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SOCIALISM AND LABOR POLICY.

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SOCIALISM AND LABOR POLICY.

THE return to the House of Commons of twenty-nine members pledged to independence is the greatest political experiment the wage-earners of Great Britain have ever made. But it is an experiment. On it they have spent time, money, hard work and fine enthusiasm. If it is to be of permanent value to them, much more time, much more money, much harder work and much more enthusiasm will have yet to be spent. It rests with the elected representatives of Labor to make the experiment a success, and to convince the workers in the constituencies that their earnings and their energy have not been drawn upon for nothing, or for next to nothing.

It is the very urgent duty, therefore, of the small Labor Party in the present House of Commons to prove to the exploited classes that it is well worth their while to put forth further effort to make that small party a large one; large in the near, predominant in the far, future. In short, to win the great mass that has so far not supported Labor candidates, the Labor Party must justify its existence in the eyes of the little few who have. Only by so doing can odd seats be gained for Labor during the life of the present parliament and a great and a much more decisive victory be achieved at the next general election.

The one thing sure in politics is reaction. After the flow follows always the ebb. In the case of this great Liberal triumph the reaction will come soon; it will be violent; it will gain volume and impetus from time. By the nature of things it will be a reaction against Liberalism; but there is no such necessary reason why it should be also a reaction against Labor. At by-elections and at the next general election Liberal seats will inevitably fall, but it is by no means inevitable, nor need it be likely, that Labor seats should share in the catastrophe. Nay, further, there is no sound reason why the misfortunes of either of the other parties should not be Labor's opportunity. The Labor party will be hurt by the reaction just in so far as, in the eyes of the electorate, it is identified with the party against whom the reactionary forces are directed. By just so much as it has proved itself to be independent of and distinct from that party will it be safe. But independence of itself will not suffice. Only by a wise and prudent and, at the same time, a forceful policy of the Labor Party now in the House of Commons the seats won at the last election may be held for ever. The present position of Labor was won by Hope; it can be secured and strengthened only by Realization. A party in parliament can be held together, kept vital, only by a policy—not by vague aspirations and foggy ideas—

but by a policy. A policy implies something more than a desire to obtain certain definite legislation. It implies strategy, initiative, criticism and opposition. These, to be effective, must be based upon some principle either of attack or of defence or of both. Labor today is essentially aggressive; its policy is a policy of attack. The object of its hostility is Capitalistic Monopoly in all its forms, and the winning for those who work of every penny which now goes into the pockets of those who idle. A stupendous undertaking truly, but that and nothing less than that is the objective of the Labor Party.

Nothing is gained, though much may be lost, by concealments, subterfuges, reticences. The Labor Party is a party against the Landlord and the Capitalist.

It is also a trustee of the interests of a great historic Empire, an Empire which, if it is worthily to develop, must be transformed into a great democratic Commonwealth.

In an Empire such as ours a member of parliament is called upon daily to direct his criticism upon every sort of political issue concerning every sort of interest. Thus it is impossible for him, however hard set may be his will, to isolate himself or his activities to the furtherance of any one sectional interest how great soever the section or its interests may be. A member of an Imperial parliament, he is an Imperialist in spite of himself. What is true of an individual member is more true of a party. A party which concerns itself with sectional interests only will soon cease to be a party; it will degenerate into a group, and as such it cannot hope to receive serious backing in the country. The average elector cares for many things which lie, or appear to lie, outside his own narrow economic interests. He cares for the Colonies, and he wishes to keep and to increase their friendship and their goodwill. He cares (though not so much as he should) for India and those other of our dependencies in the government of which strictly democratic methods are not immediately practicable. He recognizes that there is such a place as South Africa, and he realizes more acutely than he was wont to do that South Africa is upon occasion capable of costing a great deal of money and some blood. He is anxious, now and then, about national security, security from foreign invasion, security for the commerce on which his livelihood depends, for the ships that bring his daily bread from across the seas. The Fiscal controversy has borne in upon him the fact that his daily bread does, and is likely to continue to, come to him from across the seas. Even foreign affairs are not altogether beyond his ken, for he is conscious, though not perhaps fully, that "Foreign Policy" is the policy of Great Britain in distant lands.

