MUNICIPALIZATION BY PROVINCES.

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Municipalization by Provinces.

The first Report of the Committee of the Society appointed to consider the Reform of Local Government, presented to the Society on 26th May, 1905, by W.M. Sanders, L.C.C., the Chairman of the Committee, and subsequently adopted.

Industries and Local Government Areas.

With the growth of municipal enterprise it has become obvious that the development of the collective control of the economic life of society is largely dependent upon the capacity of the community to adapt its local government machinery to changing social and economic conditions. Much of the existing machinery in England was created for the purpose of dealing with conditions widely different from those of to-day, and for exercising powers far narrower in scope than those which are now imposed upon it by legislation, or which the community demands that it should acquire. Local authorities are given duties to perform, or are allowed to assume duties, without due consideration of their fitness for the responsibility. Thus experiments in municipal activities are entered upon under unfavorable circumstances which preclude the possibility of complete success, whereby opportunities are given to the anti-Collectivist to vaunt the superior advantages of private enterprise.

One of the first points, if not the first point, to be considered in connection with any further extension of the powers of municipalities, or of the collective organization of industry in any form, is that of the area over which a municipal or other local governing authority should govern. Under the old conception, or want of conception, of the duties of local government authorities this appeared to be a matter of small importance, although in connection with main roads and sewers it was sometimes borne in mind by the legislators. When a local authority was appointed to deal solely with paving, it was a matter of minor importance whether it should have authority to pave fifty yards of the Strand only, or the whole of the streets and roads of London. But when the community proceeds to provide through its own administrative machinery water, gas, electric light and power, means of communication, educational facilities, and many other services, and, moreover, must compete with private undertakings, the promoters of which are anxious and willing for a consideration to relieve the community of the burden, the question of area becomes of paramount importance.
Tramways and Light Railways.

This can be seen at once in the case of tramways and light railways. There is no existing government area which is generally suitable for the effective and profitable management of a publicly owned tramway system. Unless a town council can persuade the neighboring local authorities to agree to some arrangement under which joint action can be taken for ownership and control, a dwarfed and crippled public service is created, comparing unfavorably in reality, as well as in the public mind, with a privately owned system which, by Act of Parliament, can, within wide boundaries, run where it listeth. The town council unit as a tramway area is obviously inadequate in the crowded centres of the North; the county council area, although less open to objection, would not be wholly satisfactory. For instance, an efficient tramway service for London and the surrounding district ought to extend over country governed by the five county councils of London, Middlesex, Surrey, Essex and Kent, and many county boroughs within their boundaries. This area is served at present by disconnected, incomplete systems, partly under public and partly under private ownership. In the existing dismembered condition of the metropolitan and extrametropolitan tramway service, it is impossible for the community to secure the full advantages of this form of transit in either convenience or economy. The big centres of population in the Midlands and the North suffer in the same way, and provide equally convincing evidence of the imperative need for the establishment for transit purposes of new authorities having control over areas, the boundaries of which might in no case be coterminous with those of existing local government areas.

Municipal Electricity and Industrial Progress.

Another service which, in order to be economically administered under public ownership, requires new authorities and areas is the provision of electric light and power. The municipal electric light and power works now in being were, in many cases, prematurely born, and, unless they can be given room to expand beyond the limits which now confine them, they are likely to become, not only horrible examples of the failure of public enterprise, but also serious obstacles to industrial advance. The metropolis offers a striking example of the failure to appreciate the importance of area in relation to the generation and supply of electricity. The metropolitan borough councils were made the authorities for this purpose, and several of them have erected generating stations and laid down their own self-contained systems. The limitations of the usefulness of their parochial installations are now obvious. For instance, the Battersea Borough Council approaches a railway company with an offer to light a huge goods station with municipal electricity. The goods station lies on the confines of the Battersea Borough Council's area, and unfortunately a small part of the station to be lighted is within the borders of a neighboring borough council which has sold to a private company its powers to supply electricity. This company
refuses to come to terms with its Battersea rival, and the railway company naturally declines to have two installations on its premises, with the result that the Battersea Borough Council loses an excellent customer and the railway company has to set up its own more expensive installation. Many other instances of this kind could be given, showing the administrative difficulties which arise through the piecemeal system of managing municipal electric light and power in the metropolis.

