

# FOREIGN PRESS REVIEW

DAILY SURVEY OF WORLD COMMENT ON THE WAR

COMPILED FROM TELEGRAPHIC REPORTS RECEIVED BY THE MINISTRY OF INFORMATION

No. 39.

.....28th February....., 1940

## ROUMANIA: KING CAROL'S MESSAGE.

All Roumanian newspapers to-day devote their front pages to the second anniversary of the new Roumanian Constitution, and ROMANIA publishes a special issue which contains a signed article by King Carol.

The message reads: "~~The new Constitution~~ was born through the healthy need of the National ~~desire~~ and the steady ~~preoccupation~~ of My mind and that My advisors, who together with My father, have been the creators of ~~to-day's~~ Roumania. The country has accepted this Constitution with enthusiasm. This was a great joy for Me. I am the first one to be bound by it and I shall be its foremost guardian for the benefit of the Roumanian people. Carol."

TIMPUL, remembering the impressive results of the national plebiscite when 99.87 ~~percent~~ voted for the new Constitution, points out the foresight of King Carol "who has ~~understood~~ so well ~~the needs of the present~~".

LE MOMENT remarks: "The achievements of the last two years have convinced even the most sceptical that the Constitution Charter is ~~adequate~~ for the superior and permanent interests of the Nation. The Charter has three principles as its foundation: firstly, a powerful and active Sovereignty, which has ~~created~~ a new leading spirit; secondly, the rights of citizens who also have duties which have created a necessary spirit of equilibrium; and thirdly, the principle that only productive factors can become ~~conducting~~ factors - this has also created a spirit of equilibrium. Thanks to the Constitution, living achievements and not dead letters are celebrated to-day."

In a leading article ROMANIA deals with the lines on which Roumania is governed and points out its foreign policy, watched over by King Carol.

"Nothing escapes the wonderful sensibility of King Carol," it is added. "We have nothing to demand from anybody, but we have to defend our frontiers and never let our of sight our Nation's general interest. Roumania's political activity is exclusively devoted to the idea of peace, the localising of the conflict and the fulfilment of our obligations ~~as~~ neutrals with dignity, care and real feeling for the peoples struck by the war. We do not sleep, but we keep a steady watch and wait."

U.S.A:      QUESTIONS FOR MR. WELLES.

The importance for Mr. Roosevelt to know what the average German is thinking, as well as to gauge the views of the German leaders, is stressed in today's NEW YORK TIMES,

Referring to Mr. Sumner Welles' visit to Berlin, this paper writes: "It is at least as important for Roosevelt to know the state of mind of the German people as the opinion of their leaders."

The paper goes on to pose questions for Mr. Welles' benefit. "How much do the German people know of what is happening in the world outside?" it is asked. "Can the army be counted upon to do what it is told? What has been the effect on the German people of the sudden and immense volte-face of Hitler's policy to Russia, of the alliance with Stalin, of the aloofness of Italy and of the complete breakdown of the repeated promise that Germany would not become involved in war?"

In the NEW YORK HERALD TRIBUNE, Dorothy Thomson states: "The Governments of Britain and France know precisely what they are up against in facing the revolutionary regimes of Hitler and Stalin. They know what peace would mean. It would not resemble any peace in modern times.

"The peace contemplated by Hitler can be observed in Czechoslovakia and Poland. It means the setting up of revolutionary governments in the defeated countries. It means, under these Governments, the carrying out of the systematic extermination of the opposition. It means the systematic extermination and deportation of the populations themselves."

The BOSTON TRANSCRIPT declared: "The overwhelming majority of Americans will agree with Mr. Chamberlain's assertion that with the present German Government there can be no security for Europe." Hitler's broken promises, his violation of small nations, his atrocious persecutions of racial minorities and the brutalities of Nazi policy have come to bulk larger in the world's consciousness than have German claims to fair treatment."

This paper concluded with a criticism of Mr. Chamberlain.

"Mr. Chamberlain was utterly weak where he should have been strongest," it was stated. "If we were to select any one factor of post-war history that crippled German democracy, and paved the way for Hitler, it would be the economic strangulation imposed upon Germany by the Allies. Germany must have a really tangible economic appeasement that will guarantee her raw materials."

The Prime Minister's references to helping Germany to overcome her economic difficulties in the transition from war to peace, were described as "no assurance at all, especially when they are read beside the punitive speech of Mr. Stanley two weeks ago. They are vague to the point of being meaningless when placed beside the belligerent threats of the French Press. Certainly it is logical for the German people to want to test the Allies' good faith against concrete specific statements on colonies, tariffs, foreign exchanges and access to raw materials."

28.2.40.

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SWEDEN:      ALLIES SEEKING NEW BATTLEFIELDS?

Speculation regarding possible moves by the Allies in Northern Europe has been made in the Swedish Press.

Stating that Britain and France were seeking new battlefields, an article in last night's AFTONBLADET continued: "Mr. Hore Belisha is the principal agitator for action, which under the guise of helping Finland, will really be an attempt to strike Germany from the flank. The two possible routes will be over Sweden or over Petsamo and Murmansk. The first route will be rendered practically impossible by Scandinavian determination to remain out of a great war and if the Allies attack Sweden, they will be opposed by Swedish and German forces. The Germans will be in a very much better position as far as transporting help and material are concerned."

This paper declared that the Germans have a fleet of transport ships ready waiting in the Baltic and the Allies' chances of success would be extremely slender.

The AFTONBLADET added: "Over Murmansk and Petsamo, the same applies. for Germany could very rapidly bring up forces to combat the Allies. One must be thankful that a gentleman with such far reaching plans, which are so dangerous for his own country, has been removed from office. Sweden must remain neutral and feel thankful that the slender prospects of the success of an attack from the West, make such an attack unlikely. "

NYA DAGLIGT ALLEHANDA stated that the Russian insinuation that the bombing of Pajala was carried out by Finns was "quite absurd" and added: "Furthermore, it is known that Russian circles in Stockholm admitted Russian responsibility for the bombing the day after the event."

The SOCIAL DEMOKRATEN endorsed the Trade Union Associations' appeal to British workers to volunteer for civilian work in Finland, as well as the appreciation of the volunteers fighting for that country.

Reporting that the Swedish steamer Santos was probably torpedoed while leaving a British Control Port, the STOCKHOLMS TIDNINGEN said: "Many Swedish vessels trading between neutral ports have met their fate after obligatorily visiting an English Control Port."

The SVENSKA DAGBLADET deplored the fact that the Swedish Prime Minister could see no way of helping Finland except by the volunteer method and suggested that the obvious solution to the problem would be a form of voluntary military help. The same paper emphasised that every volunteer going to Finland was really fighting for Sweden.

28.2.40.

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SWITZERLAND: SCANDINAVIAN RESOLUTION CRITICISED.

The communique issued as a result of the Copenhagen Conference of neutral Foreign Ministers, has been sharply criticised by the Swiss Press.

The JOURNAL DE GENEVE, the Conservative organ, wrote yesterday: "To formulate wishes for a rapid, just and durable peace is to cling to unreal formulae. If peace is rapid it will be neither just nor durable because Finland will be compelled to bend before the Soviet demands. The Northern States remain faithful to absolute pacifism and the Copenhagen Conference sacrificed the future to the immediate present."

