MOTOR NOTES FOR MEDICAL MEN.

By H. MASSAC BUIST.

CURRENT PROBLEMS.

FIVE motoring matters of importance to medical men are to the forefront at the moment. On April 19th the Chancellor of the Exchequer has to introduce a budget, one feature of which we foreknow will be the entire recasting of the scheme of the taxation of motor vehicles to pay for the roads on a basis which, according to rumour, is estimated at an initial levy of no less than £7,000,000 a year; a sum vastly more than was raised from motoring before the war. Secondly, the new income tax allowances concern doctors and their cars. Thirdly, the fuel situation is such that it is impossible, for practical reasons, to raise the money by a tax on motor fuel; yet we are to have no relief in the price of fuel. On the contrary, it is likely to rise. There is even a prospect that we may have to be rationed for fuel this year. Fourthly, cars are coming through in quantity; yet this week Mr. Frank Lancaster, President of the Society of Motor Manufacturers and Traders, at a meeting of that body, had to explain to the public the reasons for the rises in the cost of cars to the public now, three months after the resumption of work by the moulders; production is taking place and deliveries are commencing in quantity from the various factories, while imports of cars are, of course, on a quite unprecedented scale from America. Briefly, as was forecasted in these notes more than three months ago, the cause is that the Government has invited a periodical increase of prices because there are quarterly meetings with labour at which, of course, it would be strange did the labour representatives not stipulate for an increase of price. Consequently, as long as this arrangement exists, it is impossible to prevent a continual putting up of the price until such time as the public refuses to buy cars and the workers find themselves shut out of the gates of the factories because there is no market for their products. Fifthly, in connexion with the remodelling of the road laws and so forth, the Government has entirely to reconsider the problem of headlights for road vehicles.

A LOST OPPORTUNITY.

The ideal basis of motor taxes would be fuel. But it is impossible to define motor fuel for the purposes of taxation. There is also the problem of world shortage of motor fuel, and consequently urgent need to get as much of it as possible under the British flag. We foreknow that there will be at least three years' spade work before we can get anywhere near to a normal situation in regard to supplies, far less tackle successfully the task of differentiating between home and imported fuels and, possibly, even between British raised overseas motor fuels and those obtained from foreign countries.

For these reasons the Government is resolved that the tax shall not, as motor car users wish, be transferred from the car entirely to the fuel, as the only possible basis for arriving at true taxation according to road use enjoyed. Even so there would be the alternative tax on tyres. This, however, we know to be also impracticable, because tyre manufacturing is not to be absolutely guaranteed. The man who has had luck in buying a bad tyre would be doubly penalized if he had besides to pay a second tax to get a tyre that would stand up. Nevertheless, there are alternative schemes, either for doing something in the matter of engine rating or for treating passenger like utility vehicles under the proposed scheme by taxing them according to weight. The engine scheme is wrong, but, alas! the Government is bent on carrying it through. Nevertheless, in this connexion the Treasury rating will be somewhat altered. Even so, it is impossible to alter the basis of rating without putting a premium on construction according to this plan or that, and therefore preventing the freest possible development of the motor vehicle and, above all, handicapping the industry for supply to the overseas market, because cars here must be primarily designed to meet our taxation conditions.

All this is exceedingly regrettable. Nor can it be pretended that it bears any direct relation to the amount of

road use enjoyed by the individual taxpayer. Under this head, however, certainly doctors will come off better than many classes of private vehicle users in that presumably they will at least have a certain minimum mileage a year from their motor vehicles in exchange for their tax. Nevertheless, £1 per horse-power practically predetermines the classes of cars in which they can invest their money hereafter.

Of course, the ideal method would be a tax on weight, because then the Government would not interfere with free development of design; and it would in a sense be a tax at least in some fashion related to the amount of road wear and tear which the given class of vehicle was calculated to occasion. Of course, such a tax would be at a higher rate than for the utility motor vehicle which has to compete with railways and other forms of transport; but its scale need not be any more severe than any scheme of engine tax. All that the Government has to do is to fix the amount of revenue to be raised and divide it among the various classes. Moreover, it is a democratic form of tax in that it would be possible to charge the first ten hundredweight at a lower rate than the second ten; the second ten at a lower rate than the third; and the third at a lower rate than the fourth. However, it is not to be; so, regretfully, we must leave this matter and pass on.

INCOME TAX AND CAR DEPRECIATION.

