ON

THE ECONOMIC CAUSES

OF THE

PRESENT STATE OF AGRICULTURE

IN IRELAND:

Part IV.

A PAPER READ BEFORE

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BY

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On the Economic Causes of the present state of Agriculture in Ireland, Part IV.—*Legal Impediments to the Application of Capital to Agricultural Operations.* By W. Neilson Hancock, LL. B, M.R.I.A., Archbishop Whately's Professor of Political Economy in the University of Dublin.

GENTLEMEN,—In my last paper on the Economic Causes of the State of Agriculture in Ireland, I noticed three of the six legal impediments to the application of capital, by tenants, to agricultural operations, namely the old feudal principle that the ownership of improvements follows the ownership of the land, the law of agricultural fixtures, and the restraints on leasing power. In this paper I propose to notice the other three impediments, namely, the restraints on the power of making tenant-right agreements, the stamps on leases and other contracts with tenants, and the remnant of the usury laws. I shall also consider the legal impediments to the application of capital, by proprietors, to agricultural improvements.

The fourth impediment to the application of capital to agriculture arises from the state of the law, which allows property to be so settled, that the proprietors have not power to secure to tenants compensation for improvements, by making tenant-right agreements, which shall be binding on their successors. It is very commonly alleged that a lease for a definite number of years, without any clause securing compensation for improvements at the expiration of the term, is the best contract between landlord and tenant. But it is manifest that such leases afford no security for a large class of improvements, namely, those of a permanent nature, which produce only the common rate of profit, or a little above the common rate of profit. There is, moreover, an argument usually adduced in favor of such leases, which requires to be noticed, namely, the opinion of Scotch writers on agriculture. "When such good agriculturists as the Scotch adopt leases," it is said, "must they not be the best kind of contract for farming operations?" Now, in this argument it is assumed that the Scotch proprietors, being perfectly free to adopt what contracts they please, have chosen leases without compensation clauses; because, after trial of different kinds of contracts, they have found such leases to be the best. The terms also of *nineteen* years, *thirty-one* years, and *ninety-nine* years, usually occurring in Scotch leases, are supposed to have some scientific or magic connexion with agricultural operations.

But the assumption on which this argument is based is without foundation. One-half of Scotland is held by proprietors under perpetual entails, and the only contract which the majority of the proprietors can grant are leases of the kind mentioned. The general adoption of such leases, therefore, is no proof of the opinion of the proprietors as to farming contracts, for they have no choice in the matter. In the same way, the terms in Scotch leases arise from the state of the law there. The proprietors do not grant farming leases for longer than thirty-one years, because they cannot, since that is the longest term for farming purposes fixed in the leasing power conferred by the Montgomery Act (10 Geo. III). They do not grant building leases for longer than ninety-nine years, because they are restricted in the same way to building leases of that duration. Even the leases for nineteen years arise in part from the same act of parliament, passed about eighty years ago ; for, by the second and third sections, certain clauses must be inserted in leases for any term exceeding nineteen years which are not required in those for that or any less term. Again, the Scotch practice of leasing is founded on another practice existing there, of the landlords making the farm buildings, fences, and other permanent improvements, which other practice arises from the state of the law in Scotland ; for the proprietors under entail are enabled, by the Montgomery Act, to charge the inheritance to the extent of four years' rent for three-fourths of their expenditure in such improvements.

In Ireland a very different practice has prevailed, of leaving the tenants to erect the houses, make the fences and drains, and all the permanent improvements ; and, in the present state of the law, our Irish practice, whether wise or unwise, cannot, as I shall show presently, be changed for the Scotch practice. From this Irish custom has arisen a custom of the landlords letting their land at such a rent as not to confiscate the tenants' improvements, and of allowing the tenants, at the expiration of their interest, to obtain compensation for the improvements of themselves and their predecessors, by selling the good-will to the possession of the land. From the prevalence of this custom in Ulster, it has received the name of the Ulster Tenant-right. You may recollect that in the account of the state of agriculture in Ireland given by the Land Occupation Commissioners, and quoted in a former paper, they allude to some districts in the North as forming an exception to the extremely defective agricultural practice usually prevailing throughout Ireland. This fact has been relied on by those who ascribe the state of agriculture to the character of the people. "Since the laws," it is said, "are the same over all Ireland, this difference in agriculture must arise from some other cause than the state of the law." But, when we come to examine the facts more minutely, we find that in this prosperous district the tenant-right exists as a custom, which, though not ratified by law, has, from the sanction of the landlords, the force of law. The custom