Area and Cost of Production.

But administrative difficulties are small matters compared with unnecessary costliness of production arising from the adoption of the view that the ancient boundaries of the authority of an ecclesiastical institution enclose an area which is convenient as a unit for the production and distribution of electric energy. A Committee of the House of Lords has now (1905) discovered the foolishness of Parliament in not recognizing that London should have had one authority for this purpose. The private syndicates that are asking power to supply the whole of the metropolis, or large portions thereof, can bring overwhelming proof from the North of England, where such syndicates produce electricity in bulk, that they could bring about a considerable saving in the cost. The London County Council ought to have been the authority for electric light and power purposes. Not only would the administrative difficulties have been far less, and the economy secured which the companies promise, but London could have been lighted in a far more efficient manner. The poorer districts, which are now often neglected in this respect, could have been better served, without extra local expense, by means of an equalized lighting rate over the whole of the metropolis, and by the equalized distribution of the surpluses accruing from the districts with a large number of private profit-giving consumers. Moreover, with the London County Council as the authority, further economy would arise from use of the generating stations to make electricity both for tramway and other purposes and for supplying light.

But even the London County Council area does not offer the most advantageous sphere. The movements and aggregations of population pay no heed to municipal landmarks, not even to those fixed for the L.C.C. London, as a unit for a well-organized, publicly owned transit service, already stretches from Uxbridge on the west to Upminster on the east, and from Potter's Bar on the north to Purley on the south; and the area of the public authority dealing with electricity should, in the main, coincide with that dealing with transit facilities. An authority controlling a province of this magnitude would have been able not only to supply the power for tramways, lighting, factories and workshops, but should have had the monopoly right to supply the tubes and the railways that are now electrifying their local lines. It is hardly necessary to point out the important step that this would have been in further co-ordinating the control of transit services.
The great centres of population throughout England present the same problems in respect of area as London. The case of the Birmingham tramway fight, in which the city was hampered and to some extent crippled as an efficient provider of means of transit by the action of surrounding minor local authorities, shows the need that the problem of local government area be dealt with on other than parochial or narrow municipal lines. The great towns of Liverpool, Manchester, Birmingham, Newcastle, Nottingham, Leeds, etc., must be considered as centres, and not as self-contained units for all local government purposes.

With regard to the supply of water new areas and authorities are urgently needed. The large towns through their greater wealth are able to annex the best water-bearing districts to the potential if not to the yet actual detriment of the smaller towns and villages.

**Direct Employment and Wider Areas.**

Then there is the complex question of the direct employment of labor by the local authorities in those forms of industry in which under private enterprise steady, continuous demand, with corresponding regular employment is seldom found. Here again population and area play a considerable part in determining whether municipal undertakings of this nature can be carried on so as to ensure greater permanence of employment, together with efficient and economical working. It is of course easy for a local authority, with a small population and area, to estimate with comparative certainty the number of men it will permanently require to make up its roads and keep them clean; to clear away dust and house refuse and the like; and therefore to employ the men and carry out the work more efficiently than a contractor, with the added advantages of affording continuous employment with a fair wage to the men engaged. But in connection with the more intricate and fluctuating work of building, which requires a well-organized works department with expensive plant and an experienced staff, a large and well-populated area is indispensable for lasting success. The metropolitan borough council area is too small for a works department which would be really effective in adding to the number of men engaged continuously in profitable employment. Nor, under present conditions, could sufficient work be found to keep the plant in use long enough to repay its first cost. A borough council may build a bath and wash-house, a library, a coroner’s court, lavatories, electric power station, stables for its horses, a town hall, houses and shops for the working classes, and a disinfecting station; but when these have been erected it has no more building to be done. It cannot do work for another public body nor for private customers. When it approached the end of its career as a useful institution there might arise a tendency to make work for the works department because it was there and because men were unemployed, regardless of consideration whether the proposed buildings were really required. The most satisfactory way of collectivizing the building trade, as far as London is concerned, would be to give the London County Council
power to undertake contracts, through its works department, for any local authority in the metropolis at cost price. This would tend to enlarge the number of workmen continuously employed in building, because arrangements could be made between the local authorities and the L.C.C. to postpone work not of an urgent nature, if the works department and the building trade generally were busy, until a slack period arrived. Conversely, in slack times work might be pushed forward by a similar arrangement. Owing to the never-ceasing demand for schools, fire stations, asylums, and working class houses, the L.C.C. is never likely to find that its works department has become superfluous. The London County Council might, under the plan suggested, agree to take over and run as local depots and workshops any premises with plant for building already established by a borough council. For the provinces the same principle could be applied by giving a large municipality the power to carry out building work for neighboring authorities.

