WILEY

The Economic Legislation of the Year 1906

Author(s): Montague Barlow

Source: *The Economic Journal*, Vol. 17, No. 65 (Mar., 1907), pp. 115-122

Published by: Wiley on behalf of the Royal Economic Society

Stable URL: <http://www.jstor.org/stable/2220795>

Accessed: 25-06-2016 18:01 UTC

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at

<http://about.jstor.org/terms>

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact support@jstor.org.

Royal Economic Society, Wiley are collaborating with JSTOR to digitize, preserve and extend access to
The Economic Journal

NOTES AND MEMORANDA

THE ECONOMIC LEGISLATION OF THE YEAR 1906.

THE Parliamentary year of 1906 is notable in having been the most prolific in legislation since the year 1900, a year which, like 1906, was marked by an autumn session; but, though they placed many Acts on the Statute-book, the Government did not succeed in carrying their most important measure, the Education Bill.

We have not yet had a proper Liberal Budget, that of last spring having been, for the most part, taken over from the outgoing Conservative Government.

In reviewing the legislation itself, we will deal first with

I. *Acts applicable to the Empire at large*.—With regard to matters of finance, the estimated revenue for the year was £144,860,000, and the estimated expenditure £141,786,000. According to the *Appropriation Act* (6 Edw. 7, c. 26), the Navy was to cost 33½ millions sterling, a reduction of 1½ millions from the previous year; and of this total the shipbuilding programme was estimated to cost £6,800,000; 33 millions was granted for the Army, with 3 millions, in addition, for the Ordnance factories. The cost of the Army has not been decreased, in spite of the fact that the *Army Annual Act* (c. 2) provides for an establishment of 204,000 men—17,000 fewer than last year. The grant for Education shows an increase of £1,000,000, being now £17,000,000.

Under the *Public Works Loans Act* (c. 29) grants for various public works were authorised up to £4,000,000.

Among the Acts not of a financial character were the *Wireless Telegraphy Act* (c. 13), which continued the operation of the Act of 1904, until the end of the year 1909, and the *Marine Insurance Act* (c. 41), in which the law relating to marine insurance has been codified and previous enactments repealed.

II. Of the measures *applicable to the United Kingdom*, the *Finance Act* (c. 8) did not contain any novel feature. The duty on tea was again reduced, from 6*d.* to 5*d.* per lb.; the increased duty of 3*d.* per lb. on stripped tobacco, imposed in 1904, was reduced to $\frac{1}{2}$ *d.* per lb., and the export duty of 1*s.* per ton on coal, imposed in 1901, was abolished. The income tax remains at 1*s.* The amount of the annual charge for the National Debt under the Sinking Fund Act, 1875, which in 1905 was raised from £27,000,000 to £28,000,000, was raised, for the current year, by another £500,000. Among the duties imposed by the *Revenue Act* (c. 20) may be noticed one of £1 payable on a licence to be taken out annually by a Manufacturer for sale of British wines or sweets.

The law governing alkali works and works of a kindred nature has been codified and amended by the *Alkali, &c., Works Regulation Act* (c. 14); any expense incurred by a sanitary authority under the Act shall be defrayed as general expenses incurred by the authority in execution of the Public Health Act.

An Act of considerable importance is the *Prevention of Corruption Act* (c. 34), which came into operation on January 1st. It imposes a maximum punishment of two years hard labour, or a fine of £500, upon any agent who *corruptly* accepts or *agrees* to accept or *attempts* to obtain for himself or for any other person any gift or consideration, as an inducement or reward for doing or forbearing to do, or for having, after the passing of the Act, done, or forborne to do, any act in relation to his principal's affairs or business, or for showing or forbearing to show favour or disfavour to any person in relation to his principal's affairs or business. The like penalty attaches to the person who *corruptly* gives, or agrees to give, or offers any such gift or consideration to an agent, or who knowingly gives to an agent any erroneous receipt, or account, or other document with intent to deceive the principal. The wording of the Act itself is of importance; "agent" includes *any* person employed by, or acting for, another, and "principal" includes an employer. The word "corruptly" would seem in effect to mean "secretly."

