OUR LONDON LETTER.

(Special Correspondence of the Journal of Commerce)

EMPIRE PROBLEMS.

London, July 1st.

The Dominion Trade Commission is still in Australia, but very little is heard here of its proceedings. Shadowy proposals for reciprocal trade agreements between New Zealand and Canada and Australia and Canada are mentioned. It will be wise to wait for the considerations of the details by the Governments of the countries concerned. The Hon. George Foster is certainly the most enthusiastic Minister of Commerce in the world, but I doubt if he has yet measured the fierceness with which Australian manufacturers seek to protect their local industries. Another suggestion made to the Commission is that when Dominion Governments seek money for works of Imperial usefulness the loan shall be guaranteed by the Imperial Government. It is said that Sir. H. Rider Haggard—who is not a financier—and others have warmly commended this idea. They did so, probably, without thinking very deeply about it. Suppose, for instance, Australia argued that a trans-continental railway would be incalculably useful for the defence of the Empire, and should therefore be constructed on Imperial credit. Might not Canada put forth a similar claim? South Africa, where the railways are State property, might have an even better claim, seeing that the usefulness of her railways in time of war has already been demonstrated? The deepening of harbours, the construction of docks, and other undertakings, are susceptible to the same argument. It is more than likely that the carrying out of the idea would stir up inter-Imperial jealousies rather than aid the real development of the Empire's commerce. The suggestion shows, however, that Australian financiers are earnestly doing all they can to raise the huge sums necessary for the development of their continent.

The opening this week of a savings bank department of the London Branch of the Commonwealth of Australia is another, though small, indication of the trend of Australian endevour. This department undertakes the charge of emigrants money from the moment of their departure for Australia, where, on arrival, they will find the amount transferred to a local bank, with three per cent. added from the time of its deposit.

THE INSURANCE ACT AMENDMENT BILL.

Mr. Lloyd George, on the eve of the Leicester bye-election, has this week brought before the Commons his promised Bill amending the Insurance Act of last year. It would be idle to deny that his selection of the date introduction is due rather to calculation than to chance, but such tactics are justified by the unsrupulous plan of campaign adopted by the opponents of the Act.

In a previous letter the need for amendment was pointed out, and one or two of the more prominent weaknesses of the measure were indicated. The amending Bill removes the provision by which a man when out of work is required to find not only his own but his employer's share of the contribution. Henceforth the employed person will pay only his own fourpence. The Bill further abolishes the provisions limiting medical benefits to insured persons of sixty-five years or under, while it gives the full financial benefits to insured persons over fifty years of age. Moreover, it will now become a penal offence for an employer to deduct more than the legal amount; thus the hardships suffered by the farm labourers earning but 12 shillings a week who in many cases had been illegally mulcted by their masters (an illegality which in effect won Newmarket to the Tories) are things of the past. The Bill leaves untouched the questions of medical service, the representation of the Friendly Societies on the local committees, the unhappy post office contributors and the insured person who wishes to emigrate without losing all benefit for contributions paid possibly for years. It may be that some of these points will be considered when the committee stage is reached and the details of the amending Bill are thrashed out on the floor of the House.

LAND LAW REFORMS.

We have yet to see the full details of the Unionist Land Law Reform proposals before judging what effect those proposals are likely to have upon the influence that encourages the agricultural classes to emigrate. Lord Lansdowne's speech has told us nothing. There is to be a scheme for enabling tenant farmers to acquire their holdings; and the necessary money is to be advanced by the State, he says. Lord Lansdowne indicated that such State-aided purchases should be of land near the towns, where the small farmer may look for purchasers. The Unionist party are either showing a sympathetic care for the protection of the large country estates, or they are knowingly offering land whose price is most likely to make it unattainable by the tenant farmers, for such land has a site value enhanced by its proximity to towns far beyond its agricultural value to the tiller of it. To the agricultural labourer, Lord Lansdowne said no more than that the labourers' case was peculiarly difficult, and would need almost individual treatment. The Unionist Land Campaign has therefore opened flat. Intentions may be admirable, but delivery of the goods is not yet in sight. It is announced this week that the Liberal campaign will be opened in the autumn. The Liberals are not so keen on purchase, they will probably submit a scheme which will give the tenant security in his tenure at a fair rent that does not penalize him for improvements. And the Liberals moreover mean to deal somehow or other with the puzzling subject of housing the labourer, as well as with his wages. Nobody has yet made a practical suggestion on the housing problem without counting on the national exchequer for aid; and the exchequer has such great and growing claims upon it that any political party would think twice or even thrice before dipping into it for house-building grants. On present wages the farm hand cannot pay a rent that remunerates the outlay. This indicates the alternative, which is to increase agricultural wages.

It is significant that while this question is being generally discussed in the country, we are witnessing the rare occurrence of farm labourers striking for higher wages. I do not think there is any direct connection between the two events. They coincide. The simple explanation of the unrest of the farm labourer seems to be that he knows his employers are making big profits, that his own living expenses are rising—as they are in all parts of the world—and that the best time to enforce higher terms is when the farm needs labour most. It is too readily assumed that the British farm worker is an ignorant and patient beast of burden. If the way he is acting now in two or three districts helps to remove that idea, much good will be done, and remedies hitherto discregarded will become practicable. Ever since 1870, when education became compulsory, the working classes have been receiving more and more enlightenment. Perhaps the light has penetrated more slowly into rural minds than into others, but it was folly to expect that the effect of education would never be known even there. To-day, our daily newspapers carry information into the remotest villages. The two influences of education and knowledge have joined, and it can no longer be held that the agricultural labourer is a class apart from and below all others. This is an important factor to bear in mind while watching the efforts of the rival political parties to enjoy the honour of serving his interests.

It was spread about that the leadership of the Liberal campaign in favour of Land Law Reform would be taken out of the hands of Mr. Lloyd George, because, forsooth,