These were, in the earlier sittings of the Committee, successfully resisted, but on May 3rd Mr. Galloway got carried by 20 to 17 the following addition to the first clause (picketing) which practically made it worthless:—

"Provided that no person shall, after being requested by any person annoyed by his conduct, or by any constable instructed by such person, to move away, so act as wilfully to obstruct, insult, or annoy such person."

The 20 Tory Members who voted for this were:—

Advocate, The Lord	Godson, Sir Frederick	Pilkington, Col.
Atkinson, John	Hutton, J.	Powell, Sir Francis
Craig, C. C.	Knowles, Sir Lees	Renshaw, Sir Charles
Cripps, C. A.	Legge, Col.	Stone, Sir Benjamin
Duke, H. E.	Milvain, T.	Tomlinson, Sir William
Egerton, Tatton	Morrison, J. A.	Wrightson, Sir Thomas
Galloway, W. J.	Morton, A. H. A.	

The 17 in the minority were (names of Tories are in italics):—

Bell, R.	Morgan, J. Lloyd	Runciman, W.
Burns, John	Norton, Capt.	Shackleton, D. J.
Dilke, Sir Charles	Paulton, J. M.	Ure, Alex.
Hemphill, Serj.	*Pemberton, J. S. G.*	Whittaker, T. P.
Henderson, A.	*Randles, J. S.*	Woodhouse, Sir James
Johnson, John	Reid, Sir Robert	

As the character of the Bill was thus entirely changed and the Government did nothing to help it, Mr. Whittaker moved at the next sitting of the Committee (May 8th) that the Bill be not further proceeded with. This was lost by 26 to 22, the voting being on strict party lines. The Liberal and Labour members therefore withdrew, and the Tory remnant proceeded to work their will upon the Bill with the following result:—

As Introduced.	*As Amended.*
1.—It shall be lawful for any person or persons acting either on their own behalf or on behalf of a trade union or other association of individuals, registered or unregistered, in contemplation of or during the continuance of any trade dispute, to attend for any of the following purposes at or near a house or place where a person resides or works, or carries on his business, or happens to be—	1. It shall be lawful for any person or persons acting either on their own behalf or on behalf of a trade union or other association of individuals, registered or unregistered, in contemplation of or during the continuance of any trade dispute, to attend for any of the following purposes at or near a house or place where a person resides or works, or carries on his business, or happens to be—
(1) for the purpose of peacefully obtaining or communicating information:	(1) for the purpose of peacefully obtaining or communicating information:
(2) for the purpose of peacefully persuading any person to work or abstain from working.	(2) for the purpose of peacefully persuading any person to work or abstain from working:

Provided that no person shall, after being requested by any person annoyed by his conduct, or by any constable instructed by such person, to move away, so act as wilfully to obstruct, insult, or annoy such person.

2.—An agreement or combination by two or more persons to do or procure to be done any act in contemplation or furtherance of a trade dispute shall not be ground for an action, if such act, when committed by one person would not be ground for an action.	2.—An action shall not be brought against any trade union or other association aforesaid for the recovery of damage sustained by any person or persons by reason of any act or conduct of a member or members of such trade union or other association aforesaid, unless the member doing the acts complained of can lawfully be held to be an agent of the trades union, or unless such acts have been adopted or ratified by such union :

Provided always that no funds of a trade union allocated solely for benevolent or charitable purposes shall be made liable for damages for acts done in furtherance of trades disputes only.

3.—An action shall not be brought against a trade union, or other association aforesaid for the recovery of damage sustained by any person or persons by reason of the action of a member or members of such trade union or other association aforesaid.	3.—The expression "trade union" in this Act shall have the same meaning as in the Trade Union Act, 1871, as amended by the Trade Union Act, 1876.
	4.—"Trade dispute" means a dispute as regards the rate of wages or other terms of employment.
4.—This Act may be cited as the Trades Dispute Act, 1905.	5.—This Act may be cited as the Trades Dispute Act, 1905.

Having thus been wrecked, the Bill was withdrawn (on May 26th). Nothing could illustrate more forcibly than these proceedings the difference between the two great parties in regard to Labour questions. They put at its true value the increasing abstention of the Tories from formal opposition (as disclosed in the divisions on the three Bills), and they form the most eloquent commentary on the pretension of the Tories that they are the friends of Labour.

Trade Unionists, when wooed by Mr. Chamberlain, are hardly likely to forget how Mr. Chamberlain's party behaved on this Bill, which is absolutely necessary if the right of effective combination is to be restored and secured to the workers.

THE ROYAL COMMISSION.

On the second reading of Mr. Shackleton's Bill (May 8th, 1903) the Government consented to an amendment proposed by Mr. Galloway asking for a Royal Commission. Mr. Akers-Douglas, the Home Secretary, said:—

"He deprecated any hasty and ill-considered attempt to get over the effect of certain recent decisions of the Courts. . . . He proposed to vote for the amendment. Last year, when the present Chancellor of the Exchequer was asked to grant an inquiry, he thought it better to wait the result of an appeal to the House of Lords, then understood to be

pending; but the case had not gone further, and opinion on both sides of the House had considerably advanced. There was a desire that people should know what the actual state of the law was at the present moment. It was a wish that he did not himself entirely share, because he believed that the law was known by those who had to administer it. But he thought a case had been made out for an inquiry, so that those who desired an alteration of the law should be able to state what alteration they desired, and those who felt that they had been hardly treated by the recent decisions should have an opportunity of placing their grievances before the Commission."—(*House of Commons, May 8th*, 1903.)