of tenant-right removes, as far the interest of the tenant in yearly holdings is concerned, the legal impediments to the transfer of land, and it affords, at the same time, some security to tenants for capital employed by them in agricultural operations. The manner in which this takes place may be readily explained. The land is generally held by yearly tenants ; the tenant's interest is registered in the rental in the agent's office, and can be transferred by a simple change of name in the rental. For this transfer no sixty years title is required, no search for judgments, no conveyances, and no stamps. Thus the cost of transfer is nothing but the trouble attending the negotiation. Again, no settlement is allowed to operate as a restraint or alienation. If the rent be not paid, all parties claiming the tenant's interest must join in a sale. This facility of transfer produces the most beneficial effects; there is a constant buying and selling of farms ; whenever a tenant mismanages and falls into arrear, he is compelled to sell, and the land comes into the hands of a man of capital. It has been suggested, as an objection to tenant-right, that the payment of the purchase-money takes all the capital from the tenant, and leaves him unable to carry on his farming with ability. But this is a very superficial view of the subject, for the incoming tenant can borrow or get credit to a very considerable amount, nearly equal to the sum sunk in the purchase of the farm. It is well known that large sums are lent on the security of tenant-right, and still larger sums would be lent if landlords were enabled to give perfect legal security, by giving tenant-right agreements binding on their successors, and if the remnant of the usury laws were repealed, which attempts to limit the rate of interest on loans on the security of land to six per cent.

The manner in which landlords in Ulster usually regulate their rents has the effect of securing to themselves the advantage of all the rise of rent from natural causes, and, at the same time, it does not take advantage of the tenant's improvements. Thus tenant-right, as far as it extends, does away with the injurious effect of the feudal principle respecting the ownership of improvements and of agricultural fixtures. It is not a very rash conclusion, then, to ascribe the improved state of agriculture in Ulster to the custom which thus secures to the improving tenant the reward of his industry, whilst it forces the defaulting occupier to give up the land to a more enterprising and industrious successor. Thus the proposition, with which I set out, is completely confirmed by an accurate examination of the facts with regard to the Ulster tenant-right. The state of agriculture in Ireland may truly be ascribed to the state of the law, since the improvement in agriculture exists where many parts of the evil effects of the law are suspended by a custom which has, from the sanction of the landlords, the force of law.

It is of extreme importance, not only to know that the custom of tenant-right, which I have described, has been beneficial, but

also to understand that it has been so because it has facilitated the transfer of land, and afforded security for the employment of capital in agriculture; for proposals have been made for dealing with it in a manner which, seeming to perpetuate it, would destroy the essential characteristics which I have pointed out. The proposals to which I allude are "Perpetual Peasant Proprietorship," and a system of attempting to regulate rent by law, which may be called "Organisation of Rent." By the first of these plans, the benefit of the occupiers is proposed to be attained by transferring to them the ownership of the land, subject to a fixed rent, and then securing its remaining in their hands by making it as intransferable as possible. Such a plan would not only be an open confiscation of property, but would also defeat the very object proposed to be gained by it; for, by increasing the difficulties to the transfer of land, it would retard instead of promoting improvements in agriculture.