The Radical Democratic NATIONAL ZEITUNG declared: "The bitterness of the gallant Finnish people is ever rising though their anger is not so much against the enemy, who is less hated than despised, than against the world which leaves them to fight absolutely alone, hoping vainly for physical aid."

The NEUE ZUERCHER ZEITUNG stated: "The campaign conducted by certain German newspapers against the Swiss Press and other expressions of Swiss public opinion, has so increased that it is impossible to keep pace in recording the flood of accusations and menaces. Above the general background of the condemnation of the attitude of the neutrals, those papers specialising in Swiss conditions daily intone a chorus of hatred such as is not made against any other neighbouring country maintaining peaceful relations with Germany."

"These Press attacks reveal a degree of sensitiveness hardly harmonising with that sense of confidence usually associated with a powerful nation which habitually trumpets its own assurance of victory. Competition for the favour of the neutrals is a natural phenomenon of war but if Germany continues daily to employ the coarsest weapons and show her temper, she is unlikely to achieve even the smallest moral conquest in 'Neutralia' "

BELGIUM: PEACE IN RUSSO-FINNISH CONFLICT?

The possibility of peace being achieved in the Russo-Finnish conflict has been discussed in the Belgian Press.

The PAYS REEL declared yesterday: "We have never believed, contrary to appearance, that Stalin attacked his small neighbour to conquer him or to attack his territory. The Russian demand for the Karelian Isthmus is only to be realised if the Mannerheim Line is not endangered by the cession of territory. Immediate cession is impossible but if time is given to the Finns to erect defences behind the 15 kilometre zone perhaps the Helsinki Government will not be refractory to the Russian demands."

"If the Northern States could find an accommodating solution between antagonistic viewpoints, they will render a proud service to the cause of peace."

Strong language was used by the GAZETTE DE CHARLEROI, the Liberal organ, which stated: "The Northern States demand that Finland should commit hara-kiri for the Scandinavian family's sake".

The XXme SIECLE, the Catholic organ declared: "It is true everybody would rejoice if the Reich succeeded in imposing peace on her Soviet ally but nothing would justify a shameful peace for one cannot justify any Russian complaint against Finland."

NORWAY:      M.KOHT'S STATEMENT

The entire Norwegian Press has given space to the British Foreign Office statement referring to M.Koht.

In an interview with the NORSK TELEGRAMBYRA, M.Koht commented yesterday: "If there can be talk of misunderstanding it consists only in the fact that the 24 hour limit was not expressly named in the British Note to Norway last summer. But the actual circumstances are that Britain really wanted passage within the time limit."

Commenting on the speeches by Mr. Chamberlain and Herr Hitler, DAGBLADET stated: "Mr. Chamberlain's argument that the struggle is against a German attempt to dominate the world has had a strong effect not only on the Empire but also on Turkey and the Arab world. The Empire will regard Hitler's speech as a confirmation that this war is not in the main concerned with European problems but their own destiny."

Referring to the German Legation statement denying that vessels would be torpedoed without warning, it was stated in a leader in this paper: "While British statements openly admit a breach of international law in the Altmark affair, Germany officially denies her much greater violations at sea - sinking neutral vessels with neutral cargoes, the murder of seamen and the shooting at men in lifeboats. When Germany has boasted so much of international law in the Altmark incident and Norway has behaved to the limits of correctness towards Germany, it is like a biting mockery to have it thrown in our faces that the murder of Norwegian seamen and the sinking of Norwegian ships, in flat violation of international law, have simply not taken place."

The NORGES HANDELS OG SJOFARTSTIDENDE criticised the Norwegian Authorities' management of the Altmark affair and added: "The misunderstanding with regard to the entering of Bergen or another Norwegian harbour, is due to the fact that the Altmark had passed the sea district described as 'Bergen's military harbour'"

AFTENPOSTEN declared: "The impression must not be formed that it is only against sinkings without warning and shooting at crews, that Norway protests. We naturally protest against every unfair and illegal sinking of our ships, which are primarily vessels sailing between neutral harbours."

TIDENS TEGN wrote of the German conception of "Lebensraum" which it characterised as "the most dangerous imperialistic slogan which this epoch has invented," and continued: "It has been asked what Germany regards as her lebensraum, but the expressions' implication has never yet been defined. It could well fit the assertion that Germany conducts a 'dynamic' policy for the idea implies every possibility for elasticity and surprise. It has been publicly asserted, for instance, in German quarters that Finland and Northern Norway are Russian lebensraum. Extension of frontiers means further extension of lebensraum."

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ITALY: MR. SUMNER WELLES' MISSION.

The Italian Press has featured Signor Mussolini's reception of Mr. Sumner Welles, and comments from various European capitals have been printed reporting sympathy but scepticism regarding the mission.

In a London message the MESSAGGERO stated yesterday: "There is more inclination to believe in an extension of the conflict than in the success of any peace efforts."

The POPOLO DI ROMA and the MESSAGGERO contained articles on the importance of exports. In the MESSAGGERO Professor Luigi Fontana stated that Britain and France had established special bodies dealing with exports and he pointed out that Italian ports were free to all despite "malicious assertions that Italy is so autarchical as to be unwilling for reasonable negotiations with foreign countries."

SYRIA: SUPPORT FOR DEMOCRACIES.

The advisability for Moslems and Arabs to support the Democracies was stressed in AL MARAHIL in **statements** made by three Nationalist Syrian ex-Prime Ministers.

**Ata Bey Ayouhi** expressed full confidence in the final victory for right and justice and stated that the atrocities committed daily by the dictators were repugnant to Moslem psychology.

**Nasouhi Bey Boukhari** declared that the dictatorships would be defeated militarily and psychologically because the Allies' forces were far superior to Germany's and because the aggressive powers would not find sufficient support

The view of **Lutfi Bey Haffar** was that the Allies would ultimately win the war because they were much richer and stronger than their enemies and also because they enjoyed the whole-hearted support and sympathy of the entire civilised world.

ADEN: COLONIAL POLICY APPROVED.

Approving the new British Colonial development policy FATAT-UL-JAZIRAH stated: "At the outbreak of war the Colonies demonstrated **their** gratitude towards the British Government by co-operation and support. This new generous gift at such a critical moment will call forth fresh affection."

The Arab States were urged to follow the policy of the Balkan States, the Oslo Powers and the American Republics to form a common front. It was added that the interests of a great number of Arab States were interwoven with England and France by political, historical and geographical bonds.

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NORWAY: MR. CHAMBERLAIN'S SPEECH CRITICISED.

Commenting on Mr. Chamberlain's speech MORGENBLADET writes to-day: "It is an old gramophone record freshly played on these occasions. One cannot deny that it sometimes grates on the ears. England is fighting first and foremost for herself and corrects other people's errors only as long as it suits her own interests. Nevertheless it cannot be denied that small countries' circumstances and vital interests harmonise best with world order which they have hitherto been able to develop."