As Mr. Asquith said, to appoint a Commission to discover what the law is, which you say you know all the time, is one of the oddest proceedings imaginable.

The Government redeemed their pledge and appointed a Royal Commission, consisting of five members—Mr. Graham-Murray (now Lord Dunedin of Stenton), the Lord-Advocate (*Chairman*), Mr. Arthur Cohen, K.C., Sir William Lewis, Bt., Mr. Sidney Webb and Sir Godfrey Lushington. The remarkable thing is that not one of these is a workman or Trades-Unionist, though the employers have a redoubtable representative in Sir William Lewis. It is not surprising that Trades-Unionists should be profoundly dissatisfied with the Commission, and that their leading men should have refused to give evidence before a Commission which they do not feel to be representative or fairly balanced in its composition. The Commission has not yet (1905) reported.

---

(4) THE PENRHYN QUARRY DISPUTE.

The case of Lord Penrhyn and his quarrymen came up in the House of Commons on April 27th, 1903, when Mr. Asquith, on behalf of the Opposition, moved the following Vote of Censure:—

"That, in view of the grave social and public interests involved in the continuance of the industrial dispute at Bethesda, this House condemns the inaction of his Majesty's Government, and declares its opinion that prompt intervention on their part is imperative to arrive at a just and effectual settlement."

In his speech, Mr. Asquith submitted the following two questions to the consideration of the House:—

(*a*) Are the circumstances of the particular dispute so grave and so exceptional as to warrant, and not only to warrant but to demand, the exercise of any power of conciliation which the State may possess?

(*b*) Are there powers which the Government might and ought to exercise which they have left and are leaving unused?

Mr. Asquith's speech was a convincing demonstration that both questions must be answered in the affirmative. The specific power

which the Government has not used is that given to the Board of Trade by the Tory Conciliation Act of 1896 which, so far as is material, is as follows:—

> (1) Where a difference exists . . . between an employer . . . and workmen . . the Board of Trade may, if they think fit, exercise all or any of the following powers, namely:—
>
> (c) On the application of employers or workmen interested, and, after taking into consideration the existence and inadequacy of means available for conciliation in the district or trade, and the circumstances of the case, appoint a person or persons to act as conciliator or as a board of conciliation . . .

Why did not Mr. Gerald Balfour use this power on the chance—no one can say the certainty—that Lord Penrhyn would listen to the State speaking through a Tory Minister? Well, here was Mr. Gerald Balfour's so-called explanation:—

> "I cannot conceive a case in which it was clearer that the intervention of the Board would have been useless. Therefore, had we consented to intervene in this case we should practically have to do so in every case in which application is made. But the Act expressly confers on the Board a discretion. If we had consented to act on this occasion that discretion would have disappeared."—(*House of Commons, April 27th*, 1903.)

It is difficult to do justice to this remarkable argument—it is as if a man with an option to buy a house said he could not exercise the option because in that case he would lose it. The debate was useful, in that it exhibited the Government (as Sir Henry Campbell-Bannerman said) standing "shivering in the presence of Lord Penrhyn, unable even to venture to approach him with a view to introducing the element of conciliation into this deplorable dispute."

---

(5) RAILWAY SERVANTS—ACCIDENTS AND HOURS OF LABOUR.

THE 1895 PARLIAMENT.

1. Mr. Maddison, then M.P., moved an amendment to the Address on February 20th, 1899, in the debate on which Mr. Ritchie, on behalf of the Government, promised immediate legislation. This was thought perfectly satisfactory, and Mr. Maddison withdrew his amendment.

2. The Board of Trade shortly after published the report of its official, Mr. Hopwood, who had been to America and investigated the question of automatic couplings, finding strongly in their favour.

3. On February 27th, 1899, Mr. Ritchie introduced the Railway Regulation Bill in the House of Commons, and it was read a first time.

4. Lord Claud Hamilton, the Chairman of the Great Eastern Railway, withdrew from the Conservative party, nominally because

of the Vaccination Act, really because of the "attack on capital" involved in this Bill.

5. On March 16th, 1899, a deputation representing the mine-owners and the private owners of wagons went to Mr. Ritchie to protest against the Bill. Mr. Ritchie, in his reply, stuck up for his Bill, but at the end of his speech, without (technically) committing himself, he said he would consult his colleagues to see if—

(*a*) A new Bill with no reference to automatic couplings should replace the present measure, whilst

(*b*) The subject of automatic couplings should be referred to a "strong Select Committee."

6. Next day Lord Stalbridge, on behalf of the Railway Companies, wrote to Mr. Ritchie:—

"I am desired by the Association to communicate to you that, in the opinion of the railway companies, for reasons which I will not state here, a Select Committee of the House of Commons would not form an efficient or satisfactory tribunal to enquire into this important subject. Their strong view is that this question should be referred to a tribunal which should comprise representatives specially qualified to deal with the subject, and before which both counsel and witnesses shall be heard on behalf of those interested."

7. On April 27th the Bill was dropped, the Government (as usual) backing down—in this case to Lord Claud Hamilton, Sir Alfred Hickman and Co., as representing the railway companies and the private wagon owners.

