

where one man's labour on as much land as he used would bring him in produce worth—say, £600 a year. Now, as the land was free,

HE WOULD PAY NO RENT,

consequently the whole of the return would go to labour, and be—broadly speaking—wages. It would stand thus—

Rent, 0.

A	B	C	D	E	F
6.	5	4	3	2	1

Wages, £600.

Now, while any portion of the A district is unoccupied, no rent can be obtained for any part of it, as no one will pay rent while they can get land equally suitable for nothing. But population increases—other emigrants arrive. A is all pre-empted, and the settlers have to go on B. Now, it is evident that it will be all the same to the new-comers whether they work on B and make £500 a year, or work on A, get £600 and pay £100 as rent. In both cases the return to labour or wages would be £500.

Rent, £100.

A	B	C	D	E	F
6	5	4	3	2	1

Wages, £500. £500.

As population increased and worse land was taken into use, the foregoing progress would continue. Wages would fall, rent would rise. For instance—

Rent, £200. £100. £0.

A	B	C	D	E	F
6	5	4	3	2	1

Wages, £400. £400. £400.

When all the land was taken up the return to labour on the best would be £100, and the diagram would stand thus—

£500. £400. £300. £200. £100. £0

A	B	C	D	E	F
6	5	4	3	2	1

Wages, £100. £100. £100. £100. £100. £100.

Thus far, I am indebted to the *Financial Reform Almanac* for this illustration. I now proceed to extend it on my own account. You will see, Tom, that

AS POPULATION INCREASES THE LANDLORD OR LAND-HOLDER GAINS "ECONOMIC POWER."

The owners of A have long since retired from active production, and of the produce wrested from nature by the labour of others, they are privileged so take five-sixths leaving one-sixth for the actual producer. This is economic rent. Now for the serious indictment. You have seen how wages fall as rent rises, till they stand equal to what an ordinary man can make on the least fertile ground for which no rent would be paid. If in our new colony there was a boundless track of land as good as F, on which people could settle "freely" as fast as population increased, wages could not fall below what one man could produce, say, £100 a year. This would constitute a natural minimum wage. And no matter how industry was sub-divided and specialised, employers could not reduce their workman's wages below £100 a year. If they tried to do so the workmen would say:—"We can make as much as that by working on

the land for ourselves, so we will not work for any less for you." "But"—you will probably remark—"every one is not adapted to work on land as an agriculturist, and, therefore, the mechanics and bank clerks would be quite as much at their employers' mercy then as now." My friend, you must not forget that it is

COMPETITION AMONG MEN WHICH REDUCES WAGES,

and although everyone could not be a farmer yet so many could, that there would not be sufficient competition among other tradesmen to reduce wages. You will again object, and say that grain and produce are already too low in price, and if more people went on the land prices would fall and farmers would starve. Well, in answer to this, I say prices are low only because the present "economic conditions" prevent

MILLIONS OF PEOPLE FROM BRING PROPERLY FED, HOUSED, AND CLOTHED,

and the farmer or settler who farms his own land, or has free access to land, rarely ever starves, except in times of terrible flood and famine. To return to my illustration. Let us now suppose that the immense track of land outside of F does not exist, and the limits of our colony is defined by the diagram. All land belongs to somebody now, there is no more free-land. Now, what happens? Population increases just the same as usual, perhaps a little faster. There now springs into existence a class of men and women, who own no land and cannot get any as the first comers did. How are these landless people to live? Clearly enough—by selling their labour. Now, if one of the land-owners employed one of these men and gave him for wages all he produced, the land-owner (perhaps a settler on F) would not, apparently, reap any benefit from the transaction. However, this would not be expected or asked. The "economic pressure,"

THE NECESSITY TO WORK OR STARVE,

intensified by the increase of population, would make these people offer gladly to work for £50 a year. Now, how does that affect rent and wages? It means that wages—the return for labour—comes down along the line and rent goes up. If our settler on F will pay our proletarian £50 (half what one man can produce) and supervise his labour, he will also be willing to "let" him the land at a rental of £50 a year, and not be troubled with the bother of superintendence. The proletarian, on the other hand, will be glad to be "his own boss," and will propose the arrangement himself. We find now that section F has acquired a rental of £50 a year, and our diagram stands thus—

Rent, £550. £450. £350. £250. £150. £50.

A	B	C	D	E	F
6	5	4	3	2	1

Wages, £50. £50. £50. £50. £50. £50.

If there was sufficient competition among men to induce our proletarian to pay £50 rent to make £50 on the worst land, it stands to reason that he or others would be willing to pay £50 to make £600. In either case, they would still have only £50 for themselves. What is called the "Law of Supply and Demand" by the old economists, and the "Law of Competition" by the "up-to-date" thinkers, is operating here very forcibly, and if you look at what is taking place all around you, Tom, you can easily prove whether I am right or wrong. When men cannot get access to the land, competition among them will reduce the market price of their labour to

A LONG WAY BELOW A "LIVING WAGE."

If it was not for the political power the people possess, the reforms which have been carried, and the action of the Trade Unions, the colonial workman's wages would be level with the Indian coolies, and thousands would be starving, trade and commerce would be paralysed, and society in a general state of decay. Were it possible to support life on £2 year, we should