This paper referring to the British statement on M. Koht, remarks: "It was not of course a great mistake on M. Koht's part. Actually he was perfectly right in what he said. We previously stressed that M. Koht should have treated the Altmark affair more carefully and had recourse to professional aid before he made statements. Disagreements in themselves are difficult to overcome without mistakes being made."

"M. Koht's statement was given in an interview with the NORSK TELEGRAMBYRA so it was not a question of inaccuracy in a diplomatic note. We cannot understand that there really is any discrepancy. The Altmark passed Norwegian territorial waters exactly in accordance with rules which Great Britain demanded should be observed in the case of her own warships."

DENMARK: MR. CHURCHILL'S COMMONS SPEECH.

Mr. Churchill's speech is reported prominently in all the Danish papers to-day, and the BERLINGSKE TIDENDE splashes the expression "I am beginning to get tired of the neutrals' attitude."

SWITZERLAND: MR. WELLES' MISSION.

Mr. Sumner Welles' visit to Europe is commented upon at some length in to-day's Swiss Press.

DER BUND writes: "Mr. Welles' visit is certainly not connected with any peace intervention at present. This is clear from the attitude observed at the Vatican although the Pope heartily welcomed Mr. Roosevelt's initiative. The purpose of the visit is to organise the friends of peace and recruit them for observation and information so as to intervene with a peace action when the right moment arrives."

The NATIONAL ZEITUNG writes: "It is noteworthy that Mr. Chamberlain in his speech emphasised that the Franco-British bloc is not a mere temporary fusion of interests but rather that the Allies' intensive political and economic collaboration is intended to endure after the war, and become a foundation for the new Europe. This indicates a break with the principle of the balance of power and the rejection of the policy of isolation from the Continent."

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"It is an indication of the healthy realistic spirit of British policy that already at the beginning of the war the principle of federation is taking concrete shape. Mr. Chamberlain's recognition that France and Britain must establish a lasting union before a united Europe can emerge may prove of historic importance."

HOLLAND: MR. CHURCHILL CRITICISED.

Mr. Churchill's speech in the House of Commons is criticised by a Dutch newspaper to-day.

HET VADERLAND writes from London: "Mr. Churchill is a stubborn man who is not easily disconcerted. Instead of leaving the neutrals' duties alone he expresses annoyance at the attitude of the neutral press, and will not see that he has been tactless. The new outburst is explained by this character, no sinister political meaning should be attached to it."

Other papers reported Mr. Churchill's speech, and a number of journals expressed concern at the Finnish situation.

FRANCE: SCANDINAVIAN "CAPITULATION"

Certain well-informed circles in Paris believe that the Copenhagen Conference of Scandinavian Foreign Ministers showed a spirit of capitulation according to Madame Tabouis, writing in the OEUVRE.

This well-known commentator stated yesterday: "Berlin's threats left Paris under no illusions regarding the results of the Copenhagen Conference and so no one was surprised at the way things turned out.

"However, in certain well-informed circles in Paris, as indeed in London, it was considered that the Conference revealed in the Scandinavian representatives a curious spirit of capitulation - and moreover, not only capitulation on their own behalf, but on behalf of everybody else, beginning with the Finns.

"It is considered, however in Paris that Scandinavian solidarity is nothing but a phase. It is emphasised that in the course of the Conference the Finnish war was only very discreetly alluded to and there was not a word on the fate of their Scandinavian neighbour, so unjustly attacked and no word of congratulation or of warm sympathy for her".

Both Romier in the FIGARO and Frossard in the JUSTICE called attention to the fact that since the "cash and carry" law was passed in the U.S.A., American exports to the neutrals from whom Germany receives supplies have gone up by 47 percent, whereas American exports to the Allies have increased only by 10 percent. Frossard warned the neutrals that this state of affairs cannot be tolerated by the Allies, whose own safety is at stake.

(Not to be quoted as an Air Ministry announcement).

NAZI RAIDERS ADRIFT IN RUBBER BOAT.

Late last evening it was stated that the three Nazi airmen who took to their rubber boat, after their Heinkel had been shot down off the Northumberland Coast, were still adrift.

An R.A.F. launch is searching for them and vessels in the vicinity have been warned to keep a look-out.

It is now learned that four members of the crew of the Heinkel, shot down off the mouth of the Firth of Forth, have been rescued.

Late last night they were landed at a Scottish port.

AIR AFFAIRS.

28/2/40 - No. 2.

FRENCH OFFICIAL COMMUNIQUE

(MORNING)

Paris, 28 February, 1940.

The following official communique was issued  
this morning by the French G.H.Q:-

ACTIVITY OF THE PATROLS AND SOME ARTILLERY  
FIRE AT VARIOUS POINTS OF THE FRONT.

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28/2/40 - No 3.

ASAMA MARU

It is expected that on February 29th nine of the German nationals who were recently taken from the Asama Maru by a British warship will be returned to the Japanese authorities.

They are being brought from Hongkong in a British vessel and handed over off Yokohama to representatives of the Japanese Government.

FOREIGN OFFICE

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BOARD OF EDUCATION

# MEMORANDUM ON THE BOARD OF EDUCATION ESTIMATES

1940

*Presented by the President of the Board of Education to Parliament  
by Command of His Majesty  
February, 1940*

LONDON

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MEMORANDUM  
ON THE  
BOARD OF EDUCATION ESTIMATES, 1940

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BOARD OF EDUCATION  
MEMORANDUM  
ON THE  
BOARD OF EDUCATION ESTIMATES, 1940

**General Features.**

1. *Scope of Memorandum.*—In past years the Memorandum on the Board of Education Estimates has included historical tables and other matter designed to give a fuller picture of educational finance than would be obtained by a strict limitation to the facts of the year to which the Estimate relates. The need for eliminating during war-time all but essential statistical work and for economy in the use of paper has made it necessary for the Board to issue this year a Memorandum on a smaller scale than formerly.

2. *The Estimates summarised.*—The estimate of the net expenditure of the Board of Education in 1940 (Class IV, Vote 1) is £52,544,573 being an increase of £302,537 over the Vote of £52,242,036 for 1939, including the Supplementary Vote of £10. The summary by subheads will be found on page 3 of the estimates themselves. The summary by groups is as follows:—

Groups.	Reference to Sub-heads in Estimates for 1940.	Board's Estimates for 1939 (including Supplementary Estimate).	Board's Estimates for 1940.	Increase or Decrease.
(1)	(2)	(3)	(4)	(5)
<i>Grants to L.E.As:—</i>				
Elementary .. ..	C.1.	£ 36,191,000	£ 36,346,000	+ 155,000
Higher .. ..	D.1.	10,433,000	10,359,000	— 74,000
Total grants to L.E.As.		46,624,000	46,705,000	+ 81,000
<i>Grants to non-L.E.As:—</i>				
Elementary .. ..	C.2.	68,610	54,220	— 14,390
Higher .. ..	D.2 and F.	1,805,330	1,785,749	— 19,581
Total grants to non-L.E.As. .. ..		1,873,940	1,839,969	— 33,971
Physical Training ..	L.	342,622	128,940	— 213,682
Pensions to teachers (gross) .. ..	E.	8,304,000	8,757,650	+ 453,650
Board's other expenditure .. ..	A, B, G, H, I, K.	921,374	835,514	— 85,860
<b>GROSS TOTAL (cd. fwd.)</b>		£ 58,065,936	58,267,073	+ 201,137