If the average man is to be won over, the Labor Party must concentrate an intelligent and a broad-minded criticism upon every question touching all or any of these many and varied interests of the average elector. The average elector is a most potent person. It is he who turns minorities into majorities and majorities into minorities, and he it is who in the last resort must decide the future of the Labor Party.

Nevertheless, inasmuch as the present Administration owes its majority very largely to the discontent of the masses with the Unionist Ministry and to their consequent revolt, we may take it for granted that in the early sessions of this parliament something will be done by the Government towards conciliating and placating the workers, and that many opportunities will arise for the development of a true Labor policy and for furthering the economic interests of those who work.

Therefore, we here set out what, upon the several questions here-under mentioned, should be the policy of Labor as contrasted with the policy of historic and traditional Liberalism.

Financial Policy.

For the last ten years the Liberal cry has been Retrenchment ; to the Liberal expenditure is an evil thing ; he views the growth of it with timid distaste. To the Liberal the best of all governments is that which spends the least money and imposes the fewest taxes. To the Socialist taxation is the chief means by which he may recover from the propertied classes some portion of the plunder which their economic strength and social position have enabled them to extract from the workers ; to him national and municipal expenditure is the spending for common purposes of an ever-increasing proportion of the national income. The degree of civilization which a state has reached may almost be measured by the proportion of the national income which is spent collectively instead of individually. To the Socialist the best of governments is that which spends the most.

The only possible policy is deliberately to tax the rich ; especially those who live on wealth which they do not earn ; for thus and thus only can we reduce the burthen upon the poor.

A just Income Tax will be based upon two principles ; it will be graduated according to ability to pay, and it will discriminate between incomes which cease with the death or illness of the earner and those which remain, whether the owner live or die. The former is recognized already by our system of abatements and exemptions. Between the latter and a Liberal Chancellor of the Exchequer stand the traditions of Liberalism and Mr. Gladstone's ghost. It is our duty to insist that the professional man, the shopkeeper and the clerk shall be treated on a different footing from that of the landlord, the house-owner and the possessor of stock.

But in English politics successful ends must have moderate beginnings. Such a beginning might be an income tax of 2s. 6d. in the £. The existing exemptions and abatements would be continued, and, in addition, a new abatement of one-third would be allowed on earned incomes and a further abatement of one-third on incomes not exceeding £5,000 a year. Thus, all who earned their incomes up to £5,000 a year would pay less income tax than at present—10d. instead of 1s. Earned incomes above that would be taxed at 1s. 8d. ; unearned incomes above £5,000 a year would pay 2s. 6d. in the £ ; below £5,000 a year 1s. 8d.

It appears from the tables that persons earning over £5,000 a year and firms with over £10,000 a year represent one-fifth of the total of earned incomes, and we may assume that pretty much the same ratio holds good for incomes that are unearned. The estimate is, at least, moderate, for it takes no account of incomes partly earned and partly unearned which would probably raise many above the £5,000 limit. A thorough examination of all income tax assessments is a needful preliminary to a satisfactory budget. Taking 1903-4, the last year for which there are complete figures, the adoption of our plan would have produced £47,600,000, a surplus of £16,850,000 over the produce of a shilling duty.

The Estate Duty might be handled upon similar principles. While we recognize that in a civilized state the millionaire is a harmful superfluity, we would touch gently savings intended for the support of the testator's wife and young family. At present the millionaire pays a poor eight per cent.; but every "estate" is taxed except those which do not realize more than £100 net. We propose to relieve from Death Duties all estates up to £1,000; estates between £1,000 and £10,000 would pay, as they do now, three per cent., but a new abatement of £1,000 would be allowed. Estates between £10,000 and £25,000 would pay four per cent., as at present, but beyond that grade the rate would rise by increments of one per cent. instead of half per cent., and estates between £500,000 and £1,000,000 would be charged twelve and a half per cent. instead of seven and a half, and estates exceeding £1,000,000 fifteen per cent. instead of eight.