The *Bills of Exchange (Crossed Cheques) Act* (c. 17) deals with a decision of the High Court upon a question of considerable importance to bankers. Following the principle of *Akrockerri (Atlantic) Mines, Ltd., v. Economic Bank* [1904], 2 K.B., 465, it is provided that where the customer of a bank delivers to the banker for collection a crossed cheque to which he has no title, the fact that the banker credits the customer in the bank ledger

with the amount of the cheque before it is cleared does not deprive the banker of the protection afforded by s. 82 of the Bills of Exchange Act, 1882. In other words, the mere fact that a banker credits a customer with the amount of a cheque does not make the banker holder of that cheque on his own account. If, on the other hand, it did make him holder, on his account, and the customer had had no title to the cheque, the banker would be liable to the true owner.

The object of the *Ground Game (Amendment) Act* (c. 21) is to prevent the suspension, between August 31st and December 11th, of the right under the Ground Game Act, 1880, of the occupier of unenclosed hill lands to kill and take ground game from operating to the undue prejudice of the occupier. The Act gives the joint right to the owner and the occupier between August 31st (as originally proposed it was March 31st) and December 11th, while maintaining the object of the suspension so far as to prohibit the use by the occupier of firearms during that period. The Act also enables agreements to be made either for keeping down the ground game or for killing and disposing of marketable ground game during the same period for the joint benefit of owner and occupier. The owner or shooting tenant, on the one hand, and the occupier, on the other hand, will be each prevented from accumulating rabbits to the detriment of the agricultural value, by the power of the other to kill at pleasure.

Under the *Musical Copyright Act* (c. 36) a court of summary jurisdiction may in certain cases grant search warrants to the police to forcibly enter upon premises and seize "pirated" music.

Another Act of considerable importance is the *Trade Disputes Act* (c. 47). It further amends the law of conspiracy in the case of trade disputes by enacting that an act which, if done by one person, would not be "actionable," shall not be "actionable" by reason of it being done by two or more persons in combination. It legalises peaceful picketing in contemplation or furtherance of a trade dispute. It removes the liability that a person hitherto was under who induced some other person to break a contract of employment, or who interfered with the business of some other person, or with his right to dispose of his capital or his labour as he wills. And every action of tort against a trade union, its officials, or members, is prohibited. The history of this Act is recent and well known; it was passed to remove from trades unions that liability under which they were supposed to be placed by the *Taff Vale* decision.

The *Merchant Shipping Act* (c. 48) amends the previous Merchant Shipping Acts in certain matters. The British load line provisions are applied to all foreign ships while they are within any port in the United Kingdom. The existing power of detaining foreign ships which are unsafe through being overloaded is extended to ships which are unsafe through defective equipment, and the law affecting the loading of British grain ships is extended to foreign grain ships arriving at a port in the United Kingdom.

Other matters dealt with by the Act are passenger and emigrant ships, seamen's food, and the relief and repatriation of distressed seamen, and seamen left behind abroad, changes being made in the earlier Acts on all these points so as to adapt them to modern requirements.

It is also interesting to see that the period of service required as a qualification for the rating of "A.B." has been reduced from four years to "three years before the mast."

Another Act of great importance is the *Census of Production Act* (c. 49), under which a census of production will be taken in 1908, and subsequently at such intervals as the Board of Trade shall determine. Every person carrying on a trade or business as mentioned in the Act will have at each census to make a return to the Board of Trade giving details of his business, the output, the number of working days, the number of persons employed, the power used or generated, &c., but not the amount of wages.

The *Notice of Accidents Act* (c. 53) carries out, as far as regards mines and factories, certain recommendations contained in the Report of the Departmental Committee appointed in 1901 to inquire into the notification of industrial accidents. As regards mines, the chief effect of the Act is to make more definite the existing requirements as to reporting accidents causing serious personal injury, and, by requiring annual returns of accidents, to bring a much larger number of accidents under the notice of the Board of Trade. As regards factories, an alteration is made in the period of disablement, which makes an accident reportable; in the case of special classes of accidents reportable to both the certifying surgeon and the inspector, the period now is one day's absence, whenever the absence occurs, instead of five hours on one day in the three days following the accident; and, in the case of accidents reportable only to the inspector, the period is now, under the Act, seven days' absence, though at first it was sought to make a fourteen days' absence necessary.