Groups.	Reference to Sub-heads in Estimates for 1940.	Board's Estimates for 1939 (including Supplementary Estimate).	Board's Estimates for 1940.	Increase or Decrease.
(1)	(2)	(3)	(4)	(5)
GROSS TOTAL <i>bt. fwd.</i>		58,065,936	58,267,073	+ 201,137
<i>Deduct :—</i>				
Receipts.				
Pension contributions				
(teachers) .. ..	M.	2,880,000	2,850,000	+ 30,000
(employers) .. ..	M.	2,880,000	2,850,000	+ 30,000
Other receipts .. ..	M.	63,900	22,500	+ 41,400
Total receipts .. ..		5,823,900	5,722,500	+ 101,400
NET TOTAL .. ..	£	52,242,036	52,544,573	+ 302,537

3. *Special features of 1940.*—It will be convenient to mention here the more important events which have affected the estimates for 1940, although, owing to the supplementary estimate, these events are already reflected to some extent in the revised figures for 1939 which appear in the Estimates themselves and in this Memorandum. They are as follows :—

(i) The suspension by the Education (Emergency) Act, 1939, of those provisions of the Education Act, 1936, which relate to the raising of the compulsory school age on 1st September, 1939.

(ii) The discontinuance of the National Fitness Council and its local committees. No grants under the Physical Training and Recreation Act, 1937, will be made except to the extent necessary to honour commitments already entered into.

(iii) The introduction of a new formula for the Elementary Education Grant. The new formula provides for a grant to each Authority of the same proportion of its recognised net expenditure as the grant for the year 1937-38 bore to the recognised net expenditure of that year. All the separate factors of the old formula, *e.g.*, average attendance, the product of a sevenpenny rate and the varying percentages of expenditure were thus abolished; but provision was made for securing that the rate of grant in respect of expenditure on air raid precautions should in no case be less than one-half.

(iv) The National Youth Committee was set up and arrangements made for grants to approved associations with a view to encouraging the preservation and development of facilities for the social welfare and physical training and recreation of young people.

4. *Comparison with 1939.*—The increase in grants to Local Education Authorities is relatively small. It is due partly to variations in the assumed expenditure of Local Education Authorities and partly to the new formula for the Elementary Education grant, referred to in paragraph 3. The full effect of the latter was not felt in 1939, as only 90 per cent. of the increased grant was payable in that year.

Further particulars of the grants to Local Education Authorities are given in paragraph 5.

The increased provision for pensions to teachers is due to the automatic growth in the number of pensioners.

Full details of the Board's other expenditure are given in the Estimates.

**Grants to Local Education Authorities and the expenditure on which they are based.**

5. *Grants to Local Education Authorities.*—The amounts provided for payment of grants to L.E.As. in the year (Subheads C.1 and D.1(1)) contain :—

(1) instalments, reckoned at 90 per cent. of the grant estimated to be due for the year, and

(2) balances of grant for previous years.

The following table shows particulars of the grants estimated to be payable in the years 1939 and 1940 :—

	1939 (including Supplementary Estimate).	1940	Increase or Decrease.
	£	£	£
<i>Instalments—</i>			
Elementary .. ..	32,663,000	32,717,000	+ 54,000
Higher .. ..	9,374,000	9,288,000	— 86,000
Total .. ..	42,037,000	42,005,000	— 32,000
<i>Balances—</i>			
Elementary .. ..	3,528,000	3,629,000	+ 101,000
Higher .. ..	1,030,000	1,042,000	+ 12,000
Total .. ..	4,558,000	4,671,000	+ 113,000
<i>Total —</i>			
Elementary .. ..	36,191,000	36,346,000	+ 155,000
Higher .. ..	10,404,000	10,330,000	— 74,000
Elementary and Higher.	46,595,000*	46,676,000*	+ 81,000

\* In addition to the main grants to Local Education Authorities, which are dealt with in this paragraph, the estimate for each of the years 1939 and 1940 includes under subhead D.1 (2) a sum of £29,000 for grants under the Welsh Intermediate Education Act, 1889.

A comparison of grants paid in the two years is liable to be disturbed by variations in the balances of grant. These balances are adjustments of grant for previous years and they do not reflect the growth or decrease of educational expenditure by Local Education Authorities or the changes in other factors affecting the grants for the two years under consideration.

A better basis of comparison is that of the total grants due for the years.

Particulars are shown below of the grants payable for the year, i.e., the full amounts estimated to be payable for the year, excluding any balances of grant for previous years, but including all balances of grant for the year payable after the end of the year:—

	1939.	1940.	Increase or Decrease.
	£	£	£
Elementary ..	36,292,000	36,352,000	+ 60,000
Higher .. ..	10,415,000	10,320,000	— 95,000
Total ..	46,707,000	46,672,000	— 35,000

These small differences are due entirely to variations in the expenditure of Local Education Authorities assumed for the estimates.

6. *L.E.As.' Expenditure.*—The greater part of the Board's gross total expenditure (£46,705,000 out of £58,267,073) is incurred in paying grants to Local Education Authorities. These grants are directly related to the Authorities' net recognised expenditure.

*Expenditure of L.E.As. assumed for  
the Board's estimates.*

	1939 (including Supplementary Estimate).	1940.
	£(000)	£(000)
Elementary education ..	73,873	73,993
Higher Education ..	21,410	21,220
Total ..	95,283	95,213

The actual expenditure of Local Education Authorities in preceding years has been :—

	1937.	1938.
	£(000)	£(000)
Elementary ..	71,593	72,614
Higher ..	20,078	21,201
	<hr/>	<hr/>
Total ..	91,671	93,815
	<hr/>	<hr/>

The expenditure of Local Education Authorities assumed for the Board's Estimates is necessarily based very largely on returns supplied by Authorities. It is obvious, however, that the dislocation of the Education service caused by the war, particularly by evacuation, coupled with the uncertain and even opposing effects of economies in consumption and rising prices, has made the task of estimating future expenditure extremely difficult both for Local Education Authorities and the Board. The Board hope that the totals of expenditure, on which the estimates are based, will prove to be reasonably accurate; but they can only regard the analysis given in paragraph 7 for elementary education and paragraph 9 for higher education as approximate, and one which should be used with caution. It may be added that the need for consideration of the different types of expenditure on Elementary Education has largely disappeared as a result of the new grant formula.

**Details of Local Education Authorities' Expenditure for  
Elementary and Higher Education**

**I. ELEMENTARY EDUCATION :—**

*7. Main headings of L.E.As.' Expenditure (Elementary Education).*  
—The following table compares the figures assumed for 1940 with those assumed for 1939, and with the actual expenditure of preceding years.