Taking the average of the last eight years, 56,506 estates instead of 14,786 would be relieved from the duty; on 15,651 the tax would be reduced; on 2,261 it would remain the same; and on 1,598 it would be increased. Where the old scale produced £12,700,000, or 4·8 per cent. on the capital taxed, the new scale would yield £15,800,000, or 6·7 per cent. on the capital taxed. The gain to the nation is thus £3,100,000.

These suggestions are doubtless confiscatory; and that is why they should recommend themselves to a Labor Party. But even so, the confiscation is of a timorous and a slow-footed sort. The average British millionaire dies worth about £2,770,000, on which the death duty would be £415,500, leaving the agreeable nest-egg of £2,254,500 to the heirs. Even if we assume that the inheritance passes to one person only, so as to be subject to the highest rate of duty, it would not be until five more lives had passed that it would be reduced to a pitiful million. The most patient Labor Party might not unreasonably demand something a trifle more revolutionary than this.

The Excise licences give us a fruitful source of further income. The sale of intoxicating liquor is exceedingly profitable. It is a State-created monopoly, and the monopolists make the most meagre returns for their privileges. A brewer pays only £1 per annum for his licence; a distiller £10 10s.; a publican from £4 10s. to £60 according to his rental. Brewers and distillers might be charged on a graduated scale, and retailers might be dealt with on the high

licence system. If the brewers', distillers' and publicans' licences worked out at an average of £100 each, and the licences of beer sellers and dealers in spirits, beer and wine increased in some proportional ratio, we could allow for a diminution of one quarter in the number of publicans, one half in the number of beer houses, and still gain more than £7,500,000 from the ten chief licences.

The relations between local and national finance need remodelling, and the first step is the withdrawal of all the existing grants in aid. It is imperative that something should be done towards equalizing local burthens out of national funds, since that is the most convenient method of obtaining contributions for local purposes from personal property, and a district is not rich or poor on account of its own merits or faults but by virtue of the place it takes in the national structure. Grants in aid should not be given merely to ease the burthen on particular classes, but should, like the education grant, be made to encourage efficiency. Poor relief, education, police, and main roads are the chief local services of a national character, and a substantial part of each should be paid for by the nation. Half the cost of poor relief, education, police, and one fourth of the expenses of the highway authorities would absorb some £20,000,000 against the £16,000,000 more or less contributed to-day.

This additional grant of £4,000,000 would be a substantial aid to the ratepayers of the poorer districts, but it would leave the problem of local taxation still unsolved. Those who finally gain most by local expenditure, the freeholders of the district, contribute nothing directly to the local expenses. To lay them under contribution by a direct rate must be our first aim.

But not only has a town a claim on the unearned increment created by its citizens and annexed by the landowners, the nation also has a claim of its own. A town owes to the nation a rent based on its advantages of position, its mineral resources, etc., an advantage which can be roughly measured by the rate of increase of its site value. A further rate on site values graduated in the same way as the rate for local purposes, should be levied at the same time and paid over to the Exchequer.

To sum up. We propose to raise an additional £16,850,000 from the income tax, £3,100,000 from death duties, £7,500,000 from licences, a total of £27,450,000. The coal and sugar duties are presumably marked for destruction, thereby reducing taxation by £8,000,000. At present a worker's family of five pays in tea, sugar, beer and tobacco duties, even if we allow the man an inadequate two ounces of tobacco a week and a ridiculous half-pint of beer a day, a sum very nearly equivalent to 8d. in the £ on a wage of 30s. a week. To reduce the tea duty again to 4d. is to make no extravagant concession, and would absorb about £2,300,000. Additional grants to local authorities would take another £4,000,000. Thus we should be left with £13,150,000 besides what would be raised by the tax on ground landlords: so the obstacle in the path of old age pensions disappears.

The Right to Work.