The second plan is only an attempt to apply to rent that fatal principle of government interference with private contracts, which the advocates of "Organization of Labour" propose to apply to wages. The rent of land is the price of the assistance which land gives to the work of production, just as wages are the price of labour. The amount of rent, therefore, when left to free competition, will be determined by those natural causes which affect the demand for the assistance of land, and limit its supply. The advocates of the plan of determining rent by arbitration or government officers, instead of by competition, fall into a most absurd mistake in their reasoning. Thus, it is perfectly possible to determine the letting-value of a particular farm by arbitrators or by public valuators, because they have the sums at which other farms are let by competition, to use as a standard for their valuation. But if a universal letting of land by arbitration, or by government officers, were attempted, as no land would be let by competition, there would be no standard of value, and such lettings would be a mere matter of human caprice. Any legal interference, therefore, in determining the amount of rent, would destroy all security in the calculations of the occupiers as to making improvements, or employing their capital in agriculture; whilst, if the amount of rent be left to be determined by the natural causes on which it depends, it is possible to form an approximate estimate as to its probable future amount. But if it be attempted to be regulated by any arbitrary standard which ignorance and folly may fix on, all calculation on the subject becomes impossible, and will be therefore unattempted. Such has ever been the result of government interference in attempts to regulate the prices of other commodities, such as bread; and for this reason, such attempts have (with a few exceptions) been abandoned in English legislation. To expect that such interference in the case of rent, or the price of the assistance of land, or in that of wages, or the price of labour, will produce a

different effect from interference in the prices of other commodities, is to disregard the fundamental principle of all human science—the intuitive belief that under similar circumstances the like causes will produce the like effects.

Inalienable peasant-proprietorship, or organization of rent, would therefore destroy tenant-right and its beneficial effects; whilst these can be secured, extended, and perpetuated, by a simple enactment, founded not on interference with private contracts, but on a removal of the interference now sanctioned by law in the family settlements, by which a landlord is deprived of the power of making such contracts with his tenants. A precedent for such an enactment can be found in the Land Sales' Amendment Act (9 and 10 Vic., c. 104), and in the orders of council founded upon it, by which Lord Grey has solved the difficulty of precarious tenures in New South Wales, by granting leases of the crown lands, with tenant-right clauses in them. The matter is thus noticed in the seventh general report of the Colonial Land and Emigration Commissioners, published in 1847:—"One of the most important subjects to the welfare of this great colony, and a question that has produced much excitement in New South Wales, is the manner in which to permit the occupation of lands without purchase for pastoral purposes. This is what is called the squatting question." The nature of the measure adopted by Lord Grey on this question is then explained in the report, as follows:—"With regard to the extent of the concessions, it will be observed, by a perusal of the order, that, without a single payment from the squatter beyond what they have been accustomed to make, they will receive a lease for fourteen years, of the lands which hitherto they have only held annually; and further, that at the end of the term they will have a right of pre-emption, and in case of not using that right, *will be entitled to pecuniary compensation for all the improvements they may have made.* They will also be able to buy any separate parts of their runs which they may desire, thus receiving an encouragement to erect permanent and comfortable buildings, and to cultivate the soil."* Now, why should not the Irish landlords be enabled to make contracts securing to their tenants pecuniary compensation for their improvements, in the same manner as the tenants of the crown are secured in Australia? Why should not the landlords in Ulster, who attribute to tenant-right not only the improvement and prosperity of their estates, but also the peace and security surrounding them, be enabled to give to their tenants legal security for the observance of the custom by their successors? It may be said that a good understanding between landlord and tenant is sufficient. But such an understanding is not a marketable security. Where it forms the only basis of the tenant's interest, a large portion of property is withdrawn from the ordinary cognizance of the law. The tenant-right, as at present

* Transactions of the Dublin University Philosophical Society, vol. iii. p, 88.

existing, not being a legally assignable right, cannot be dealt with either by the insolvent laws or laws for the succession to property. The agent's office, consequently, becomes a Court of Chancery and an Insolvent Court for this species of property; and thus an anomalous and unconstitutional jurisdiction is created, with evils in some respects resembling the Scotch heritable jurisdictions, so wisely abolished by Lord Hardwicke's Act.