—  (1)	1937.  (2)	1938.  (3)	Assumed for the Board's Estimates.		
			1939 (including Supple- mentary Estimate).  (4)	1940.	
				Amount  (5)	Percentage of Total.  (6)
1. Salaries of teachers	£(000) 44,024	£(000) 43,760	£(000) 43,805	£(000) 43,805	59·2
2. Loan charges ..	3,096	2,910	2,800	2,700	3·7
3. Administration and inspection ..	2,948	3,068	3,100	3,200	4·3
4. Other expenditure (a)	10,966	11,216	11,700	11,700	15·8
5. Conveyance of children .. ..	427	495	530	530	0·7
6. Maintenance allow- ances .. ..	67	66	60	60	0·1
7. Expenditure on re- organisation and development (Cir- culars 1404 and 1444) .. ..	2,065	2,656	3,230	3,200	4·3
8. Special services (b) (including loan charges thereon)	5,786	6,245	6,450	6,600	8·9
9. Employers' pension contributions (Teachers (Super- annuation) Act, 1925) .. ..	2,214	2,198	2,198	2,198	3·0
10. TOTAL .. ..	71,593	72,614	73,873	73,993	100·0

(a) Line 4. Other expenditure (elementary education) includes rent, rates, taxes, insurance, fuel, light, cleaning, caretakers' wages, books, apparatus and stationery, repairs to buildings and furniture, other miscellaneous charges, and, so far as it is not included in line 7, capital outlay when charged to revenue.

(b) Line 8. Special services (elementary education) comprise school medical services, provision of meals, special schools for defective children, organisation of physical training, play centres and nursery schools, and include all expenditure (except employers' pension contributions) directly incurred on account of these special services, i.e., salaries, loan charges, administration and other expenditure.

8. *Calculation of Grant to L.E.As.—Elementary Education.*—The sum taken in subhead C.1., viz. £36,346,000, consists as to £3,629,000 of balances of grant estimated to be due from previous years, and as to £32,717,000 of instalments of grant for 1940. The instalments represent 90 per cent. of the grant for the year, estimated at £36,352,000.

The calculation is as follows :—

L.E.A. expenditure .. .. .	£	73,993,000
<i>Deduct non-recognisable expenditure :—</i>	£	
Special Services .. .. .	100,000	
Superannuation of L.E.A. Officers ..	520,000	
Education Rates .. .. .	480,000	
		<u>1,100,000</u>
Recognisable expenditure .. .. .		72,893,000
Estimated grant for the year .. .. .		36,352,000
<i>Payable as follows :—</i>		
Instalments (90 per cent.) in the year .. .. .		32,717,000
Balance (10 per cent.) to be paid in following year		3,635,000

## II. HIGHER EDUCATION :—

9. *Main headings of L.E.As.' Expenditure (Higher Education).*—The following table compares the figures assumed for 1940 with those assumed for 1939 and with the actual expenditure of preceding years.

—	1937.	1938.	Assumed for the Board's Estimates.	
			1939 (including Supplementary Estimate).	1940.
(1)	(2)	(3)	(4)	(5)
	£(000)	£(000)	£(000)	£(000)
1. Training of teachers ..	315	323	325	325
2. Secondary schools ..	8,940	9,348	9,450	9,400
3. Technical, etc. ..	5,555	6,029	5,780	5,580
4. Loan charges .. ..	1,825	2,032	2,200	2,300
5. Administration and inspection .. ..	928	976	980	980
6. Aid to students .. ..	1,714	1,844	1,800	1,800
7. Other expenditure ..	440	277	490	450
8. Employers' pension contributions (Teachers (Superannuation Act, 1925) .. .. .	361	372	385	385
9. TOTAL .. .. .	20,078	21,201	21,410	21,220

10. *Fees in Secondary Schools.*—The following table shows for a series of years the numbers of pupils in the Schools on 31st March, divided between those who were paying and those who were not paying fees.

Year	Pupils paying									Grand Total
	Full Fees.			Partial Fees.			No Fees.			
	Ex-P.E.S.	Others	Total	Ex-P.E.S.	Others	Total	Ex-P.E.S.	Others	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1933	108,307	107,907	216,214	7,358	1,911	9,269	211,177	5,223	216,400	441,883
1934	110,964	106,050	217,014	12,920	2,232	15,152	211,551	4,704	216,255	448,421
1935	115,374	104,057	219,431	19,125	2,468	21,593	211,488	4,271	215,759	456,783
1936	118,315	102,316	220,631	24,939	2,745	27,684	211,369	4,222	215,591	463,906
1937	117,358	99,905	217,263	31,100	3,188	34,288	210,405	4,289	214,694	466,245
1938	117,462	97,234	214,696	36,832	3,350	40,182	210,636	4,489	215,125	470,003

11. *Calculation of Grant to L.E.As. (Higher Education).*—The sum of £10,330,000 taken in Subhead D.1 for grants to L.E.As. (other than the separate grants of £29,000 for Welsh Intermediate Education) consists as to £1,042,000 of balances of grant estimated to be due from previous years, and as to £9,288,000 of instalments of grant for 1940. The instalments represent 90 per cent. of the total grant for the year, estimated at £10,320,000.

The calculation is as follows:—

L.E.A. expenditure .. .. .	£	21,220,000
<i>Deduct</i> non-recognisable expenditure:—	£	
Duplicate grant to aided schools ..	240,000	
Aid to students in training colleges:—		
Allowances .. .. .	60,000	
Loans .. .. .	10,000	
	70,000	
Superannuation of L.E.A. officers ..	130,000	
Education rates .. .. .	110,000	
Miscellaneous .. .. .	30,000	
	580,000	
Recognisable expenditure .. .. .		20,640,000
One-half of the recognisable expenditure, being the Board's grant for the year .. .. .		10,320,000
 Payable as follows:—		
Instalments (90 per cent.) in the year ..		9,288,000
Balance (10 per cent.) to be paid in the following year .. .. .		1,032,000

### Capital Expenditure.

12. *Capital Expenditure (Elementary and Higher Education).*—Capital expenditure by Local Education Authorities, which had been severely restricted as a result of the financial crisis of 1931, increased considerably in 1935 and the following years. This increase was most largely due to preparations for the raising of the elementary school leaving-age, but it marked also a period of general development. Soon after the outbreak of war it became necessary to conserve national resources by restrictions on the raising of loans and on the use of certain materials for school building, with the result that capital expenditure by Local Education Authorities has again been checked.

The following table shows the salient figures in one comprehensive statement. It may be assumed that, in the changed circumstances, many of the proposals approved by the Board in the period immediately before the war will not for the present be executed.