The Liberals state vaguely that they propose to "do something for the unemployed." That will not do for the Socialists. Our method is prevention rather than cure. The only way to prevent an able-bodied person from becoming unemployed is to provide him with work. Everyone should have a legal right to an opportunity of earning his living in the society in which he has been born; but no one should or could have the right to ask that he shall be employed at the particular job which suits his peculiar taste and temperament. Each of us must be prepared to do the work which society wants doing, or take the consequences of refusal. There is here no question of "making work," or of "finding work," or of recalling to earth those ghosts of national workshops which so appal the soul of Mr. John Morley. There are slums to clear, houses to build, land to redeem, and waste places to afforest. To get this work done there is need of armies of workers, engaged not temporarily to tide over a depression, but permanently to complete an undertaking, the amount undertaken swelling or diminishing each year according to the state of trade. These armies must consist, not of society's failures paid less than a fair wage, but of men capable of earning a high one. Other workers would then naturally be drawn into municipal manufacturing departments to provide their fellows with all the needs of decent life, and thus not only should we provide employment for numbers to whom the ordinary relief works can bring no relief, but we should strike a deadly blow at the sweater. To guard, by these methods, against unemployment is the beginning of the national organization of labor and of the end of the capitalist system.

The first step towards the realization of this proposal is the provision of funds to enable the municipalities to carry them out, and by proper administrative provisions to ensure that the administrators neither muddle nor neglect their business.

The Decay of Rural England.

The disease is patent and admitted. It is on the question of the proper remedies that opinions diverge.

A survey of the conditions in Hungary, Germany, Denmark, and other countries where agriculture progresses rather than decays, convinces us that the real remedy for empty fields, decayed villages, French eggs and Danish butter is the organization of scientific and technical education and of co-operation in production and sale. The Danish, Hungarian and German farmers have seen for themselves the value of education and co-operation, and throughout their countries they have made a remarkable net-work of agricultural colleges and travelling lecturers and village classes for technical instruction. They have founded agricultural banks for the lending of capital and co-operative supply associations for the purchasing of machinery and manures. They have their own insurance companies. They make their butter and cheese at co-operative factories fitted with the most modern apparatus; they combine for the sale of eggs and market

garden produce. The English farmer does none of these things. He pays his rent (when he can) and goes under.

We propose that the salvation of rural England shall be the work of the nation, for it is national danger and national calamity that we have to face. We propose that every county council shall have a committee to organize agriculture, just as it now has a committee to organize education. There is already a statutory Small Holdings Committee of each county council. This committee should be developed until it becomes a body authorized to do all that the councillors and their co-opted experts deem needful for the furtherance of agricultural prosperity. The committee must be empowered to buy land to be leased to small holders with perfect security of tenure; and to advance stock and implements on reasonable terms and on reasonable security. Further, it must lead the way by starting dairy factories for the production of butter and cheese and the handling of milk. In unison with the Education Committee it must organize lectures and classes on agricultural subjects throughout the area. Overseeing and stimulating the county councils must come the Board of Agriculture, giving grants in aid when necessary, issuing a mandamus compelling a lethargic council to action.

The Drink Trade.

On few questions are the Liberal and Socialist policies so sharply divergent as they are on that of the supply of alcoholic liquors.

In the grey dawn of the early Victorian era a Benthamite Radical, with the prejudices current among his kind, against State control, and in favor of direct popular action, devised the scheme of local veto; the scheme by which the licences to sell liquor might be refused by a referendum vote of the electors. The shade of that Benthamite Radical still dominates the Liberal party.

Since early Victorian days political science has made some small advance, and it is now recognized that the inhabitants of a district especially debauched by drink are not the best judges as to whether facilities for drinking are or are not excessive. Wherever drunkenness is rampant local veto is a dead letter, and experiments without number have shown that, compared with the way in which public-houses are managed, the mere number of them is of small account. But the grandmothers of the temperance party stick to their ancient nostrum. The researches and warnings of Rowntree and Sherwell go for naught. The cry is still for local veto, not because its advocates can prove that it would make for sobriety, but because they are too old or too slow witted to be pervious to any more modern idea.

People get drunk at public-houses, they say . . . shut up the public-houses and people can't get drunk. Unfortunately, all experience shows that in populous places immediately the lawful sale of drink is stopped an unlawful sale begins.