8. A Royal Commission was appointed in May, 1899, to inquire into the causes of the accidents, fatal and non-fatal, to servants of railway companies and of truck owners. Lord James of Hereford was chairman. The Committee reported in January, 1900. Their principal recommendations were embodied in the Railway Servants (Accidents) Act, carried in the Session of 1900 by Mr. Ritchie. Summarily its effect is to make working on a railway a "dangerous" trade, and to empower the Board of Trade to make rules with the object of reducing or removing the dangers and risks incidental to railway service in various matters. Railway companies are under increased obligation to report accidents, and additional Board of Trade inspectors are to be appointed.

CAPTAIN NORTON'S MOTION, 1902.

On February 25th, 1902—thanks to the ineptitude of Mr. Gerald Balfour—the Government, for all their great majority, got beaten on a question affecting the hours of railway servants. Captain Norton on that occasion moved the following resolution:—

"To call attention to the excessive hours worked by railway men and other disabilities they suffer; and to move, That, in the opinion of this House, the Government should exercise their power to call for returns of the hours exceeding 12 per day worked by railway servants, and of cases where work is resumed with intervals of less than nine hours."

Instead of frankly accepting the resolution as it stood, Mr. Gerald Balfour wanted it altered to read:—

"That, in the opinion of this House, the Government should exercise their power to call for returns of the hours exceeding twelve hours per day worked by railway servants whose duty involves safety to trains and passengers, and of cases where work is resumed with intervals of less than eight hours."

Captain Norton declined to alter his motion, whereupon Mr. Gerald Balfour said he would move to amend it, to be informed by the Speaker that that was precisely what he could not do. He thereupon divided the House against Captain Norton's motion (the Government Whips telling), and got beaten by 151 to 144. Railway-men will not be slow to decide which party showed itself to be their friends.

MR. CALDWELL'S MOTION, 1903.

On May 6th, 1903, Mr. Caldwell (the Liberal member for Mid-Lanark) called attention to the administration of the Hours of Railway Servants Act, 1893, and the Railways (Prevention of Accidents) Act, 1900, by the Board of Trade; and moved:—

"That, in the opinion of this House, the Board of Trade should exercise more vigorously the powers conferred on it by the Railway Regulation Act, 1893, and other Acts, with a view of preventing excessive hours of labour by railway servants engaged in working the traffic, and of securing sufficient intervals of uninterrupted rest between the periods of duty and sufficient relief in respect of Sunday duty; and that with a view to the diminution of accidents to railway servants, the appointment of additional sub-inspectors is necessary to ensure that the rules adopted under the Railways Employment (Prevention of Accidents) Act, 1900, are strictly observed."

Mr. Bell (the Labour Member for Derby), in seconding the motion, gave some figures which show the gravity of the question:—

"The return for 1902 showed that 443 men were killed and 3,713 injured in connection with the working of trains and moving of vehicles, while otherwise 33 were killed and 9,929 injured. In considering the percentage of deaths and injuries to the number of men employed it was manifestly absurd to take the total number of railway *employés*, which included clerks and many others who ran no risks in their occupations. He had extracted half-a-dozen grades whose occupations might be termed dangerous. These were 20 drivers killed and 313 injured; 46 porters killed and 480 injured; 23 firemen killed and 470 injured; 101 platelayers killed and 128 injured; 4 goods guards and brakesmen killed and 779 injured; and 34 shunters killed and 587 injured. That was a total of 268 killed and 2,747 injured. The Board of Trade issued a return for the ten years ended 1897, and he had extracted the particulars in respect of goods guards and shunters for the ensuing years, making a total of 15 years. In the 15 years there were 1.176 goods guards and shunters killed and 16,508 injured. In 1888 there were 13,668 goods guards and shunters employed, and in 1902 26,549, and taking as the mean number employed during those years 20,108, they thus found that of this number 17,684 were killed or injured. That was a state of things too horrible to be allowed to continue."—(*House of Commons, May 6th,* 1903.)

He also pointed out that Mr. Gerald Balfour had refused to appoint two additional sub-inspectors, although the money for such sub-inspectors had been voted for the last three years. Mr. Gerald Balfour said the appointment would "probably" be made that year (1903). This Laodicean attitude did not commend itself to the House, and, as Mr. Bryce said, it was felt that "not as much had been achieved as might have been achieved," with the result that the Government majority fell to 35, the motion being rejected by 161 to 126.

(6) GOVERNMENT CONTRACTS FOR FOREIGN-MADE GOODS.

There was a time when the Tory party took a great interest in the subject of Government Contracts for Foreign-made goods. At the General Election it was one of the Tory trump cards to allege what was quite untrue—that the Liberal Government were spending an increasing amount of public money on contracts with foreigners. Well, here are the figures for every year since 1892, except 1902, when no return was issued:—

[*From Parliamentary Returns No.* 172 *of* 1892, *No.* 206 *of* 1893, *No.* 128 *of* 1894, *No.* 250 *of* 1895, *No.* 198 *of* 1896, *No.* 382 *of* 1897, *No.* 364 *of* 1899, *No.* 325 *of* 1900, *No.* 304 *of* 1901, *No.* 342 *of* 1903, *No.* 318 *of* 1904, *and No.* 315 *of* 1905].