The complete solution of the difficulties respecting tenant-right in Ireland would be, in addition to the removal of the legal impediments to the transfer of land, and the other legal impediments to the application of capital to agriculture, to make the proprietors of all estates, however settled or limited, perfectly free as to their contracts for securing tenants compensation for improvements, subject only to the condition of not taking a fine, or securing any other benefit to themselves at the expense of the interest of those who were to succeed them; or, in other words, to enable proprietors to make any contract for securing compensation for improvements that would not be a fraud on the remainder-men. They would then be enabled to make much more satisfactory arrangements, adapted to the circumstances of each particular case, than the legislature can possibly make for them by a regulating act of parliament.

The proprietors who availed themselves of the power by making judicious contracts, would obtain the natural reward of their good management, as well in the improvement of their properties as in the popularity and influence they would thereby secure to themselves. And those who neglected to adopt prudent arrangements would bring upon themselves alone the censure of such unwise conduct, instead of involving their entire class in opprobrium. Under a regulating act of parliament, on the other hand, all the advantages obtained by the tenants would be ascribed to the law and not to the proprietors; whilst the necessary failure of any such act to afford a satisfactory solution of the difficulties which now beset the tenant-right question, would only aggravate the discontent prevailing on the subject, and thus postpone that good feeling and confidence which are the natural result of free and binding contracts, and which, along with them, form the great basis of industrial success.

The fifth impediment to the application of capital by tenants, to agriculture, arises from stamps on leases and agreements. In a former paper I dwelt on the impolicy of taxes on contracts, and showed that they violate the fundamental principles of taxation, being extremely unequal and extremely burdensome; a great part of the burden being the impediment which they create to the adoption of definite and written contracts between landlord and tenant. I may quote, as an authority in support of this view, the recent work of Mr. J. S. Mill. "Some taxes on contracts," he observes, "are very pernicious, imposing a virtual penalty upon transactions which it ought to be the policy of the legislature to

encourage. Of this sort is the stamp duty on leases, which, in a country of large proprietors, are an essential condition to good agriculture." The impolicy of taxes on leases was strongly urged by the Land Occupation Commissioners; and, on their recommendation, an act of parliament (9 and 10 Vic. c. 162) was passed, reducing the amount of the stamp duty. This act, however, whilst sacrificing the revenue arising to the state, has made but a slight reduction in the burden to the taxpayer. Thus, it reduces the duty on leases to one shilling on the lease and one shilling on the counterpart; but this reduction is confined to a certain class of leases only, namely, those for a term not exceeding thirty-one years nor less than fourteen years, where the rent reserved does not exceed £50, and the lease is according to one of certain forms prescribed by the act. Thus, the party seeking to take advantage of the low scale of duties, has to inquire whether his lease fulfils all the conditions required by the act; and he runs the risk of litigation and great subsequent expense if any mistake occur as to the low stamp being sufficient. Thus, the burden and risk imposed by the act itself in a great measure counterbalance the reduction in the amount of tax. Another great objection to this act is the violation of equality of taxation which occurs in it. Why should leases for terms exceeding thirty-one years, and less than fourteen years, be subjected to an amount of taxation greatly exceeding the amount imposed on those which fall within these magic limits? Or why should there be such a disparity in the taxation on leases, where the rent is above and where it is below £50? Why, again, should the operation of the act be confined to Ireland? Another objection to the act is, the attempt which is involved in its provisions of offering a bounty for the adoption of a particular form of lease. Such an attempt is part of the policy of government interference with private contracts, which I have already noticed in other instances as being most objectionable.

The remedy for the impediment to the application of capital to agriculture, arising from stamps on leases and agreements, is the same as that suggested in a former paper with respect to stamps on conveyances and searches. All these taxes should be abolished, and the revenue now produced by them should be raised by an income tax.