Trust the people, they cry, and the cry has a pleasantly democratic sound. But when it is suggested that if the people may be trusted to forbid the sale of drink, they may be trusted also to manage it, the ardent democrats demur. They will not trust the people.

Neither by an elected council nor a semi-official company will they permit the people to have any hand whatever in managing the accursed thing.

That middle class prohibitionists should support local veto is not surprising. They hate public-houses. They have no use for them. They have comfortable dining-rooms, dry wine cellars and luxurious clubs, and local veto would enable them to clear out public-houses from the rich residential districts where they dwell. But that many Labor politicians, keen to resent class measures, should support a plan which wherever it has been tried has been worked by the rich majority regardless of the needs of the poor minority, is, to say the least of it, a little queer.

The drink trade is too profitable and too perilous to be left to the heedless greed of private enterprise. Already it has been recognized by the Licensing Act of 1904 that future monopoly-value created by the limitation of licences must be secured for public ends. That principle must be applied to old licences as well as to new. The private trader must no longer be suffered to push his trade to the detriment of the public and to wax rich on his customers' excess. Adulteration, if it exist, and at any rate the sale of ill-matured spirits, must no longer tempt the publican hard pressed by the big and extortionate brewer.

Public control, real trust in the people and their representatives, is the Socialist solution of the problem. Management by public authorities, in the public interest, where the salesman is a salaried official; where those who make the regulations are themselves responsible for keeping them, is the right way to minimize the evils of a dangerous but a necessary trade. If some prefer the half-way-house of company control, after the manner of the Public House Trust companies and the Gothenburg system, the plan would have our tempered support. But we regard it as a superfluous safeguard and a needless complication.

Poor-Law Reform.

The only way in which to reform the Poor Law is to abolish it. At present it is a separate department of government. It is subject to specially minute control by the Local Government Board, which issues ukases with the binding force of law. It is administered by specially elected boards of guardians. Its subjects are called paupers, and are deprived of the rights of citizenship whether they are veterans of labor or incorrigible rogues.

This rubbish should be swept away. It is out of date, irrational and unpopular. It pleases neither the well-to-do who pay the piper nor the paupers who dance to the dismal tune.

The pressing need is for a new classification. The aged, the sick and the children, victims of accident or of a wrong system of wealth distribution, should be cared for, not under a special poor law, but as part of the regular duty of the people's representatives. All legal disqualifications by poor relief must go. Old age pensions will provide for some; grouped alms-houses for others. The children

must be educated and fitted to take their part in the industrial life of the nation. The sick must be properly cared for.

On the other hand, the idle, the wasters, the unemployable must be dealt with in farm colonies and by any such other means as will give them some chance of becoming decent citizens.

These wide-reaching reforms can be obtained only by abolishing the boards of guardians with their old-fashioned notions, their fossilized routine, their traditions of doling out insufficient relief, and of making workhouses more hateful than prisons. The control of indoor relief must be given to the counties and county boroughs; and out relief under adequate rules should be the business of district councils and small boroughs.

Old Age Pensions.

These reforms will make easier the local arrangements for old age pensions. The old age pension system must be administered by the local authority, and the authority which manages other forms of public assistance to aged persons must be the authority which deals with old age pensions.

A scheme of universal pensions, payable through the post office, is said to be immediately impracticable, because of its cost. We have already shown that such is not the case. The money is there ready to our hands. All that is lacking is the will to grasp it.

Bread and Education.

When party politicians talk of the education question the question to which they refer is not, how can the nation's children best be educated, but how can the rival claims of the religious denominations be adjusted with the least risk of disaster to the adjusters? To a Labor Party the education problem must mean something other than this.

The present government owes much to the Nonconformist revolt against the Education Acts of 1902-3. Its revision of the Acts is naturally (as regards religious instruction) a revision in accord with the views of Nonconformity. Now the Labor Party has no hostility to the Nonconformist, but on the other hand it has no special bias in his favor. The classes for whom the Labor Party is trustee include persons of every shade of religious belief or disbelief from that of the Vatican to that of the secular hall. The Labor Party, therefore, should seek to remove the real grievances of any of these persons, while at the same time it should not allow imaginary grievances to obstruct the proper education of the people.