Another point which interests medical men arises in connexion with the report of the Royal Commission on the Income Tax. Paragraphs 213-216 deal with depreciation of plant and machinery. Some witnesses examined by the Commission were of the opinion that the allowance should be calculated always by a regard to the original cost, on the ground that this is theoretically the correct method. While the Commission sees no reason why the taxpayers who desire it, and who choose to put themselves to the trouble of bookkeeping that this system entails, should be barred from an allowance based on the original cost, it is, nevertheless, convinced that as a general rule neither the taxpayer nor the revenue authorities should be saddled with the burden of keeping elaborate records that would be essential if depreciation allowances were normally to be calculated on the original cost of plant. To allow depreciation on the written-down value is perfectly fair to the taxpayer and to the revenue; and the Commission recommends that this method should be continued, the right being reserved to any taxpayer who has the necessary record to have his depreciation calculated by reference to the original cost of the asset. But paragraph 214 says that there is one defect in connexion with this allowance which calls for a remedy. At present depreciation allowances are confined to traders and manufacturers. This does not apply to professional men. A business man is allowed a deduction for the depreciation of the motor car employed in his business; whereas a doctor, whose practice may equally necessitate the use of a car, is not entitled *in law* to any such deduction, even if he has managed to secure it. Therefore, as has already been noted in the BRITISH MEDICAL JOURNAL, the Royal Commission on Income Tax recommends that the allowance should no longer be restricted to traders.

This seems to mean that doctors may be allowed depreciation on their motor vehicles this year. An allowance for obsolescence of traders' machinery was in practice given as far back as 1897, but it did not receive formal legislative authority until 1918. At present the obsolescence allowance can be granted when the obsolete plant or machinery is replaced. But the Royal Commission recommends that it should be given in the case of machinery or plant disused for any reason, whether replaced or not, except where the disuse is the result of the discontinuance of the business, when it cannot properly be distinguished from the general capital loss entailed by cessation. The ordinary allowance for depreciation is deducted from the average profits when ascertained. The obsolescence allowance, on the other hand, is allowed as a trade expense in the year in which the replacement takes place. Further, any unexhausted depreciation allowance is carried forward for an indefinite period as a deduction from the average profits assessable, but obsolescence allowance is not.

WHEN A CAR IS DISCARDED AND A NEW ONE BOUGHT.

The Royal Commission recommends that in future any ordinary depreciation allowance and obsolescence allowance shall be regarded as trade expenses of the year the profits of which are being calculated. If they are so treated the necessity for carrying forward unexhausted depreciation allowances will cease, since a trading loss caused by the allowance of depreciation will be treated for income tax purposes in the same way as any other trading loss. But the Commission points out that if a taxpayer, instead of claiming a depreciation allowance, prefers to deduct the cost of renewal as and when they occur, it is allowable for him to do so. In the opinion of the Commission this right should remain to the individual taxpayer.

There was some divergence in the evidence as to the correct method of calculating the allowance for such renewal, some witnesses stating that the allowance should have reference to the cost of the machinery replaced, while others held that it should be calculated on the cost of the new machinery. The Commission considers that the allowance for renewal should be calculated by reference to the cost price of the machinery replaced. This puts it in the same position as the allowance for depreciation—which is the alternative to the allowance of renewal—for depreciation is necessarily calculated on the cost of the existing machinery.

Inasmuch as the Chancellor of the Exchequer is understood to have promised that these recommendations are to be carried into law, the situation to be expected after the Budget can be calculated. In regard to motor cars, of course, many now owned are worth more than their original cost, whereas in the next two years they will have a scrap value only; yet they will have to be replaced at post-war costs. That means a very heavy expenditure for the individual medical man in the case of a car, because he can claim depreciation or replacement only on the original cost of the vehicle. On the other hand, should the price of cars fall any time five or ten years hence, when the average medical man will be wanting yet a third car and will be able to buy it cheaply, he will get some of his money back, because he will be allowed to claim the depreciation for the car he is going to buy, say in the next six or eighteen months, at fabulous post-war prices; and all those years hence he will be able to get what will then be a fabulous depreciation allowance for the given vehicle. So that it is really only a question of laying out money without interest; and the law would certainly be much more fair if amended as proposed.

England and Wales.

CONSULTING SURGEON AND HOUSE-SURGEON.