The last impediment to the application of capital by tenants to agriculture, is the remnant of the usury laws. The restriction by which a legal limit is fixed to the rate of interest has, as Mr. Mill observes, "been condemned by all enlightened persons since the triumphant onslaught made upon it by Bentham in his Letters on Usury, which may still be referred to as the best extant writing on the subject." Some years ago, the evil effects of the usury laws became very apparent, in the case of merchants suffering under a commercial crisis. A partial repeal of the law took place, by suspending its operation as to bills not having more than six months to run. After a few years, the suspension was extend-

ed to all contracts for loans above ten pounds, except loans on the security of land. This enactment, by leaving loans under ten pounds (except in the case of promissory notes) under the operation of the usury laws, has sacrificed the interest of borrowers amongst the poor to what was supposed to be the interest of pawnbrokers. The exception with regard to loans on land was made for what was supposed to be the interest of landlords. But it is extremely unwise to legislate on different principles for the poor and the rich, and for the merchant and the landlord. Moreover, the defenders of the present state of law can be reduced to a dilemma; for how stands the case? The merchants applied to parliament for a suspension of the usury laws, on the grounds that these laws, instead of keeping down the rate of interest when any commercial crisis or other cause tended to raise it above the legal rate, really raised it much higher than it would have risen, compelling them to pay 20 and 30 per cent. where they need only have paid 8 or 10 per cent. Now, if this reasoning be correct, as all economists of the present day admit it to be, can anything be more absurd than the fears of the landlords, that they would have to pay higher interest on their mortgages but for the usury laws? Can anything be more cruel than to expose the poor to the evils from which rich merchants have been relieved? But if the economists are mistaken, and the reasoning of the merchants unfounded, why is the suspension of the usury laws not repealed? Why are pawnbrokers and charitable loan funds allowed to violate the spirit of the usury laws, by charging far beyond the legal rate of interest on loans to the poor? The injurious effect of the present remnant of the usury laws was strongly shown in the commercial crisis of 1847. The Ministers of the Crown found it necessary to suspend the operation of the Bank Charter Act, to enable the Bank of England to make advances to merchants. But the letter of the Premier and the Chancellor of the Exchequer to the Governor of the Bank of England, recommending that advances on good securities should be made, stated:—"That in order to retain this operation within reasonable limits, a high rate of interest should be charged. In the present circumstances, they would suggest that the rate of interest should not be less than eight per cent." Whilst the Bank Directors were thus advised to charge not less than eight per cent for loans, on approved security, to the merchants of London, poor farmers were prohibited by law from borrowing at a higher rate than six per cent, on the security of their farms, to help themselves through the same crisis. How were they to get money at six per cent, when the market rate of interest in London was eight per cent? When merchants were allowed to borrow at eight per cent, why should farmers be prohibited from borrowing at the same rate?

A complete repeal of the usury laws would not only remove the impediment which they create in the way of farmers obtaining capital for agricultural operations, but would also have a most

beneficial effect on the momentary transactions of the poor in Ireland, opening to respectable traders the trade of lending money to them on personal security, which is now confined to charitable loan funds and to local usurers.

Having now completed the examination of the legal impediments to the application of capital to agriculture by tenants, I proceed to consider the impediments to such applications by proprietors. They consist of two of the impediments which operate in the case of tenants, namely, the old feudal principle, that the ownership of improvements follows the ownership of the land, and the law of agricultural fixtures. As I have explained these very fully already, it will not be necessary to do more than point out their effect in preventing landlords laying out capital in improvements on the land. This arises from the great majority of the Irish landlords being strict tenants for life, without any general power to charge the inheritance for expenditure in improvements. The laws in question operating on this state of facts, make it the interest of the majority of the proprietors in Ireland to invest their savings in any speculation rather than the improvement of their estates; for by so doing, they retain the power of disposing of the accumulation of their savings, either during life or by will, whilst by investing them in improvements, they only increase the value of their settled property, over which they have no control. Now, ostentation, family pride, or other motives may sometimes induce a proprietor to make improvements, regardless of the effect of the expenditure on the interests of himself or of his family. But in general, the disposition to employ savings in improvement cannot be expected to operate, unless the entire profit arising from such an expenditure of capital is at the disposal of the person who expends it. This condition is not fulfilled when the proprietor only gets a life-interest in the profit of his own savings, and is consequently deprived of all power to make a subsequent use of his expenditure, either for his own subsequent necessities, or for the very common and very laudable purpose of enlarging the provision for his younger children. But the impediments which these legal restrictions create in the way of a landlord investing his own savings in the land, are much less than the impediments against his borrowing the capital of others for agricultural improvement. A tenant for life cannot borrow money for such purposes without an enormous sacrifice of his life-interest, for he has not only to pay the interest on the sum borrowed, but also the insurance on the entire amount for his own life.

