

THE BURDEN OF RATES

By Sir Alfred Mond, M.P.

There was published last month a book entitled *Industry and Politics** by the Right Hon. Sir Alfred Mond, M.P., being a series of speeches and papers on various phases of economic, industrial, political and social problems delivered or prepared by him on various occasions.

The following passage, with title as given above, appears on pp. 55-56 in the chapter on Trade, Currency, Industry and Unemployment, which is based on speeches delivered in October, 1925.

"I remember very well when I was Minister of Health receiving a deputation, a very influential body of steel-makers from Sheffield. They pointed out to me what their position was: their industry was depressed, and there was great unemployment in Sheffield. What happened? The great unemployment led to a rise in the poor-rate. The rise in the poor-rate led to an increase in their burdens, and in the cost of steel. At the moment when they wanted to be able to sell cheaper, the system of rating was adding to their cost of production, and making it impossible for them to carry on business at all. In fact, in many cases it was cheaper for them to shut down and not operate the works at all, in order to escape the rates, than to operate the works part time. That does not seem a sensible system of levying your local taxation—a system by which you depress enterprise, tax activity and subsidize inactivity, and assist those who are doing nothing.

"Again, a small circle drawn around a small area is really quite a wrong way of dealing with a large national question of this kind. The poor-rate system of Queen Elizabeth was never meant to deal with a great industrial crisis. It is because you try to make it do so that you get all these fantastic and absurd, even criminal conditions, holding down the very industries which most want to be assisted. I am more convinced than ever that it is high time our rating system should be reformed. It is high time, indeed, that those whose landed property continues, has continued, and will continue—whether trade be good or bad—in the long run to gain in value by doing nothing—that these should bear their fair and proportionate part of local taxation. Take your rate off improvements, and put it where it ought to be, and you will see in that alone a share of the revival of the trade of this country. Why, in America or Canada, if I want to put up a factory, the first thing the local authority will do will be to exempt me probably for ten years from all taxation, but here, as soon as you add another shed to your works, the first thing you find is the rate collector coming round."

Sir Alfred Mond joined the Conservatives in January, 1926. In reprinting this declaration he shows he has not abandoned all the beliefs he formerly avowed. It is well to have this quotation to submit for the consideration of other Conservatives, although it is by no means the best of the many statements Sir Alfred has made on the subject; for in his "unregenerate days," as a Radical in the Liberal camp, he was foremost among the advocates of Land Value Taxation and one of the leading members of the Land Values Parliamentary Group. Now that the Group has got busy again, under the energetic chairmanship of Col. Wedgwood, is there not here a recruit to be enrolled?

A. W. M.

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EDWIN ADAM, K.C.



Former co-workers and friends of Edwin Adam will be interested to see his name once more in our columns. In October last he retired from the position of Principal Clerk of Session at the Scottish Law Courts, Edinburgh, which he has occupied for the past 20 years. Sir Walter Scott held this post of honour in his day and generation. A keen politician, Mr Adam fought two contested Parliamentary elections, but is better known to our readers as an able advocate of Radical land reform. He was President of our Edinburgh League for several years and one of the small group that formed the United Committee some 21 years ago.

His masterly evidence submitted to the Select Committee on the Scottish Land Values Bill of 1906, together with his book on the Taxation of Land Values, which was distinguished by a second edition, long since exhausted, was the culmination of his public service in the cause. In such works his standing as an authority on its practical side was for ever established and his retirement from the active field of politics was universally deplored. As Lord Strathclyde remarked at the time to the present writer: it should not be allowed.

But Mr Adam felt his work as an active supporter of the land value policy was accomplished, and that he could stand aside with the assurance of an early instalment of the reform. It is in the history how this expectation, shared by some tens and hundreds of thousands, came to naught. But the work still tells. The idea underlying the principle of equal rights to land and a common interest in its unimproved value still persists and will continue to persist so long as social problems are stumbling-blocks to social progress. Edwin Adam is with us still and can be relied upon for counsel and advice as and when it is required.

Following on his retirement from his post at Edinburgh came the announcement of his marriage to Miss Jessie Alice Neilson, on 2nd November. In the name of a wide circle of friends with Edwin Adam in the fight 20 years ago for economic freedom we cordially wish him and Mrs Adam long life and happiness. J. P.

Local authorities should be given power to impose rates on Land Values.—*London News* (December), organ of the London Labour Party.