The new *Workmen's Compensation Act* (c. 58) repeals the previous Acts of 1897 and 1900. This is mainly a codifying measure, but does also enact new law. The great difference between the new Act and the old ones is that, while they applied only to workmen employed on or in a railway, factory, mine, quarry, engineering work, certain buildings exceeding thirty feet in height, and in agriculture, the new Act applies to "any" employment, including domestic and outdoor service, and seamen. Compensation can also be obtained under the Act in respect of "industrial diseases," in addition to "accidents." Provision is made for the appointment of medical referees and arbitration for the purposes of the Act, and employers of labour are to make annual returns specifying the instances and the amounts, in cases where they have paid compensation during the past year. The Act comes into operation on July 1st, 1907, and it is already giving rise to a new class of life and accident assurances.

III. Of the Acts *relating to Great Britain* alone, the only one which need be mentioned here is the *Agricultural Holdings Act* (c. 56). The object of the Act is to amend the former Agricultural Holdings Acts, so as to provide the tenant farmer more security for his capital, and greater freedom to apply money and skill in the most profitable way to his work. The chief additions or modifications are:—(i.) Compensation to an outgoing tenant of such an amount as represents the value of his improvements to the incoming tenant; (ii.) compensation for damage done to crops by game; (iii.) compensation for "unreasonable" disturbance; (iv.) freedom of method of cropping arable lands, and of disposing of crops, provided that the holding is not allowed to deteriorate.

The original proposal to appoint official agricultural arbitrators with local jurisdiction to decide all matters in dispute between landlord and tenant did not in the end materialise.

The Act comes into operation on January 1st, 1909.

IV. Among the Acts *relating to England and Ireland*, the *Open Spaces Act* (c. 25) should be mentioned.

The various enactments relating to open spaces which were framed primarily with reference to London, but have been subsequently extended with modifications to the rest of the country, were in a very confused condition. The object of the Open Spaces Act, 1906, is to consolidate these enactments, without making any important alteration of law. The scheme of the Act is to enable all open spaces and disused burial grounds, no

matter in whom they are vested, to be transferred to the local authorities to be held upon trust. The local authorities are to maintain the open spaces and disused burial grounds taken over by them, and may make bye-laws, and, if necessary, provide for their expenses by borrowing. The provision in the Disused Burial Grounds Act, 1884, that no building shall be allowed on such a burial ground save the extension of a church or chapel, a provision which came under the consideration of the House of Lords in the recent case of *Boyce v. The Paddington Borough Council*, is in no way affected by the new Act.

V. Two Acts apply to *England and Wales* alone—the *Public Trustee Act* (c. 55) and the *Education (Provision of Meals) Act* (c. 57). The former Act, which comes into operation in 1908, is of considerable importance; it establishes for the first time the office of a public trustee, who is a corporation sole with general power to act in the administration of estates of small value, to act as a "custodian" trustee, or as an ordinary trustee, or to be appointed to be a judicial trustee. He may act alone or jointly, and shall have the same powers, duties, and liabilities as a private trustee acting in the same capacity. The expression "custodian" trustee requires some explanation; the public trustee may, with his consent, be appointed custodian trustee of any trust, either by (a) the court, (b) by a testator, settler, or other creator of any trust, or (c) by any person having power to appoint new trustees of a trust. The trust property shall thereupon be transferred to the custodian trustee, while the management of the property and the exercise of any power or discretion remains vested in the trustees other than the custodian trustee. The custodian trustee is to have custody of all securities and documents of title relating to the trust property.

As an ordinary trustee, the public trustee may be appointed to be trustee of any will or settlement in the same manner as if he were a private trustee.

The consolidated fund of the United Kingdom is to be liable for all the liabilities of the public trustee; he is to be appointed by the Lord Chancellor, with a staff of officers, and he is to charge sufficient fees for his services so as to render his office self-supporting.