Year ending March 31st.	Total Amount of Contracts for Foreign-made Goods. £	Government in Power.
1892	39,143	T
1893	60,290	T and L
1894	39,152	L
1895	12,796	L
1896	7,932	L and T
1897	36,055	T
1898	69,351	T
1899	98,644	T
1900	321,826	T
1901	899,355	T
1903	254,854	T
1904	241,231	T
1905	325,251	T

Average per year (complete years only taken) { Liberal ... £25,974; Tory ... £253,975 }

The figures only relate to such goods as it is possible to obtain in the United Kingdom. These figures are a very admirable commentary on the difference between Tory profession and practice. For our part we do not allege that goods can always be bought in this country, or ought to be. But the Tory party, having made so much of this point against a Liberal Government, must stand the racket now that the Liberal total of a few tens of thousands has

gone up to a Tory average over a long period of years of nearly a quarter of a million. What surprises us is the silence of Sir Howard Vincent, who declaimed wildly at Liberal expenditure of just one-tenth the amount.

It may be convenient if we set out here the more important purchases made abroad by the various Government Departments in 1900-1901:—

ADMIRALTY (£25,866).

	£	s.	d.		£	s.	d.
Preserved Vegetables	350	0	0	American Lubricating Oil ..	15,825	0	0
Preserved Meats	6,188	0	0	Rails, Fish Plates, and Bolts ..	2,349	0	0

ARMY (£825,775).

	£	s.	d		£	s.	d.
Accoutrements, Web	5,700	0	0	Ordnance, Experimental, and otherwise	451,195	0	0
Acetone	85,180	0	0	Plant, Acid, and parts	1,797	0	0
Axes, Pickaxes, Spades, & Shovels	6,411	0	0	Rails and Fishes	1,826	0	0
Carbons, Electric Light	1,999	0	0	Saddlery, including Blankets, Numnahs, etc.	133,118	0	0
Duck, Tent, etc.	54,290	0	0	Shoes and Nails—Horse, Mule, and Pony	28,518	0	0
Engines, Railway, parts of ...	1,727	0	0	Spurs	3,357	0	0
Glasses, Binocular	1,920	0	0	Tents and parts	21,808	0	0
Globes, Chimneys, etc., Lamp ..	1,999	0	0	Tools, Screw Cutting	5,590	0	0
Handles, Broom	569	0	0	Wagons, General Service ..	3,333	0	0
Hosiery: Trousers or Drawers	919	0	0				
Huts	4,687	0	0				
Machine Tools, etc.	276	0	0				

POST OFFICE (£16,555 0s. 6d.).

	£	s.	d.		£	s.	d.
Telephone Apparatus and parts	9,771	2	5	Electric Light Apparatus and Fittings	1,636	11	2
Spelter for Batteries	1,350	0	0	Apparatus for Baudot System ..	311	1	0
Ebonite Goods	1,058	10	11				
Insulators, Special	860	15	0				

HOME OFFICE.

Broadmoor Criminal Lunatic Asylum (£1,221 2s. 0d.)	£	s.	d.	*Prisons Department* (£6,473 12s. 6d.).	£	s.	d.
Butter	726	0	6	Bacon (American)	890	17	3
Cheese	262	14	6	Cheese	1,040	3	9
Sugar (moist)	159	6	9	Molasses	240	17	4
Do. (loaf)	57	19	0	Meats, preserved	4,255	10	8
Condensed Milk	13	10	0	Tallow, Russian	46	3	7
Tallow	1	11	3	*Metropolitan Police* (£5,210.).			
				Dressed Granite	5,200	0	0

STATIONERY OFFICE (£16,615 6s. 10d.).

	£	s.	d.		£	s.	d.
Paper, Miscellaneous	295	4	4	Pencils, Lead	5,133	10	7
Ditto for type-writing purposes	1,715	5	10	Ditto, Slate	35	18	9
Ditto for Sun process printing, etc...	1,448	11	7	Rubber Goods, Bands, Stamps, etc.	247	10	7
Type-writers and Appliances ..	5,570	12	10	Bags, Gunny, for Waste	834	13	1
				Miscellaneous Articles	1,084	10	5

NATIONAL EDUCATION COMMISSIONERS [IRELAND] (£997 8s. 9d.).

	£	s.	d.		£	s.	d.
Kindergarten Goods	348	16	10	White Chalk	72	8	0
Slate Pencils	257	5	10	Pencils and Rulers	195	14	11
Harmoniums	123	4	0				

---

(7) THE EXCLUSION OF PRISON-MADE GOODS.

This is the sort of subject with which the Tories make great play at election times. So far as the history of the subject is concerned, it will be remembered that the House of Commons, in February, 1895, passed a resolution which was in favour of the exclusion of foreign prison-made goods. The Liberal Ministry of that time did not profess to be able to do this, and Mr. Chamberlain bitterly taunted Mr. Bryce with taking the "fees" of office without being

able to provide a proper "prescription." But what the Government did was to appoint a Departmental Committee, which eventually reported in 1896:—

(1) That the quantity of prison-made goods imported was not such as to injure British Trade generally.

(2) That the evil results were confined to the importation of Belgian and German goods.

(3) That mat-making suffered slightly, and that the brush-making trade as a whole did not suffer any serious or lasting injury. Mr. Ritchie, commenting on these findings, said:—

> "He had never stated that the importation of these goods was a very large importation, nor had he ever said that the importation was a serious injury to their trade as a whole."—(*House of Commons, May 13th*, 1897.)

The Government, however, passed an Act in 1897 by which Customs officials are to exclude:—

> "Goods proved to the satisfaction of the Commissioners of Customs by evidence tendered to them to have been made or produced wholly or in part in any foreign prison. gaol, house of correction, or penitentiary."

Mr. Ritchie was asked who is to tender the evidence. Here is his convincing reply:—

> "Who is to supply the evidence? Those people who have got the evidence to supply."—(*House of Commons, May 13th*, 1897.)

