

## CHAPTER III

## THE INEQUALITIES OF THE RATING SYSTEM

THE rating system so far as it applies to London and other large industrial centres has long since become antiquated. Raising funds for Poor Relief by means of local rates dates back in principle to 1601. At that time society was largely composed of small village communities each of which was an independent unit where the Lord of the Manor and the Squire shared the burdens of the poorer folk. The growth of industrialism caused the creation of huge city communities. With the increase of travelling facilities the workers tended to live away from the factory and the market where they earned their livelihood, and the rich and middle classes congregated in one part of the town, the poor in another. Hence the City, the commercial and financial centre not merely of London, but of the country, became largely non-residential. Westminster, Hampstead, and Kensington developed into areas occupied mainly by the wealthy, whilst Poplar, Bermondsey, and Bethnal Green became the homes of the under-employed and unemployed casual worker. Until the Local Authorities (Financial Provisions) Act, 1921, was passed the well-to-do escaped paying for the maintenance of the poor of their own city. Notwithstanding the fact that the economic life of the poor had been revolutionised by the coming of industrialism, the method of rating for Poor Law purposes had undergone very little change. The practical result of this was to be seen in the number of poor persons maintained on Out Relief by the adjacent rich Unions in the West of London, and the number maintained by the adjacent poor Unions in the East, at the time of the passing of the Act.

WEST LONDON.		EAST LONDON.	
St. Marylebone ...	1,400 persons	Bethnal Green ...	5,500 persons
Hampstead ...	400 "	Bermondsey ...	15,000 "
Kensington ...	1,100 "	Limehouse ...	4,000 "
Westminster ...	1,100 "	Poplar ...	44,000 "
Chelsea ...	800 "	Greenwich ...	18,000 "
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	4,800 persons		86,500 persons
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The wealthy area had an aggregate Rateable Value of nearly £15,000,000 and maintained on Out Relief 5,000 persons, whereas the poorer Unions, with 86,000 to maintain, had an aggregate Rateable Value of only just over £4,000,000. East London, with only a quarter of the paying capacity of the West, had 17 times the burden to bear, for it has to be remembered that before 1921 every farthing spent in Out Relief had to be raised in rates in the locality in which it was spent, a strange com-