Socialists have no sympathy with the quaint individualist superstition that it is wicked to make a man pay for public institutions unless he individually approve of everything that is done in them. But they may well recognize that the rural Nonconformist who is compelled by law to send his children to a school with a "Catholic atmosphere" has a real ground of complaint; so also have Anglicans, Roman Catholics, Agnostics and Jews against the proposal to establish and endow one form of religious teaching to the exclusion of all others.

The only reasonable and final solution of the religious difficulty which has so long obstructed educational progress is to confine the education given at the public expense in all State-supported schools to secular subjects, and leave the Churches to provide for religious instruction either inside or outside schools.

These quarrels of the sects, though of great practical importance to party politicians, are but of minor significance to Socialists. That food should precede education is the order of common sense. Unless children are fed, and fed properly, it is useless and cruel to try to teach them. "Bare subsistence diet becomes starvation diet when mental and bodily work are added." It is the duty of a Labor Party to stiffen its lips and ask for what it really wants. Let us leave to Liberal and Conservative statesmen to try the impotent half measures—to feed only such children as are on the point of death from starvation, or those whose parents are willing to write themselves down as destitute, or to make futile attempts to recover pennies by police-court summonses. Let us ask for a national minimum of feeding as a necessary corollary to our already established minimum of education.

It is only by proper as distinguished from merely sufficient feeding that the physique of the race can be built up and the vigor of its manhood secured. Proper food, eaten amidst decent surroundings, is a more important part of child education than a knowledge of vulgar fractions, and neither proper food nor decent surroundings are available to millions of children at their parents' tables in our present industrial life; nor will they be for years to come, until tens of thousands of "homes" have been ruthlessly destroyed and human dwelling-places have been erected on their sites. Moreover, children must be instructed how to eat as well as how to cipher. The demand of Labor for State feeding is not based exclusively upon the hungry child; though, if yeasty consciences are to count as a factor in politics, we may as well see to it that the Nonconformist conscience shall not be satisfied by the exclusion of denominational teaching unless at the same time the Socialist conscience is quieted by the legal abolition of child-torture.

Meanwhile neither religious differences nor practical difficulties in the way of feeding the children must be allowed to obstruct, or even to delay, the organization of additional secondary and university education, both literary and technical. This is not, as is too often imagined, a question which affects only the aristocratic and richer middle classes. They can themselves easily provide higher education for their own children; but only by public provision and control can the same opportunities be opened up to the children of the poor. An Education Bill worthy the support of a Labor Party must provide for largely increased expenditure in the organization, for the benefit of the whole people, of those grades and branches of education hitherto reserved almost exclusively for the children of the rich.

Trade Unions and the Law.

Even though the right to strike and to picket be restored by Act of Parliament, the position of the Trade Unions will be dubious

and unsatisfactory. The power of the employer to boycott and to blacklist will be unimpaired, and the resources of legal art, always at the disposal of wealth, will be ransacked for weapons to be used against the wage-earner. By means of the strike the workman can improve his condition only at the risk of dislocating industry and of imperilling the very existence of his family. The strike is a method of barbarism; and the right to strike is a survival of the individualist view of society which looked upon trade disputes as private matters between employers and employed. For Socialists, industry and industrial affairs are the intimate concern of the nation. We propose to bring industrial disputes under the authoritative arbitration of the State. We aim at the establishment of fixed minimum standards of wages and conditions of employment by means of collective agreements between employers and employed enforced by the whole power of the law. In other words, we would adapt to Great Britain the labor legislation which is so successful in Australia and New Zealand. Given for each trade a board of representatives of employers and employed with a chairman chosen from among the trained official arbitrators of the Board of Trade, working on the instruction that it was not to allow the degradation of the standard of comfort, strikes would be useless and unnecessary. Every question which can arise between capital and labor, wages, piece rates, overtime, hours, conditions of work, non-unionist labor, rights of union officials, is solved peacefully at the Antipodes. If we have the will we have the power to achieve the same results here. These are the true lines of advance; the reversal of the Taff Vale judgment is but an incident in the campaign.