Housing and Existing Municipal Boundaries.

In the administration of the Housing Acts it is often found that the existing municipal areas are far from satisfactory. Even London, in spite of the considerable amount of land still unbuilt upon in its southern portion, is now compelled to go over the border in order to find space at a reasonable price for its working class estates. Now, it is obvious that the creation of purely working class communities is an altogether unsatisfactory way of dealing with the problem of housing. The policy of the London County Council has, however, been adopted mainly through the pressure of circumstances over which it had no control. It has had no voice in determining the development of the city itself, nor of the outer ring which is as much London for administrative purposes as is the precinct of the Savoy. If the Council had possessed the power wielded by some German municipalities, it might not only have directed the growth of London as we know it, but have automatically extended the metropolis, as the suburbs, such as Tottenham, Croydon, and East Ham, came into existence; and at the same time have modified the intensity of the concentration of the poor into districts such as South West Ham, by decreeing what use should be made of the land when it became ripe for building purposes. As things are, when the London County Council goes outside its boundary to provide accommodation for the working classes, it is met by the active and passive resistance of the local authority. The Croydon Town Council naturally objects to the erection of a working class estate at Norbury, and its objection takes the form of declining to pass the plans for the houses unless the said plans conform to building regulations which, although no doubt eminently reasonable, are quite at variance with those approved by the L.C.C. Building Act Committee. The dispute which then takes place between London and Croydon causes delay, expenses of modifying plans, and a considerable amount of wasteful friction and irritation. The capital charges of the housing scheme accumulate without any return in revenue, and a promising experiment in
municipal brick-making on the sites of the scheme is almost ruined. Again, an outside suburban authority may adopt a standard of assessment or rating on a housing scheme which completely upsets the calculations as to rent made by the authority providing the houses, in order to discourage the building of working class houses by another local body. The L.C.C. has also had experience of this form of difficulty. The Council has projected a large housing estate in the area of the Tottenham Urban District Council. At first blush it would be thought that this scheme would be welcomed by Tottenham because it would lead to an increase of the rateable value of the district. But Tottenham has good reason for not rejoicing at this growth of bricks and mortar promoted from outside. The houses are to be small, and will be occupied by the working classes. Now, the working classes have large families, as a rule, and the children require education. Tottenham Urban District Council is the local education authority, levying a rate for educational purposes nearly as high as that of East Ham, and the Council is under the impression, and the impression is probably a correct one, that the addition to the ordinary rateable value, which the London County Council housing scheme would bring, would be more than counterbalanced by the charge upon the rates for educational and other purposes. The Tottenham District Council, evidently to get even, declined to allow the London County Council to compound the rates, which is the usual custom in connection with small houses, and also assessed the houses already built at a higher figure than was warranted by the rent fixed by the L.C.C. The L.C.C. was compelled to fix a rent less rates, the latter being paid by the tenant direct to the Tottenham authority, a system which, it is hardly necessary to state, does not add to the popularity among the working classes of municipally owned houses—especially when the assessment is higher than the rent justifies—no matter how comfortable or otherwise satisfactory the dwellings may be. The L.C.C. is still* at loggerheads with Tottenham District Council on this matter, and the development of the estate is delayed and becoming more expensive through this inter-local, unfriendly act on the part of the latter. These instances in connection with municipal housing have been given at length, because it had been thought that if a housing authority were given power to go outside its borders to erect dwellings for its working class citizens, a great step would be gained in the solution of the housing problem. It is, however, evident that if a municipality is given the power to create its suburbs, it should receive the local control of them; and, moreover, the control should be given before the suburb has reached an advanced stage of self-consciousness. The extension of local government areas for housing purposes does not, however, entail the creation of new authorities. This form of extension differs from the kind which is necessary for the administration of such public services as transit, electricity and water.