### Capital Expenditure.

Year.	Proposals approved by B. of E.	Loans sanctioned.	Loans raised.	Expenditure.	Loan Charges.	Loans outstanding at end of year.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	£(000)	£(000)	£(000)	£(000)	£(000)	£(000)
1930 ..	13,003	9,456	7,583	8,052	5,445	63,944
1931 ..	7,781	7,005	8,473	10,100	5,629	70,131
1932 ..	4,221	3,047	6,335	5,940	6,090	73,678
1933 ..	3,564	3,727	3,778	4,181	6,277	74,294
1934 ..	7,570	4,925	3,899	4,612	6,238	75,133
1935 ..	10,215	7,473	6,228	6,467	6,233	77,935
1936 ..	12,130	10,167	7,261	8,458	6,544	73,414
1937 ..	14,427	15,122	11,436	12,403	6,844	80,738
1938 ..	16,549	16,387	14,274	15,531	7,092	91,318
1939 .. (9 months)	11,486	7,452				

The total amounts shown in column 2 of the above table are distributed as follows :—

Year.	Elementary.	Medical.	Secondary.	Technical.	Training Colleges.	Total.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	£	£	£	£	£	£
1929	5,509,505	304,641	2,292,146	666,650	56,667	8,829,609
1930	9,186,572	349,833	2,427,666	836,957	202,053	13,003,081
1931	5,938,012	160,350	1,283,263	336,850	62,699	7,781,174
1932	3,170,739	59,147	646,486	293,282	51,265	4,220,919
1933	2,719,793	58,035	534,837	238,325	12,544	3,563,534
1934	5,097,608	165,865	1,506,395	784,017	15,834	7,569,719
1935	6,071,033	292,605	2,485,622	1,319,176	46,908	10,215,344
1936	7,687,161	305,787	2,386,119	1,699,050	51,753	12,129,870
1937	9,883,885	487,606	3,071,320	880,528	103,854	14,427,193
1938	12,460,664	490,645	1,896,072	1,662,884	38,359	16,548,624
1939	9,430,140	160,321	1,110,972	768,700	15,407	11,485,540
(9 m'ths)						

The proposals approved in 1938 for the expenditure of £12,460,664 on Elementary schools may be classified as follows :—

		£
(a) New schools .. .. .	201	5,601,140
(b) Enlargements of existing schools	116	1,627,732
(c) Rebuilding or alterations of existing schools .. .. .	136	1,723,820
(d) Sites (with or without buildings thereon) .. .. .	662	1,549,295
(e) Provision of and alterations to offices and heating apparatus, and other minor alterations ..	382	743,786
(f) Premises and equipment for instruction in handicraft and domestic subjects .. .. .	32	22,158
(g) Miscellaneous .. .. .	1,314	920,755
	<u>2,843</u>	<u>12,188,686</u>
(h) Additional expenditure on projects originally approved in previous financial years ..		161,335
(i) Minor projects .. .. .		110,643
		<u>£12,460,664</u>

The first three items, amounting to £8,952,692, may be further analysed as follows :—

<i>No. of items.</i>	<i>Object of Project.</i>	<i>Expenditure approved.</i>
132	To meet growth of local population (housing developments, etc.) .. .. .	£ 3,148,839
53	To replace or relieve condemned, unsatisfactory or temporary premises .. .. .	812,561
50	To relieve overcrowding in existing schools ..	428,969
212	To secure eventual economy by re-organisation involving closure of schools .. .. .	4,498,393
6	To provide advanced instruction (and not included above) .. .. .	63,930
453		£8,952,692

### Miscellaneous

13. *Board's Staff.*—The numbers and cost for a series of years are shown below :—

#### *Whole Staff of all Grades.*

	<i>Number.</i>	<i>Cost.</i>
		£
1914 .. .. .	2,186	495,011
1922 .. .. .	2,507	968,252
1930 .. .. .	2,115	819,554
1939 .. .. .	2,341	856,886
1940 .. .. .	*2,116	783,931

\* Of this number 192 are serving with the Armed Forces, etc., and 555 are on loan to other Departments.

#### *Administrative and Inspecting Staff.*

		<i>Administration.</i>		<i>Inspection.</i>		<i>Total.</i>	
		<i>As % of Board's</i>		<i>As % of Board's</i>		<i>As % of Board's</i>	
		<i>Cost.</i>	<i>Expre.</i>	<i>Cost.</i>	<i>Expre.</i>	<i>Cost.</i>	<i>Expre.</i>
		£(000)		£(000)		£(000)	
1914 .. .. .		208	1.41	250	1.70	458	3.11
1922 .. .. .		461	0.98	382	0.81	843	1.79
1930 .. .. .		359	0.71	333	0.65	692	1.36
1939 .. .. .		347	0.60	347	0.60	694	1.20
1940 .. .. .		331	0.57	325	0.56	656	1.13

### Expenditure from Exchequer and Rates combined

14. *On Education within the purview of the Board of Education.*—The following table, which compares the estimate for 1940 with the estimate for 1939, relates to the total expenditure from the Exchequer and from rates on education within the purview of the Board of Education.

The first nine headings in the table build up the total expenditure from the Exchequer; the tenth heading shows the net expenditure from the rates after deduction of the grants received by the Local Authorities from the Exchequer; and the eleventh gives the total expenditure from central and local funds combined.

	1939.	1940.	Increase or Decrease.
<i>Exchequer—</i>	£(000)	£(000)	£(000)
1. Board's grants to L.E.As. for the year .. .. .	46,736	46,701	— 35
2. Board's grants to Non-L.E.As. .. .. .	1,874	1,840	— 34
3. Total Board's grants .. .. .	48,610	48,541	— 69
4. Physical Training .. .. .	343	129	— 214
5. Pensions to teachers .. .. .	8,304	8,758	+ 454
6. Board's other expenditure .. .. .	921	836	— 85
7. Total of above .. .. .	58,178	58,264	+ 86
8. <i>Deduct—</i>			
<i>Receipts</i>	1939.	1940.	
	£(000)	£(000)	
(i) Teachers' pension contributions .. .. .	2,880	2,850	
(ii) Employers' pension contributions .. .. .	2,880	2,850	
(iii) Other receipts .. .. .	64	23	
	5,824	5,723	+ 101
9. Net total from Exchequer .. .. .	52,354	52,541	+ 187
<i>Rates—</i>			
10. L.E.As. net expenditure less grants for the year, i.e., net expenditure to fall on rates .. .. .	49,297	48,512	— 785
11. Total expenditure from Exchequer and Rates .. .. .	101,651	101,053	— 598

In the first line of this table the grants to L.E.As. are the whole amounts of the grants estimated to be payable for the year, excluding any balances of grants for previous years, but including all balances of grant for the year payable after the conclusion of the year.

15. *On Education generally, whether within or outside the purview of the Board of Education.*—Besides the expenditure on education within the purview of the Board of Education, there is also expenditure of public funds on other kinds of education in England and Wales, outside the purview of the Board of Education. The Board are not in a position to form estimates of such expenditure for 1940. Figures relating to such expenditure for 1937 were given in the Memorandum on the Board's Estimates for 1939 (Cmd. 5959). Later figures were not available at the time of going to print.

## APPENDIX.

## ABSTRACT OF THE GRANT REGULATIONS OF THE BOARD OF EDUCATION IN FORCE FOR THE YEAR 1940.

The Estimates for 1940 provide for the payment of grants :—

To L.E.As. (Subheads C.1 and D.1) . . . . .	£ 46,705,000
To non-L.E.A. bodies (Subheads C.2 and D.2)	1,674,460
To individual students and scholars (Subhead F)	165,509
To local authorities and voluntary organisations in aid of the provision of facilities for physical training and recreation (Subhead L.) . . . . .	128,940
Total . . . . .	<u>£48,673,909</u>

Grants to L.E.As. are paid under Grant Regulations No. 1 (Elementary Education) and Grant Regulations Nos. 4 and 9 (Higher Education).