The Minimum Wage.

Of far greater urgency and importance is the need for a minimum wage by law. In spite of the declaration of the Liberal Ministry of 1892-5 that the State should be a model employer, large numbers of workers in the public service are still in receipt of a wage too small to keep them physically efficient. The "fair" or "standard" wages clauses in government contracts do not protect from sweating the workers in those occupations where combination is weak or non-existent. Every worker in a civilized state must receive a wage high enough to give him the food, clothing and house-room necessary to physical health and efficiency, and nothing short of that can be accepted by a Labor Party in earnest. The researches of Mr. Charles Booth and Mr. B. S. Rowntree make it deplorably probable that there are some five millions of men, women and children living in families whose wage is below this minimum. The wage-earners of these families are engaged in trades which suffer from the blight of sweating in its many forms. The one effective and speedy remedy for this evil is to make employment under sweating conditions penal.

The first step towards this end should be the determination of a real minimum of food, clothing and housing by an authority appointed by the government. The money equivalent of this mini-

mum, in its variations in different parts of the country, could be settled by town and county councils. Then the government should be pressed to put its own house in order by the institution of a minimum wage in the public service throughout the kingdom. A Minimum Wages Bill should follow, bringing all sweated trades within the scope of the law, and punishing all employers who, after a certain date, pay less than the legal minimum. For settling piece-work rates in conformity with the minimum wage, the proportion of boy and girl labor to be employed, and similar trade questions, special boards should be appointed. For the due enforcing of the law there would be required a staff of factory and workshop inspectors.

An effective Minimum Wage Act would be a complex measure, and one at first difficult to administer; but it must be remembered that measures equally complex, dealing with wages and fixing industrial minima, both direct and indirect, are in successful operation in Australia and New Zealand. There is no good ground for fear that we are less capable than are our colonies of framing and administering industrial laws. One thing is certain: five million persons insufficiently organized, improperly fed, clothed and housed, can never, by voluntary action, raise the material standard of their life. The one remedy for their lamentable state is larger incomes; the one effective means of obtaining that remedy is a national legal minimum wage.

The State and the Railways.

The reorganization of the means of transit is second in importance only to the readjustment of production itself; for of production transit is a vital part. He who says transit says railways, for railways have become the King's highway. The private companies to whom the nation stupidly entrusted the control of transit in days gone by have failed to prove themselves worthy of the trust. They have not kept pace with the times, and they treat us as though they had an absolute and perpetual property in their lines. The nation must now make good its right to the railed highways. It is idle to manufacture goods which cannot be efficiently, cheaply and quickly conveyed to the consumer. A network of transit facilities must be organized by the State, which will carry boots from Northampton to Nigeria as swiftly and with as little boggling as the Post Office carries the letters. Every form of transit, tramways, canals, railways or ships, comes rightly and inevitably within the purview of a Labor policy. The loss occasioned by bad railway management is enormous, and until the railways are nationalized we shall still be bled.

The transfer of the railways to the State is not a matter of stupendous difficulty or of alarming expense.

The nominal capital of British railways in 1902 was £1,216,000,000. Of this 189 millions was watered stock, the net nominal capital being just over 1,000 millions. This nominal capital does not represent either the money actually subscribed by the first shareholders or the capital profitably expended, or the market value of the railway as a going concern, or even its earning capacity. In taking over the rail-

ways the nation should pay no respect either to the fancy or to the stock values, but only to the proportion to which the shareholders are honestly entitled. An equitable basis of purchase may be found in Mr. Gladstone's Act of 1844, which enables the Treasury to buy out the shareholders of lines built since that date at 25 years' purchase, calculated on the earnings of the previous three years. The price of the railways need not be an insuperable or even a serious difficulty in the way of national possession of the means of transit.

We must not stop at the railway termini at our ports. Just as the goods must be carried in national railways, so in course of time must they be transferred to a national mercantile marine; and sooner or later, at every port to which British ships carry their merchandise, a government agent will arrange that exchange of goods which is the very essence of international trade.