It was indeed almost admitted that the Act was of a purely electioneering character, Mr. Chamberlain describing the matter as one of "small economical" but "great political" importance.

The Foreign Prison-made Goods Act was passed in 1897. On November 26th, 1902, Mr. Hayes Fisher, in reply to a question by Mr. Lambert, stated that the total value of such goods excluded from the country through the operation of the Act was £183 4s. On July 6th, 1904, Mr. Lambert again asked for their total value "to the latest possible date." He had to wait a week for the answer, and when it came it was—£183 4s.! On July 21st, 1905, he put the question again, to be told that the amount was still £183 4s. So that for the last three years the Act has failed to do anything at all, while for the whole eight years of its existence it has protected our trade to the extent of just £183 4s. We cannot help agreeing with Mr. Chamberlain as to its "small economic" importance, but we fancy that that has by now quite knocked the bottom out of the "great political" importance he said it had—which, indeed, was only for the purposes of the 1895 election.

THE MANDATE THEORY.

So far as the past three years (1902-5) of Tory Government are concerned, it is essential to remember that Liberals not only object on their merits (or, rather their demerits) to the principal measures (notably the Education Acts of 1902 and 1903, and the Licensing Act of 1904) passed during these years, and to the Redistribution " proposals " of 1905, but deny the right of the Tories to have introduced them at all. The general grounds on which Liberals take up this position are excellently stated in the following quotations:—

Lord Rosebery.

"Now remember how that majority (*of* 1900) was got, because I believe it lies at the basis of all the disaster and discomfiture of the present Government. That majority was got, not on a question of licensing, not on a question of education—all these questions were expressly excluded by the orators of the Government. It was only the question of the maintenance and continuance of the war in the hands that were then carrying it out, and the credulous people of the country blindly gave their support to this Government, believing that its assurances were honest and straightforward, and that it was for the war, and only the war, that the majority was to be given. Since then you know what has happened. The war has ended, and the Government has used the majority given to it for the war for several other purposes, including . . . the introduction of Chinese labour, and including a measure for strengthening the already overpowering interest of liquor and for dissociating taxation and representation in the management of our education. To my mind that was not straight dealing. You know I am almost afraid that this Government will go down to posterity as a hanky-panky Government."—(*Lambton Castle, June* 25*th*, 1904.)

Sir Henry Campbell-Bannerman.

" The Parliament now running had a character which marked it out from all Parliaments of our time. It had its origin in the deception of the country. The majority which it created was obtained on a false pretence. The votes which constituted it were asked for and were given for two declared purposes only—namely, first of all, the establishment of peace and the settlement of our new Colonies in South Africa at the close of the war, which the electors were falsely told was already ended; and although it was constituted for these two purposes only, the power so given had been used not—as it might well have been according to our constitutional practice—for some subordinate purpose, but for the revolutionary handling of certain great questions, education and licensing, for instance, which touched deeply the consciences and the feelings of men. The case was wholly without precedent. This Parliament had never from the first been an honestly constituted Parliament; and the moral authority of the Government, whatever they might say

of its legal and technical authority, the moral authority of the Government in all their recent actions had not been for our domestic legislative purposes a full and competent authority."—(*Stirling, January 17th*, 1905.)

The only pronouncement Mr. Balfour has made on the subject was in reply to the above attack by Sir Henry Campbell-Bannerman. He adopted the usual method by which he has won so much cheap reputation as a dialectician—that of reply to something different from what was said. Sir Henry Campbell-Bannerman was careful not to deny that the Tory majority obtained in 1900 might have been—quite constitutionally—used for some " subordinate purpose " other than the " two declared purposes " on which the Tories went to the country, and to specify precisely the kind of measures it ought not to have been used for. Mr. Balfour ignored this altogether, and replied to him as if he had represented that " all legislation " beyond the declared issues of the election was barred to the Government. Mr. Balfour said:—

" What is that charge? It is that the present Government are in office immorally and illegitimately, and that the election was taken on a particular issue, that one question was before the country at the time and absorbed men's attention, and that consequently all legislation outside that one issue is legislation for which, in their phrase—a phrase to which, I may incidentally remark, I strongly object—we are without a mandate. Now, that is an entirely new constitutional theory, and it is not only new, but it is fundamentally, essentially, a vicious theory, and, much more than that, it is a theory invented by the Opposition quite late in the day, when they begin to think it would be convenient to get rid of the present Government. The indication of their argument is that it was a matter of common understanding between all parties at the last election—the Unionist side, the Radical side, and the electorate generally—that it was a matter of common understanding that when the question of the war had been settled nothing else was to be done. Well, you could not work Parliamentary institutions on that principle at all. It very commonly happens, not always but very commonly, that one question entirely absorbs the electorate at a particular election, and is the Government which goes into office in consequence of the election to be debarred from passing measures—it may be even great measures—affecting as they believe the welfare of the country and of the Empire? It is a preposterous contention. . . ."—(*Manchester, January 26th*, 1905.)