* October, 1905.
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Taking these three services—or rather two, reckoning transit and electricity as one—it will be necessary, in endeavoring to devise new authorities and new areas for their administration, to drop the idea that they should remain municipal services in the narrowest sense of the term municipal. They should not become even county, but provincial services. It may be that in connection with the water supply, or with the supply of electricity, it will be found that the best administrative areas will be created by following the Hegelian historical spiral until we arrive at a stage with regard to the division of the country vertically above the period of the Saxon Heptarchy, and make a halt there. But whether seven or more provincial water boards, and seven or more transit and electricity boards are formed is immaterial, provided the provincial principle is applied to those areas where narrow municipal boundaries are cramping the growth of the collective control of industry.

Voluntary Federation of Local Authorities.

It has been suggested that the new areas and authorities could be called into existence by a system of municipal federation without compulsory legislation. For instance, a large city, say Birmingham, might arrange with neighboring authorities to form a joint committee to run a transit and electricity scheme, or a water supply. This has already been done in one or two cases in connection with the latter service. This method, it is urged, would safeguard local autonomy and disarm the antagonism of municipalities to all proposals which aim at relieving them of any of their duties. These, however, are the strongest arguments that can be brought in favor of leaving local authorities to decide whether or not for certain purposes they should or should not be linked up. The chief defect of such a system is that it is only likely to be adopted in very few cases. A joint committee of the voluntary kind would be formed only in those instances where all the districts represented on the committee would be equally benefited by co-operation. Where a thickly populated city stood to lose for a time by combining with its thinly populated suburbs in a transit and electricity scheme, or a water supply, the city council would naturally decline to federate with the suburban local authorities. Again, local jealousy would come into play, especially in relation to profits, and this would be a barrier to joint action. It is hopeless to expect an effective linking up of areas except by legislation, which will not make allowance for purely parochial considerations.

A National Survey.

(a) To Define Boundaries of Enlarged Municipalities.

In order to bring the New Heptarchy into existence it will be necessary to create by legislation the preliminary power of creation. Even the business of widening the boundaries of a municipality can only be done at present by an Act of Parliament for each case. A
bill for this purpose may be thrown out for some petty local reason, over-riding for the moment the real interests of a divided community, which for municipal purposes ought to be a unit. Liverpool and Bootle, Manchester and Salford, Birmingham and the surrounding borough and urban district councils—not to speak of London, with its belt of corporations and district councils, which ought never to have been called into being as entirely separate and independent bodies—all bear witness to the want of guiding principles in English local government, especially in relation to area.

To bring about speedily a reform in this connection on national instead of on piecemeal lines, a commission should be appointed by Parliament to make a survey of, and an inquiry into, the working of the whole of England's municipal and local government institutions and machinery. A precedent for the establishment of such a body will be found in the Royal Commission which was appointed in 1833 to inquire into municipal institutions, and on whose report the Municipal Corporations Act of 1835 was based. The proposed commission would have to keep two main objects in view. First, to ascertain what municipal areas required enlarging in the interests of good government. We can imagine this commission, supposing it to be not composed of men imbued with a craven fear of great municipalities, reporting in favor of the inclusion within the county boundary of London of the municipal boroughs of Hornsey, West Ham, East Ham, Bromley, Croydon and Wimbledon; the urban districts of Chiswick, Acton, Willesden, Hendon, Finchley, Tottenham, Walthamstow, Leyton, Barking, Erith, Bexley, Foots Cray, Chislehurst, Beckenham, Penge, The Maldens and Coombe, Ham and Barnes; and the rural districts of Croydon and Bromley. These local government areas touch the boundary of the existing County of London, but they do not exhaust the list of districts which could with advantage be included in a new County of London. It would also advise the extension of the powers of the municipalities of Manchester and other great cities over much larger areas than they now govern. Even cities like Norwich, and small towns of the type of Guildford, which do not at this moment display any startling signs of expansion, should be given room to stretch, for it is impossible to forecast the future of any aggregation of population. The rise of a new industry, or an improvement in the means of communication, may bring about an increase of population with surprising swiftness, which would cause the town to flow over its original confines, and lead to the springing up of independent suburbs that later might be come obstacles to the welfare of the town, and ultimately, as in the case of East Ham, find the financial burdens of municipal independence more than they could, or ought to, bear.