The same Act contains important provisions for the investigation and auditing of the accounts of ANY trust, on the application of any trustee or beneficiary.

By the *Education (Provision of Meals) Act* (c. 57) a local

education authority may take such steps as they think fit for the provision of meals for children attending any public elementary school in their "area." There shall be charged to the parent of every child in respect of every meal furnished to that child "such an amount as may be determined by the local education authority." Where the parents cannot pay, the authority may supply the cost of meals out of the rates, when any of the children are "unable, by reason of lack of food, to take full advantage of the education provided for them."

VI. Two Acts apply to *Scotland* only. By the *Education of Defective Children (Scotland) Act* (c. 10), school boards in Scotland have power to make special provisions for the education, medical inspection, and conveyance to and from school of "epileptic," or crippled, or "defective" children between five and sixteen years of age, and to defray the cost thereof out of the school fund. The expression "epileptic children" means children who, not being idiots or imbeciles, are unfit, by reason of severe epilepsy, to attend the ordinary schools; and "defective children" means those who, not being imbecile, and not being merely dull or backward, are, by reason of mental or physical defect, incapable of receiving proper benefit from the instruction given in the ordinary schools. *The Fatal Accidents and Sudden Deaths Inquiry (Scotland) Act* (c. 35) amends the law as to inquiries into fatal accidents, and makes further provision for inquiry into sudden and suspicious deaths in Scotland. The sheriff's jury are required to set forth in their verdict upon an inquiry into cases of accidental death, the precautions by which the death might have been avoided, and other facts disclosed by the evidence which, in their opinion, are relevant to the inquiry.

Also, provision is made that in case of every sudden or suspicious death in Scotland, an inquiry shall be conducted as publicly as though it had been caused through an accident.

VII. There have been several Acts dealing with *Ireland* alone, of which the most important are the *Labourers (Ireland) Act* (c. 37) and the *Town Tenants (Ireland) Act* (c. 54). The former Act extends the provisions of the existing "Labourers Acts" with regard to the provision of accommodation for labourers on estates, by giving further powers with this object to the district councils under the Local Government Board. The Act further provides for the application of a portion of the Ireland Development Grant and the Irish Land Purchase, and other funds for the same purposes; in each year the district councils are to

forward returns to the Local Government Board, giving particulars of the number of cottages and allotments provided under the Labourers Acts, the rents reserved, the number of cottages or allotments unoccupied, and the number of cases and the total amounts where rents are in arrear.

The other Act was passed to improve the position of tenants in urban districts, towns, and villages in Ireland. Such a tenant on quitting his holding may claim compensation for improvements made by him or his predecessors in title. He is also entitled to compensation for the loss of goodwill and the expense of removal, where the landlord "unreasonably" terminates or refuses to grant a renewal of the tenancy, or demands an increase of rent as the result of improvements effected by the tenant.

VIII. The last Act to be noticed is the *Isle of Man (Customs) Act* (c. 18), which reduces the additional export and import duty on tea imposed by the *Isle of Man (Customs) Act*, 1900, to 1*d.* a lb. The additional export and import duties on tobacco, spirits, ale, and beer imposed by the same Act are continued for another year.

MONTAGUE BARLOW

THE STATE AND SMALL HOLDINGS.

BEFORE this article appears in print we shall know whether or not the King's Speech contains any promise of Small Holding legislation during the coming session, but, if not, it cannot be long delayed. Public interest is now so thoroughly aroused as to the importance of this phase of the Land Question, and the Departmental Committee's Report issued at the close of the year will materially strengthen the hands of those practical politicians who desire to fulfil their election pledges in this particular.

The Committee, with one exception—Mr. Jesse Collings—have come to a unanimous report, and, in comparison with the report of a similar committee which sat in 1890, it marks great progress towards the hoped-for goal of free and easy access to the soil by all those who desire and know how to cultivate it.

As Mr. Jesse Collings will doubtless have a considerable following in the country, it may be as well to consider his position in some detail before passing on to the Committee's report and to the legislation therein proposed. All those who have read Mr. Jesse Collings' most interesting book on the Land Question, or who, like myself, know something of his many years' devotion to the Allotments Question (in my part of the country we first