The other grant regulations provide for the payment of grants to non-L.E.A. bodies and to individual students and scholars, and prescribe the conditions under which the various institutions or services should be conducted. Some of these regulations also contain conditions applicable to the institutions or services when maintained by L.E.As.

Grants towards the provision of facilities for physical training and recreation are made under Section 3 (1) of the Physical Training and Recreation Act, 1937.

The following abstract, summarising the grants, is arranged in the order of the grant regulations series. The estimates themselves quote, under each subhead, the distinctive number of the regulations applicable.

G.R.  
No.                      ABSTRACT OF GRANT REGULATIONS

1    *Elementary Education Grant Regulations.*

The grant to a Local Education Authority for elementary education is assessed at the same proportion of its net recognised expenditure as the grant for the year 1937-38 bore to the net recognised expenditure of that year. Provision is made for a minimum grant of one-half of any expenditure on air raid precautions.

3    *Teachers' Superannuation Grant Regulations.*

These regulations provide for a grant in aid of the employers' contributions under the Teachers (Superannuation) Act, 1925, to schools in receipt of direct grants from the Board under other grant regulations. The superannuation grant under these regulations is only payable when the other grants do not include payments attributable to the employers' contributions. The grant is equal to one-half of the contributions.

4    *Higher Education Grant Regulations.*

Grants to Local Education Authorities for higher education are based upon the expenditure of the authorities and are assessed at one-half of the net recognised expenditure. Additional grants not exceeding £70,000 are payable to certain authorities which maintain

4 *Higher Education Grant Regulations—continued.*

training colleges, and deductions of the same total amount are made from the grants to the Authorities which do not maintain training colleges other than those for domestic science.

These regulations also prescribe the conditions and limitations under which the Board recognise for grant the expenditure of Local Education Authorities on the provision of scholarships (including maintenance allowances) for full-time students at schools or colleges or hostels, or on the payment in whole or in part of the fees of such students.

The students must be in need of assistance to enable them to follow courses of education and the courses must be suitable for them. Grant is not ordinarily paid on aid to students in training at training colleges, or to students falling within the province of a Government Department other than the Board.

5 *State Scholarships Regulations.*

The Board award annually not more than 360 State Scholarships for students who proceed from Secondary Schools to Universities for an approved course of study normally leading up to an Honours Degree. A scholarship is tenable for three years and may in some cases be extended for a fourth year. If the State scholar needs assistance to enable him to follow his approved course the scholarship will comprise such grants as the Board think fit in aid of his fees, and, to an amount not exceeding £100 a year, of his maintenance.

6 *Regulations for Further Education.*

These regulations prescribe the general requirements applicable to colleges for further education, technical day classes, art colleges, art schools and classes, junior technical and junior housewifery schools, evening institutes, day continuation schools, and schools of nautical training. Where the Board consider that a school should be recognised for direct grant under these Regulations and not as a school maintained or aided by an Authority the grant payable is determined by the Board after consideration of the character, efficiency, volume and cost of the work of the school.

7 *Regulations for the Training of Teachers.*

These regulations prescribe the general requirements applicable to training colleges and training departments of universities and university colleges. They also provide for grants to non-L.E.A. training colleges and to training departments of universities and university colleges in respect of (1) the education and training and (2) the maintenance of recognised students.

The standard annual rates of grant in respect of a recognised student in an ordinary non-L.E.A. training college are :—

Tuition grant .. ..	£28 for a man and £26 for a woman.
Maintenance grant :—	
Resident student .. ..	£43 for a man and £34 for a woman.
Day student .. ..	£26 " " £20 " "

Additional grant not exceeding one half of any approved expenditure incurred on air raid precautions may be paid to non-L.E.A. training colleges.

Where a non-L.E.A. training college provides a recognised two-year course of advanced standard in physical training to which students are newly admitted every year, the Board may pay an additional grant not exceeding £200 for any academic year after the academic year in which the course is first instituted.

*Regulations for the Training of Teachers*—continued.

The grants payable in respect of a recognised student in the training department of a university or university college are :—

(1) for each of the three years of the degree course—

- (a) a grant in respect of the general supervision of the student, normally limited to £5 a year, together with, in cases of financial need
- (b) a fee grant, assessed under approved arrangements, to be applied in or towards payment of the student's fees, and
- (c) a maintenance grant, assessed under approved arrangements, at a rate not exceeding the appropriate standard rate for an ordinary training college.

(2) for the fourth or post-graduate year—

- (a) a special tuition grant at a rate not exceeding £35, together with
- (b) a maintenance grant at the same rates as for ordinary colleges.

Where a Final Examination qualifying students from training colleges for recognition as certificated teachers is conducted by a recognised joint board, the Board of Education may pay to the joint board a grant not exceeding £1 10s. in respect of each person examined who has been a recognised student.

Studentships up to £200 are also granted under these regulations to teachers to assist them to follow approved full-time courses of advanced study.

Grants towards the travelling expenses of teachers selected to attend short courses of instruction arranged by the Board are made under these regulations.

8 *Code of Regulations for Public Elementary Schools.*

The Code contains the requirements with which all public elementary schools must comply.

It also provides grants for public elementary schools not maintained by Local Education Authorities at the rate of 45s. for each unit of average attendance, which may be increased to 48s. 6d. in those schools in which adequate and suitable provision is made for practical instruction.

9 *Welsh Intermediate Education Act Grant Regulations.*

Grants to L.E.As. for Higher Education in Wales and Monmouthshire were formerly paid by the Treasury, in aid of schools subject to schemes under the Welsh Intermediate Education Act, 1889. The grant was equivalent to the product of a half-penny rate as computed for the purpose of that Act. The grant is now paid by the Board and is limited to the maximum amount payable for the year 1928-29.

10 *Regulations for Secondary Schools.*

These regulations prescribe the general requirements applicable to secondary schools. They also provide for capitation grants to non-L.E.A. schools of £8 13s. for each school year in respect of (i) pupils who at the beginning of that year are between eleven and nineteen years of age, and (ii) pupils admitted to the school for the first time during that year who at the beginning of that year are between ten and eleven years of age. Where the grant to a school calculated at this rate is less than £350 the Board may increase it to that amount.

10 *Regulations for Secondary Schools—continued.*

The rate of capitation grant for the school year 1939-40 may be increased when the number of pupils in the school falls short of the number in the previous year.

An additional grant for the year 1939-40, not exceeding £700, may be paid where, as a consequence of evacuation, a school receiving direct grant has incurred special expenditure or is unable to meet reasonable expenses of maintenance and the Board are satisfied that the grant is necessary for safeguarding the financial position of the school.

An additional grant, called the Sixth Form grant, is payable in respect of pupils who, having passed an approved First Examination have been promoted to a form pursuing a higher course. Subject to certain temporary limitations this grant is payable at the following rates :—

- £16 for each of the first fifteen pupils ;
- £12 for each of the next fifteen such pupils ; and
- £10 for each of such pupils in excess of thirty.