In fusing areas there would be a large amount of work in the adjustment of rates, of the payment of interest on capital or debt borrowed for local purposes, and in settling other financial questions; but as this adjustment has been carried out with comparative ease in the complicated situation which arose from the merging of
several vestries into one metropolitan borough under the London Government Act of 1899, as well as in numerous instances of municipal extensions, this work would not prove a serious difficulty. With regard to the areas absorbed, where they were of considerable extent, as, for instance, the extra-metropolitan districts already referred to, they would retain a part of their identity and separate powers. West Ham, East Ham, and the rest would become metropolitan borough councils, and their electors would send representatives to the London County Council. In the cases of Manchester, Liverpool, and other provincial cities, the areas taken in by them could be dealt with in one of two ways. If they were small additions to the city, their separate powers would be abolished and they would become wards of the city. But if it were found necessary to bring in a number of fairly large areas, it might be advisable to adopt the system now peculiar to London, that is, to create a Manchester County Council, and a number of borough councils subordinate to it with powers over narrowly local matters, such as libraries, street sweeping, local drains, etc. This scheme would naturally involve the application of the principle of equalization of rates to the whole of the new county council area. It may be mentioned that the Prussian Government is considering the adoption of the London County Council and borough council system in the creation of a larger capital out of Berlin and the surrounding townships.

(b) TO CREATE AND DEFINE AREAS OF NEW PROVINCIAL BOARDS.

The other and more important object of the survey and enquiry would be to map out England into suitable areas for the administration of what we have entitled provincial services. Obviously this would be a task of great magnitude, and would require the assistance of a corps of experts. In deciding upon the areas for the provincial transit and electricity boards the commission would have to take into consideration the existing tramway and light railway systems and supplies of electrical energy, and the opportunities for future development; likewise the possibilities of the inauguration of motor car services both for passenger and goods traffic; for the transit and electricity boards would have to be given power to institute other means of transit besides those associated with flanged wheels and rails. The centre of each area should be a great city such as London, Birmingham, Manchester, Liverpool or Newcastle. In the case of the water boards consideration would have to be given to the sources of supply, the natural catchment areas, watersheds, the distribution of population and the estimated rate of its increase. It is probable that the area under the control of a water board would have to be made extremely large. Assuming that the commission held that the water board having London for its centre should be restricted in its right to take water from the Thames, and be compelled finally to go to Wales for its supply, it might be found necessary to make a province for water purposes extending from the hills of South Wales to the eastern limit of London all placed under the control of one
board. One strong reason for this would be to ensure that the satisfaction of the existing and probable water needs of the towns and villages between the metropolis and the source of supply were provided for; another reason would be the securing to the towns, and especially the villages, along the lines of the aqueduct or water mains, of service on the same terms as London, so that they would not be compelled to pay a profit as a customer to an outside authority.

The commission would not be required to bring every part of England under the control of either of the two kinds of boards. At the same time the areas mapped out would not be final, but it would be understood that they could be extended or contracted according to the necessity for rearrangement arising from the drifting of population, or from the amalgamation of existing water, transit or electricity services. The aim should be to make the areas as elastic and the administrative machinery as flexible as possible.