The general case, as here stated, is not in dispute—not only Liberals but everyone would agree with Mr. Balfour. But in the particular case in point they unhesitatingly affirm that his Government *is* " debarred from passing "—not indeed (as Sir Henry Campbell-Bannerman distinctly indicated) " all " measures, but controversial domestic measures of first-rate importance. And the reason is at once simple and adequate—*the Government are debarred from dealing with such subjects because (whether rightly or wrongly) they expressly debarred themselves.* Replying to Mr. Balfour four days later, Mr. Lloyd-George stated the Liberal case clearly and precisely. Mr. Lloyd-George said:—

"I do not say that a Government has no right to legislate on anything which it did not explicitly declare at the date of the general election it would deal with. And although it was true that in 1900 the Government said that they were standing on one issue, if they had said that and left it there they might have urged that after all they could not deal with simply one question in five years. But they went beyond it. They said through Mr. Chamberlain, who was pre-eminently their spokesman in that election, that they did not propose to deal with questions like temperance and education and things which were in controversy between the parties. Not only that, but Mr. Chamberlain said that thousands of Liberals were voting for the Government candidates upon that assumption. If they go on, in spite of that declaration, to legislate upon the very topics which they themselves excluded in order to obtain votes, what can we say of the sense of honour of men who proceed in the teeth of that declaration?"—(*York, January 30th*, 1905.)

The Tories, that is to say, had (1) no express mandate, and (2) no implied mandate to deal with controversial domestic questions. For these two propositions we now give chapter and verse.

I.—No Express Mandate.

From the following extracts from the election addresses of Ministers it is abundantly clear that what the electors were *expressly* asked to decide in 1900 was the question of the war.

". . . And every citizen, therefore, who desires that the blood which men of our race from every quarter of the world have so freely shed in defence of the Empire shall not have been shed in vain is bound *to dismiss all smaller issues*, and resolve that, so far as in him lies, there shall be no break in the continuity of our national policy, no diminution in the strength of the Parliamentary forces by which that policy can alone be successfully maintained.

"This, then, gentlemen, seems to me *the essential question on which you have to decide.* Other subjects, no doubt there are, of first-rate importance which at the present moment engage public attention—such, for example, as the development of events in the Far East and Army organisation. But it is *not on matters like these, however interesting, that the verdict of the country can depend.* . . ."

Mr. Balfour (*East Manchester*).

"*You are now asked to say whether this war was just and inevitable or whether it was only another instance of the policy of greed and oppression of which our enemies accuse us.*"

Mr. Chamberlain (*West Birmingham*).

"Both in South Africa and in China there are grave issues requiring prompt decision by a Government which can show that the people are at its back; and it is in the interest of the early pacification of South Africa, and the successful conduct of our affairs in China, that *the constituencies should declare with no uncertain sound what policy they approve, and to whom they desire to entrust its execution.* I entertain no doubt as to your answer."

Sir M. Hicks-Beach (*West Bristol*).

"*The issue before the electors is so clear that it requires but few words to state it.* . . . We now ask that the completion of the settlement of the South African problem may be entrusted to our hands."

Lord George Hamilton (*Ealing*).

"But it is *not on internal affairs, important as they are, that the attention of the country is at present fixed.* For many months we have been engaged in a difficult and sanguinary war."

Mr. Ritchie (*Croydon*).

"*The main issue upon which the electors of the country are asked to pronounce their verdict is the war in South Africa.*"

Mr. Walter Long (*South Bristol*).

"*The main question for the country to decide, and only the country itself can properly decide it, is the future administration of large districts of the south of the African continent.*"

Mr. Hanbury (*Preston*).

"*The issue to be decided in the coming election is one of overwhelming importance. . . . It is for you to say whether you approve of the policy of her Majesty's Government in maintaining for all time the supremacy of the Queen in South Africa. . . .*"

Mr. Akers-Douglas (*St. Augustine's, Kent*).

"It is for you to determine whether *the settlement in South Africa*, and of the troubles which have arisen in China, should be taken out of the hands of the present Ministers and placed in those of an Opposition weakened by divided counsels and holding divergent views of the cause for which so many valuable lives have been given."

Mr. St. John Brodrick (*Guildford*).

"*The all-important issue on which the constituencies will shortly have to record their verdict is the policy of the Government in matters concerning the Empire at large, and in particular the policy they have pursued and are pursuing in South Africa.*"

Mr. Gerald Balfour (*Central Leeds*).

"*It remains for the country to confirm the policy pursued by the Government and the terms of settlement which they have announced their intention of securing as its result.* . . . I invite you, gentlemen, to give your approval to the action taken by Ministers."

Mr. Austen Chamberlain (*East Worcestershire*).

II.—No Implied Mandate.

The Government, however, not only did not get an *express* mandate, but *by their own action* deprived themselves of an *implied* mandate to deal with controversial questions. The electorate can only give a blank cheque, but before they gave it in 1900 they were promised that it should be used for "War Account only" and not applied to ordinary party purposes. This was, we agree, improper, unconstitutional, "fundamentally and essentially vicious," but it was done, and those who made the promises ought to have redeemed them. It is sufficient on this point to quote Mr. Balfour and Mr. Chamberlain—they amply prove the case. Mr. Balfour (speaking at Manchester) after finding fault with Mr. Birrell for putting on the walls "Vote for Birrell and Army Reform," or "Vote for Birrell and Healthy Homes," went on to say:—

". . . These questions were of far less importance than the issue that was really before the electors. *It was impossible that the country*

should at this moment have anything in its mind to exclude the paramount interest which events in South Africa had necessarily excited. . . . He asked them, *whatever their politics might be, or to whatever party in the State their allegiance had been given, to remember that this election did not turn on any of the old questions which had divided the electorate in previous elections in that constituency.* It was a new issue to be governed by new considerations. . . ."—(*Manchester, October* 1*st*, 1900.)