The injurious effect of the state of the law, with regard to proprietors in strict settlement, has of late years been admitted; and attempts have been made by the legislature, to obviate the effect of the two impediments I have noticed, by various special acts of parliament, such as the Estate Improvement Acts, the several Drainage Acts, and the Act for enabling the landlords to borrow from the Exchequer for estate improvements. But these plans

have all one common defect—that of involving an amount of government interference, which must embarrass if not entirely defeat their practical operation. The last Estate Improvement Act requires, for each set of improvements, that application be made to the Court of Chancery for leave to make them. Then the Master must inquire and report whether the improvements will be beneficial to all persons interested in the land. This report must be confirmed by the Lord Chancellor. The entire expenses of application, and of the execution of the works, on inquiry before the Master, can no doubt be made a charge on the estate. But the rate of interest allowed to be paid is limited to five per cent, and the principal is to be repaid in equal annual instalments; to be, in the case of drainage improvements, from twelve to eighteen in number; and, in the case of buildings, from fifteen to twenty-five in number. According to this plan, there must be for each improvement three applications to the Court of Chancery, and two lengthened inquiries before the Master. Whilst in the simple plan of having a right to payment for the value of the improvements, the disputed cases only, which, after a few decisions, would be about one in twenty, would require to be investigated in the courts of law. Another defect in this Act is, that it is the sum of money expended, and not the increased value produced, which is allowed to be charged against the inheritance. This disadvantage to the inheritor is sought to be avoided by restrictions which must defeat, in many cases, the operation of the Act. First—There is the old restriction of the usury laws, limiting the rate of interest to five per cent.; then the number of years for the repayment of the charge is fixed at a limit quite at variance with ordinary experience; from sixty-one years to ninety-nine years is considered a necessary term for building-leases, and few speculators would build on a shorter lease, yet a landlord is expected to be amply repaid in from fifteen to twenty-five years for outlay on buildings.

The great objection to the General Drainage Act is, that peculiar powers are thereby given to landlords to charge the inheritance for special kinds of improvement; thus giving an undue stimulus to the employment of capital in these remotely productive works, instead of many others of equally pressing necessity. All these acts require an extent of interference by the Board of Works, or the Court of Chancery, that will be found to embarrass the operations. Then, these acts merely palliate the evils of life-tenancies in particular cases, by cumbrous machinery, and lead off attention from the more comprehensive remedies by which the owners of life-interests would be placed in such a position, as to make the expenditure of capital for the permanent improvement of the land entirely coincident with their self-interest. As far as the Drainage Acts enable the majority of proprietors interested in any drainage to coerce the minority, they are, of course, beneficial;

but this part of them is quite distinct from the powers of charging, with reference to which I have been considering them.