**Constitution of the Provincial Boards.**

In forming the new boards it would not be necessary to disturb existing local governing bodies in any way. The members of the boards must be elected by the various local authorities within the area under its control. This process of formation would be a linking-up of areas and not the creation of new ones. It would be simplicity itself. For instance, assuming that the commission took the common-sense view already expressed that the transit and electricity board area for London and district should embrace not only the county of London but the greater portion of Essex, Middlesex, Surrey and Kent. In that case the transit and electricity board would be elected by the county councils of the five counties, with the addition perhaps of representatives from urban sanitary authorities within the area. This system of linking up would enable part of one county to be within the area of one board and part within another, as would most likely be necessary in the North, especially in the case of Yorkshire and Lancashire. The proportion of representatives allotted to each county council and urban sanitary authority would be based either upon population or rateable value. It might be found desirable for the boards to co-opt a certain number of experts, and power to do this should be given them.

To the transit and electricity board thus elected would be transferred all the property in transit facilities owned publicly within its area, together with all liabilities attached thereto. It would also be given the powers, possessed by its constituent bodies, of laying down new tramway and light railway systems, and of acquiring those under private control, together with fresh powers of the kind already mentioned for running motor services and the like. Financial adjustments would have to be made, as in the case of the extension of municipal boundaries. These would chiefly relate to the allocation of profits, a matter which will be touched upon presently. The constitution of the water boards would be similar to that of the transit boards.
New Powers for the Local Government Board.

The report of the commission framed on these lines should form the basis of a bill giving power to the Local Government Board to carry into effect the recommendations set forth. A bill of this kind would naturally arouse great opposition on the grounds that it conferred too much power upon a State department, and that it violated the independent rights of the municipalities. But it is obvious that no House of Commons could give sufficient time to deal with the whole of the enormous mass of detail involved in the proposals we are discussing; nor would it be a proper tribunal even if the necessary time were available. The feelings of the great municipalities might be appeased if they could be brought to appreciate the fact that the bill, in the clause dealing with the extension of municipal boundaries, would most likely give them compensation in the shape of larger territory for the loss of complete autonomy over their transit, water and electricity enterprises. Be that as it may, no method of creating the new areas and authorities in a satisfactory manner on national lines appears to be possible, except that of asking Parliament to settle principles and leaving to the Local Government Board the details of this revolutionary reconstruction of our local government.

Assuming the bill embodying our suggestions to have become law, the Local Government Board would have to create a special department for the purpose of putting the Act into operation and of supervising its working. Whenever it appeared to the Local Government Board that an extension of the area under the control of one of the new boards required modification, it should have power to issue an Order equivalent to the Act of Parliament now necessary to secure the enlargement of a municipality. Such an order would be issued when it was found desirable to extend the area of a transit and electricity or other board, or to transfer a portion of the area of one board to another. The Local Government Board should not be expected to wait until it was approached by a locality before it took action, but should be constantly endeavoring to make municipal boundaries and the areas of the boards correspond to the maximum of efficiency in administration. It is interesting at this point to note that the Unemployed Workmen Act, 1905, gives power to the Local Government Board “for facilitating the co-operation of any body or committee having powers under this Act for any area with any other body or committee, or with any local authority, and the provision of assistance by one such body or committee to another.” (Sec. 4, 1, i.) This is a faint foreshadowing of the idea of the power the Local Government Board ought to possess in relation with the whole of local government.

Financial Arrangements.