The control of the foreign trade is as important and as necessary to the community as the control of the home trade; for, although our home trade is ten times greater, our relations with foreign countries depend largely upon our commerce. The consular service in the future must be so developed that our international exchange shall strengthen our good relations with the foreigner, and shall not be, what they too often are now, a constant source of peril and provocation.

To Fight is to Win.

At the present moment the Labor Party fills a place in the public mind out of all proportion to its actual electoral achievement, notable though that is. It is treated with almost exuberant politeness by the opposition; it is patted on the back by the Liberal chiefs; it forms the principal topic of the political leader writers of both parties; it looks like becoming the spoiled darling of parliament. So far as the government is concerned it would seem as though the Labor members have only to ask, to have. All goes as merrily as a marriage bell.

No one who knows and appreciates the strength of the forces which Socialism is challenging is in the least likely to be deluded by the immediately apparent rosiness of the outlook. The Labor Party in the House of Commons is as yet not disliked only because as yet it is not feared. Until it has made itself both disliked and feared it will be far short of having fulfilled the objects of its very existence. It is not saying too much to say that in the very near future the measure of the Labor Party's effectiveness will be its unpopularity in the House of Commons. Acrimonious as are the feelings often evoked by political controversies, they are urbanity itself as compared with the passions aroused over economic issues. The limits of Liberal concession must needs soon be reached. The Liberal-Labor candidate is but a transient phenomenon of our time, and with his disappearance the storm will break.

To mince matters, to seek to conceal or only to half reveal the facts were mischievous as well as stupid. Inasmuch as nothing short of an economic revolution can vitally or permanently improve the

wage-earners' condition, it is at an economic revolution that a Labor Party must aim, and a revolution is none the less a revolution because it takes years or even decades in the accomplishing. Years and decades of hard work, of tireless activity, of small triumphs and dismaying defeats lie before the Labor Party inside and outside the walls of parliament, and they must be years and decades of revolutionary activity and of nothing less than that. In the course of a revolution somebody must needs suffer in mind, body or estate. Thanks to our constitutional system and to our widely extended franchise Labor can work out its own salvation without injury either to the sanity or to the skins of those who shall seek to hinder it. But the estates must be attacked, and attacked with vigor and despatch. A Labor policy which hurts nobody will benefit no one.

Meanwhile, the Labor members in the House of Commons would do well to avail themselves to the fullest possible extent of the conciliatory temper discovered on the government and opposition benches; confident that such concessions as they can extort will be due much more to fear of their potentiality than to belief in their power. They can always be outvoted, but their supporters in the constituencies cannot, and practical politicians are acute enough to see that a thoughtless snub to Labor in parliament is more than likely to be followed by an accession to its ranks in the country. That is by far and away the most hopeful aspect of the present position of Labor. Defeat by the mere weight of numbers inside the House will do well nigh as much as success itself to recruit its forces outside. It stands to win as much by disappointment as by hope.

The Labor representatives already elected are after all little more than pioneers in the campaign of Socialism against Capital. It is in the constituencies that the work worth doing must be done. Nothing short of a political earthquake is likely to drive the present administration from office. Surprises there may be in store for us, but the repeal of the Septennial Act will not be one of them. There lie before us, then, we may be sure, six years in which to organize a victory compared to which the successes of 1906 should be but the smallest affair of outposts. In the course of these years (and of nature) seats will fall vacant. There will be few of them which a prudently chosen Labor candidate will not have at least some chance of filling, a chance that will be immeasurably improved if only it be made clear to the wage-earners of the constituency that every Labor member, out of 670, sent to parliament is one more nail driven into the coffin of the Capitalist system.

Once more it must be insisted: the policy of Labor is the policy of Socialism; the majorities of Labor candidates at the polls will have real and lasting value just in as far as they have been achieved under the inspiration of the Socialist idea; it is thanks to the spread of that idea among the workers in the past ten years that we are at long last enabled with truth to declare that, although Capitalism is not yet dead, the feet of the young men who are to carry it out to burial are already upon the floor of the House of Commons.

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