Next night, speaking against Mr. Cawley at Prestwich, Mr. Balfour said:—

". . . At the same time was it not clear that the issue before them was not the old programme, which he doubted not Mr. Cawley in 1895 posted in large placards all over the constituency, but in fact quite a new programme? He did not know whether that alternative, which he thought was the fundamental alternative before them, impressed them, as it impressed him, as being one of the most important on which this electorate had got to declare itself. *It was not now a question of programmes of domestic legislation.* The reason he said that was that no such programme had been put forward seriously and in detail by any section of the Radical party. *So far as he knew, it was a question of Imperial policy,* and, without doubt, if their view was that that question was to overshadow all others, that that question was to settle this election, he could not imagine how any elector, *be his previous political career what it might,* should hesitate which of the two candidates he should support when in a few days he would be asked to give a vote." —(*Prestwich, October* 2*nd*, 1900.)

Mr. Chamberlain was, characteristically, even more emphatic. He has since attempted to minimise the importance of what he said by saying in the House of Commons (November 11th, 1902) that it was "perfectly absurd" to say the Government had no right to deal with education because "I, who was not the Prime Minister, but speaking in my individual capacity in a single speech out of twenty, said that the principal issue was the war." Mr. Chamberlain was Colonial Secretary at the time, and it is idle to say he spoke merely as an "individual." As a fact, he made not twenty speeches, but twelve, nearly all wholly concerned with the war, with the exception of one at Birmingham, in which he contended that the social programme had been carried out with the exception of Old Age Pensions, whilst, as to that, he was "not dead yet." Here are some extracts from the twelve speeches:—

"Now we have come practically to the end of the war; there is nothing going on now but a guerilla business which is encouraged by these men; I was going to say these traitors, but I will say instead these misguided individuals. The new chapter has begun; we have now to make a settlement which is worthy of the sacrifices which you have made; we have to quench the embers of the war, which has, I say, degenerated into guerilla tactics. We have to bring together two races in South Africa; we have to secure that the guilty shall be punished, that the loyal shall be rewarded, and in order to do that—and remember that it is a difficult task during the present situation—in order to do that we must be able to say that we have the people of England and Scotland behind us, and that we are strong in the expressed will of the nation to carry out the policy which we have outlined faithfully. And

this is the issue at this election. If, then, you think the war a just war if you think that the settlement we propose is a satisfactory settlement, you must give us not merely an ordinary majority, you must give us an overwhelming majority, so that we may in the future and not as in the past, be able to present a united front to the enemies of this country. Now was this war just?"—(*Birmingham, September* 22*nd.*)

"The question which every honest man should ask himself before he gives his vote was whether the war was righteous, whether it was inevitable, and whether it could have been avoided without the sacrifice of the honour and interests of the country."—(*Bilston, September* 28*th.*)

"I go to *a question which, after all, dominates all others*, and that is the issue of this war in which we are engaged."—(*East Birmingham, September* 29*th.*)

"This was *no ordinary election. It was an election not to decide the social and domestic issues generally before them;* at such a period they had to deal with the greatest national and Imperial questions."—(*Coventry, October* 1*st.*)

"He met cries about 'old-age pensions' and other social questions by saying *these did not form the issue at present.* . . The special issue the electors were asked to vote upon was the war."—(*Warwick, October* 2*nd.*)

"It was only by having a united nation behind them that the nation could secure the pacification of Africa. He asked for *the support* of not only those electors who were ordinarily with the Government for personal or party reasons, but *of Radicals who in time of national danger and crisis put their patriotism before their party.*"—(*Burton-on-Trent, October* 5*th.*)

"A great many of the elections had already been held, and the most extraordinary feature of them was the great turnover of the mining vote. In the North of England thousands and thousands of miners who had never voted Unionist before, who still called themselves Liberals and Radicals, had on this occasion—even if it were only to be for this occasion —supported the Unionist candidates. *He did not say they had changed their views. They were probably Liberals and Radicals as before, and they would probably vote for Liberals and Radicals at the next election ; but at this election they had voted for the Unionist candidates. Why had they done that? . . . Because they saw that the issue at the present time was not a question of domestic policy, such as Church disestablishment or liquor prohibition, but a question of the existence of the Empire.*"—(*Lichfield, October* 8*th.*)

"He urged the electors not to think of persons or parties, but only to think of Imperial interests."—(*Stourbridge, October* 9*th.*)

To these extracts from Mr. Chamberlain's election speeches must be added another, from a speech delivered a year later. It is particularly interesting and apropos because (1) it refers to the latest controversial question of domestic politics that the Government have taken up and propose to use their 1900 majority to legislate upon—Redistribution, and (2) it contains an implicit admission of the Liberal case in regard to the mandate question :—

"*But this great question* (*cutting down the Irish representation*) *which has now become urgent, was not before you at the last General Election.* Then it was a question of the war that we have been waging in South Africa ; it was a question of which party should conduct it to its conclusion, which party should make the settlement, the satisfactory and final settlement, at its close. You know that our opponents tried to

confuse the issues. They were not allowed to do so; they had to fight on that line whether they liked it or no, and they did not like it. But the result has been such a mandate from the people of this country as has never been given before to any Government, so clear, so defined, by such an enormous majority, a mandate on which we are acting, and on which we intend to act."—(*Blenheim, August 10th*, 1901.)

It is impossible to infer from anything that has happened since 1901 that the country has authorised the Government to embark upon a Redistribution Bill.

Possible Justifications for Lack of Mandate.