In the Honours List recently gazetted the name of Mr. Edward J. Domville, Consulting Surgeon to the Royal Devon and Exeter Hospital, appears among the O.B.E. The reason for conferring this honour appears to have been the rather unique position occupied by him during the last three and a half years of the war. Owing to the difficulty of filling the post of house-surgeon, the committee applied to Mr. Domville to help them by resuming a post in the hospital which he had filled some forty years before. Mr. Domville consented to do this, and as the honorary medical staff was temporarily diminished in number owing to the occupation of all its members in war work, the house-surgeon was often called upon to discharge very important duties, medical as well as surgical. When he retired, on the declaration of the armistice, his active colleagues united in giving him a handsome silver rose bowl inscribed with their names, and four silver candlesticks, while the Weekly Committee gave him an antique clock and an album containing a list of subscribers, and a warm expression of their gratitude for the unselfish devotion with which he had carried out the duties of his office.

KING EDWARD'S HOSPITAL FUND FOR LONDON.

A special committee, to be called the Statistical Report Committee, was recently appointed by the Prince of Wales as President of the Fund. It consists of the Hon. Sir Arthur Stanley (chairman), Sir Cooper Perry, and Mr.

Leonard L. Cohen. The Fund first issued a statistical report in 1904. Since then it has been enlarged and improved on several occasions, but changes and progress in hospital conditions now call for additions and modifications. The necessity for economy in staff and material during the war led to the omission of various tables, and it was thought inadvisable to make any alterations not absolutely necessary. A considerable number of suggestions have been received during recent years, and the new committee is to consider these and other suggestions and to advise as to the form in which the Fund's statistical report should in future be published.

QUEEN CHARLOTTE'S MATERNITY HOSPITAL, LONDON.

At the annual meeting of Queen Charlotte's Hospital and Maternity Training School, Marylebone Road, London, on March 30th, it was reported that during the past year nearly 2,000 patients had been treated in the wards and a similar number attended in their own homes. The increase in the number of applications for admission was largely attributed to the shortage of houses. The chairman emphasized the great importance of the work in the antenatal and child welfare departments, where over 5,000 patients had been treated. A large increase in the number of medical practitioners, students, midwives and nurses attending the hospital was noted, a considerable number of the medical practitioners and nurses being members of the Dominion and American medical and nursing services who had taken out courses before leaving this country. It is recognized that a new out-patient department and other improvements are urgently needed, but the expenditure would be £100,000, and there was a deficit on the year's working of over £2,000.

LONDON DISTRICT DISCHARGE CENTRE.

At a dinner held at the Mitre Hotel, Hampton Court, on March 25th, Dr. T. W. Morcom-Harneis was the recipient of a presentation silver tea service from the members of the Medical Boards of the London District Discharge Centre. In making the presentation Dr. Taylor, J.P., Coroner for the Richmond District, expressed the personal regard of the staff for Dr. Morcom-Harneis during his term of office as D.C.M.S., and said the efficiency and smooth working of the boards was largely due to his tact and consideration for all those who worked with him. Dr. Morcom-Harneis, in replying, expressed his regret that his association with them, which had been of the pleasantest character, had now come to an end owing to the closing down of the centre. Dr. Rees Davies also spoke.

PRESENTATION TO DR. P. V. FRY.

On March 28th Dr. P. V. Fry, Sowerby Bridge, was entertained by his medical friends in the Calder Valley, Hebden Bridge, Sowerby Bridge, and Elland areas, on the occasion of his departure from the district. He was at the same time the recipient of gifts of silver as a mark of appreciation of his services in organizing the local medical society and promoting good fellowship amongst its members. Dr. Fry has represented the Calder Valley area on the West Riding Panel Committee since its inception in 1912, and has for some years been a member of the Insurance Acts Committee of the British Medical Association and of the Ministry of Health Committee.

LEICESTER GRADUATE COURSE.

The Leicester Medical Society has arranged a short course of post-graduate lectures, to start on Tuesday, April 13th, and continuing every Tuesday until May 11th. The course will be given by Dr. W. Langdon Brown, of St. Bartholomew's Hospital, who has taken for his subjects: The sympathetic nervous system and the ductless glands, Glycosuria, and Disorders of the digestive system.

Scotland.

SCHOOL HEALTH ADMINISTRATION IN SCOTLAND.

In a Memorandum dated March, 1920, the Scottish Board of Health (to which have now been transferred the powers of the Scottish Education Department with regard to medical inspection and treatment of school children and