The position of the landlord, with respect to the employment of capital in agriculture, may be summed up in a few words. The present state of the law makes it the interest of the majority of the landlords of Ireland, to employ their capital in any way rather than the improvement of their estates. The special acts of parliament, by which this state of the law has been attempted to be met, rely for their success on government interference instead of on private enterprise. When such is the state of the law respecting the position of the landlord, can we be surprised that, so far as the landlords are concerned, agriculture is neglected? Can we be surprised at the statement in the Report of the Land Occupation Commissioners, that, in general, all the improvements are left to be effected by the tenants in Ireland? But the remedy for this state of the law is an extension of the change already suggested with regard to the old feudal principle and the law of fixtures. If the property in the improvements were to remain in the personal representatives of the party who made them, instead of following the ownership of the land, the interests of tenants for life would be identical with the interests of the community at large—the successor to the land having, of course, the right of purchasing the improvements at their market value, and the personal representatives of the improver retaining a prior charge on them for his claim. Such a change in the law would lead to the application of all the capital to the land which landlords could possibly be induced to expend on it. It would supersede the necessity of all the complicated legislation by which powers to charge the inheritance for improvements have been created for various special purposes.

Having now completed the consideration of the general legal impediments to the application of capital to land in Ireland, I shall, in my next paper, consider the special impediments to such application, in the cases of waste lands, trees, mines, and mill-sites, and shall conclude this series of papers with a notice of the theory most generally relied on in opposing the conclusion at which I have arrived.

I cannot, however, leave the part of the subject I have been treating of, without referring to the important statements as to the nature and extent of the legal impediments to the application of capital to land, which are contained in the evidence taken by the Land Occupation Commissioners, and in the recommendations of the Commissioners founded on that evidence; and also, without citing Adam Smith as an authority for my conclusion, that the legal impediments to dealings with land are the principal cause of the present state of agriculture in Ireland.

The Land Occupation Commissioners state:—"The most general, and indeed almost universal topic of complaint brought before us in every part of Ireland; was the 'want of tenure,' to use

the expression most commonly employed by the witnesses. The uncertainty of tenure is constantly referred to as a pressing grievance, by all classes of tenants. It is said to paralyse all exertion, and to place a fatal impediment in the way of improvement. *We have no doubt that this is the case in many instances.* Although it is certainly desirable that the fair remuneration to which a tenant is entitled for his outlay of capital, or of his labour in permanent improvements, should be secured to him by voluntary agreement rather than by compulsion of law, yet, upon a review of all the evidence furnished to us upon the subject, we believe that some legislative measures will be found necessary, in order to give efficacy to such agreement, as well as to provide for those cases which cannot be settled by private arrangement. We are convinced that in the present state of feelings in Ireland, no single measure can be better calculated to allay discontent, and to promote substantial improvement throughout the country.

"It frequently happens that large estates in Ireland are held by the proprietors in strict limitation; and their pecuniary circumstances disable many of even the best disposed landlords from improving their property, or encouraging improvements amongst their tenantry, in a manner that would conduce at once to their own interest and the public advantage. Many of the evils incident to the occupation of land in Ireland may be attributed to this cause." The Commissioners then proceed to recommend that a power be given of charging the inheritance for expenditure in improvement, on the principle of the Montgomery Act in Scotland. Again they say:—"We also think it would be desirable that extended leasing powers should be given to tenants for life, and to boards or corporations whose powers are restricted by law."

Thus the Commissioners have admitted the greater part of the impediments to which I have directed your attention. In attributing the state of agriculture to them, I am but assigning the causes to which Adam Smith attributed the backward state of agriculture on the Continent of Europe, as compared with England.

"The proprietors of land were anciently the legislators in every part of Europe. The laws relating to land, therefore, were calculated for what they supposed the interest of the proprietor. It was for his interest they had imagined that no lease granted by any of his predecessors should hinder him from enjoying, during a long term of years, the full value of his land. Avarice and injustice are always short-sighted, and they did not foresee how much this regulation must disturb improvement, and thereby hurt, in the long run, the real interest of the landlord." And again, in speaking of the English customs of tenant-right, he says:—"There is, I believe, no where in Europe, except in England, any instance of the tenant building upon the land of which he had no lease, and trusting that the honor of his landlord would take no advantage of

so important an improvement. These laws and customs, so favorable to the yeomanry, have, perhaps, contributed more to the present grandeur of England than all their boasted regulations of commerce taken together."