It may be admitted that the lack of a mandate might get cured in two sets of circumstances:—

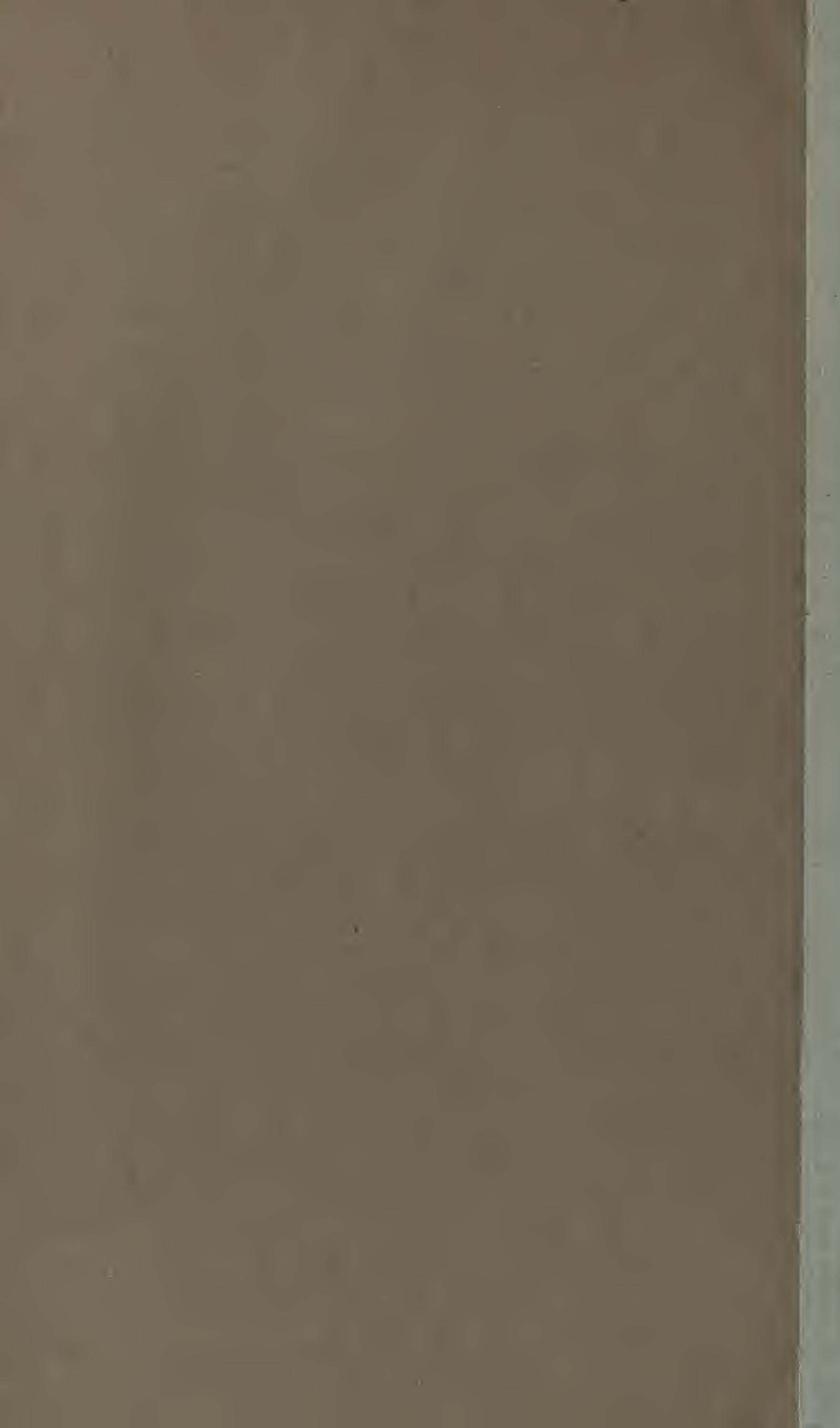
(1) *Some unexpected unforeseen administrative or legislative necessity might arise.*—This cannot be pleaded for either the Education or the Licensing Acts. Anyone who pleads the Cockerton judgment forgets that the first Education Bill introduced after that judgment did not deal with elementary education at all.

(2) *Public opinion might approve a measure after it was introduced, even though no previous authority existed for it.*—So far from this being the case, whenever the country has had a chance, it has shown how strongly it disapproved of the Government's policy. From the very moment the Government began to use its Khaki majority to pass (by the aid of closure by compartments) controversial domestic legislation, the country at every by-election has pronounced against the Government.

Summary.

To sum up. In 1900 Ministers went out of their way to pledge their word that a majority secured on a Khaki issue would not be used on controversial domestic issues, and Liberals were assured that they could vote Unionist without prejudice to their views on "questions of domestic policy"—the phrase is Mr. Chamberlain's. So far from this being the case, the Khaki majority has been used to pass the Education Acts and the Licensing Act, and is to be used (if Mr. Balfour has his way) to pass a Redistribution Act—as gross a breach of faith as ever disgraced our political history, made all the more gross by the fact that the men who break the promises plead the Constitution as their defence. Everybody knows that the cleverest rogues are not infrequently those who manage to keep within the four corners of the law, and it is a sorry thing that British statesmen should be in just the same position as a man who, having lured a friend on to make a bet, refuses to pay, and pleads that the debt is not recoverable by law.

Printed by the NATIONAL PRESS AGENCY, LIMITED, Whitefriars House, London, E.C.



425976

UNIVERSITY OF CALIFORNIA LIBRARY