As the two new boards which have been dealt with will be engaged in forms of public business which are likely to yield a surplus of revenue over expenditure, the question of the disposal of
the profits will have to be considered. One of the chief difficulties in the way of the transference of the tramway system from the control of the existing tramway authority, such as the London County Council or the Manchester City Council, to that of a provincial Transit and Electricity Board will be a financial one. Most of the large tramway authorities are able to relieve the rates to some extent from the surplus accruing from their lines. It may be necessary to guarantee for a period at least that this subsidy to the ratepayer shall not be lost through the merging of a municipal trading concern into a provincial undertaking. The ultimate aim, however, of the administrators of the new boards should be to make little or no profit. It is, of course, impossible to run a large business so that the revenue shall just square with the proper expenditure. In order to insure against loss it is necessary to make a surplus. This should be used whenever possible to improve and extend the undertaking which has earned it rather than to relieve the ordinary rates. The adoption of the principle of subsidising the rates out of overcharges on public services leads to a false standard of judgment as to the success or failure of those services. Should a Transit and Electricity Board fail at any time to keep its expenditure within its income, and be compelled to come upon the rates to make up the deficiency, the rate to meet it should be levied equally over the whole of the area under the control of the board. Water Boards, however, need never fall back on such assistance, as their charges can always be regulated to cover their outgoings.

From Province to Nation.

The establishment of a system of provincial boards as here indicated does not exhaust the possibilities of co-ordination of area in connection with local government and the collective control of industry. In course of time it will be found possible to carry the development a stage further, and from the Provincial Boards to elect National Boards, which would stand in the same relation to the Provinces as the Co-operative Wholesale Society does to the various societies which are its component parts. For instance, a National Board elected from the provincial Transit and Electricity Boards might be empowered to carry on the work of building rolling stock by direct employment in its own workshops for the whole of the publicly owned transit services of the country. It might also start factories for the manufacture of tramway rails and motor cars. It could undertake the work of constructing plant of all kinds for publicly owned electric light and power installations. Various local authorities build their own vans, carts, and waggons, and there is no reason why trams could not be built in a public workshop with equal ease. A similar National Board composed of representatives from the Water Boards might manage the manufacture of water pipes and pumping machinery, and run an engineering department for the construction of reservoirs, pumping stations, filtering beds, and so forth. Given space and elasticity, the Provincial Boards might evolve numerous activities, just as the railway companies
have grown from being simply the providers of an iron road into engine and other rolling stock builders and owners, hotel keepers, bakers and confectioners, printers, electric apparatus makers, and the direct employers in many trades which would seem at first to have no relation whatever with carrying persons and goods from one place to another. Every development of this kind on the part of a private undertaking means the strengthening of its hold upon industry. On the other hand, similar developments on the part of public authority lead to the extension of the power of society over its own economic life.

Method of Election.

The increased responsibility and work which will be thrown upon local government by the creation of the new boards bring up the question of the type of representative and official required for successful administration, and how they are to be harnessed to the public service. The discussion of this highly important matter does not fall within the scope of this pamphlet, but it will be dealt with in another upon the whole question of the reform of the local government official service.* Suffice it to say that the idea of direct election to ad hoc authorities (which the new boards would be) as the best way to secure the best representatives for that authority, is no longer held by those who appreciate the complexities of modern local government. Direct election for the new boards would mean the multiplication of electoral contests in which the public already display too little interest. Provided that the citizens of the enlarged municipalities and of the county councils and other authorities responsible for the selection and election of the members of the boards took sufficient interest in municipal affairs to elect efficient persons in the first instance, indirect election would not fail to give satisfactory results.

Flexibility and Expansiveness in Administration.

The reforms and changes here sketched out, revolutionary though they may appear, will probably receive attention sooner than may be expected. The unjust incidence of some forms of local taxation—arising from the segregation of the community into cities of the well-to-do and warrens of the poor—is sure to bring the subject of the extension of municipal boundaries to the front. The discussion of this question is bound to lead to the consideration of other aspects of the working of local government machinery. If the community is wise enough, when that time comes, to insist that its organized life should be made as flexible and expansive as that of private enterprise, then the rate of speed in the direction of collective control of industry will be increased. If it remains tied to rigid and cramping forms of social organization, experiments in collectivism are liable to be incomplete and the results unconvincing to the average citizen, who will always be prone to overlook the difficulties which

* No. 2 of the New Heptarchy Series.
hamper the work of local authorities and to magnify the small mistakes they may commit. The first necessity of a publicly controlled industry or service is that of every infant, namely room to grow. The needed space can be given by the adoption of the Heptarchic idea of local government in place of that which is associated with the parish pump.

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