A grant not exceeding £2 is paid in respect of each pupil who is entered for an approved First Examination without charge, or who is entered for an approved Second Examination without charge or at a charge at least £2 short of the full examination fee.

Further small grants may be paid in certain cases towards meeting the expense of approved special or experimental work and of visits by acting teachers to other schools for the purpose of studying method and gaining enlarged experience.

11 *Regulations for grants to Central Welsh Board.*

Grants are payable to the Central Welsh Board and administered as part of their income under a Scheme dated 13th May, 1896. They consist of a fixed grant of £1,200 in continuation of the contribution heretofore paid by the Treasury, and a variable grant, subject to certain limits and conditions, of an amount equal to the contributions made by Local Education Authorities under Section 42 (1) (a) of the Education Act, 1918.

12 *Science Awards Regulations.*

The Board award annually not more than 20 Royal Scholarships and 11 Studentships tenable at the Imperial College of Science and Technology for an approved course. A Royal Scholarship comprises payment of the whole or part of the fees and a maintenance allowance not exceeding £100 a year. A Studentship consists of payments in respect of fees only. The annual value of an award is limited to such amount as the Board think necessary to enable the holder to follow his approved course.

13 *Social and Physical Training Grant Regulations.*

Grants are payable to approved associations for the maintenance of facilities for social and physical training, including the payment of leaders, instructors and wardens. Grants are also payable for the training of leaders, etc., and for the defraying of incidental expenses of administration. The amount payable is determined by the Board after consideration of the character, efficiency, volume and cost of the work.

*Adult Education Regulations.*

These regulations provide for grants to bodies, not being Local Education Authorities, in aid of the liberal education of adults. The grants are paid in aid of courses given under the control and direction either :—

- (a) Of a university or university college as responsible body or
- (b) Of an approved association, which must be a national association or a district branch of a national association, or such analogous body as the Board may accept.

Work of the first type (extra-mural University work) may be provided in three-year tutorial classes, advanced tutorial classes, tutorial class vacation courses, university sessional classes, university extension lecture classes, and in university extension lectures. Work of the second type, which is less advanced in standard, may be provided in terminal, short terminal, one-year or vacation courses.

The grants are in most cases at three-quarters of the fee of the teacher, subject to prescribed maxima for each of the different types of course, and subject to conditions as to regular attendance by the students. For vacation courses the grants are determined by the Board after consideration of the efficiency, volume and cost of the work. The regulations also provide for grants to residential colleges, not being university colleges or constituent colleges of a university, which give full-time instruction of a university standard in subjects of liberal education to adult students whose full-time education has been interrupted by employment. The maximum grant payable for each student in such residential colleges is £28 a year for a man and £26 a year for a woman.

15 *Regulations for grants to Local Museums and Art Galleries.*

These regulations provide for grants to local museums and art galleries in aid of the purchase of works of art and other objects. The grant in aid of the purchase of any object will not exceed half the amount of the purchase money and is subject to certain conditions.

19 *Special Services Regulations.*

These regulations prescribe the requirements applicable to all special services, viz., school medical service, provision of meals in public elementary schools, special schools for blind, deaf, defective and epileptic children, organisation of physical training, play centres and nursery schools.

The regulations also provide for grants to Non-L.E.A. institutions at the following rates :—

(i) *Special Schools* :—

(a) Schools for blind or deaf children—

Day pupils .. £8 10s. 0d.

Boarders .. £16 10s. 0d.

(b) Schools for defective or epileptic children—

Day pupils .. £7 10s. 0d.

Boarders .. £15 10s. 0d.

An additional grant not exceeding £4 for a day pupil and £9 for a boarder is payable to schools for physically defective children in which special arrangements are made for medical treatment and care.

(ii) *Higher Education* of blind, deaf, defective and epileptic students—courses of instruction in preparation for a trade intended primarily for students previously educated up to the age of 16 in special schools—

Day pupils .. £8 10s. 0d.

Boarders .. £16 10s. 0d.

19 *Special Services Regulations*—continued.

The grants under (i) and (ii) above are not payable in respect of pupils on account of whom payments are made by Local Authorities, or by any other Government Department.

(iii) In addition to the grants under (i) and (ii) a superannuation grant is payable, representing two-and-a-half per cent. of the salaries paid to teachers in contributory service as calculated for purposes of the Teachers (Superannuation) Act, 1925.

(iv) *Play Centres and Nursery Schools*:—Grant is assessed at one-half of the recognised net expenditure.

*Royal College of Art Prospectus.*

For the session beginning in September, 1940, there will be offered the following Entrance Awards tenable at the College:—

- (a) Not more than 14 Royal Scholarships carrying remission of fees together with a maintenance allowance not exceeding £100 a year for a period of three years;
- (b) not more than 20 Exhibitions carrying remission of fees only for a period of three years;
- (c) not more than 3 Industrial Scholarships carrying remission of fees together with a maintenance allowance not exceeding £100 for a period of one year.

*Post Diploma Awards.*

In each year there will be awarded to selected students who have obtained the Diploma of Associateship not more than 25 Continuation Scholarships tenable at the College or in special cases elsewhere, and not more than five Travelling Scholarships tenable for purposes of travel. The Continuation Scholarships carry a maintenance allowance not exceeding £100 a year together with remission of fees if held at the College. The emoluments of a Travelling Scholarship consist of payments in respect of the period or periods of travel not exceeding in the aggregate £150.

## SELECTED PUBLICATIONS OF THE BOARD OF EDUCATION

Education Act, 1921	...	...	...	2s. (2s. 2d.)
Teachers (Superannuation) Act, 1925	...	...	...	6d. (7d.)
Teachers Superannuation (War Service) Act, 1939				2d. (2½d.)
Civil Estimates 1939, for year ending 31st March, 1940.				
Class IV. Education	...	...	...	1s. 3d. (1s. 4d.)
Education in 1938 (Board's Annual Report)				3s. 6d. (3s. 9d.)
The Health of the School Child : Report for 1938 of the Chief Medical Officer of the Board of Education				1s. 3d. (1s. 5d.)
List of Local Education Authorities in England & Wales (List 8a) December, 1938	...	...	...	3d. (3½d.)
List of Public Elementary Schools	{	England (List 21) 1938	7s. 6d. (8s.)	
		Wales (List 21) 1939	1s. (1s. 1d.)	
List of Secondary Schools	{	England (List 60) 1938-9	3s. (3s. 3d.)	
		Wales (List 60) ...	6d. (7d.)	
Cost per Child—Elementary Education (List 43) 1935-6, 1936-7, 1937-8	...	...	...	6d. (7d.)
Cost per Pupil in Secondary Schools 1936-37 (List 65)				3d. (3½d.)

The Board of Education Grant Regulations, an abstract of which is printed at the end of this Memorandum, are also obtainable, and full details will be supplied upon application to any of the addresses given below.

*All prices are net. Those in brackets include postage.*

### HIS MAJESTY'S STATIONERY OFFICE,

LONDON, W.C.2 : York House, Kingsway

EDINBURGH, 2 : 120 George Street

MANCHESTER 1 : 26 York Street

CARDIFF : 1 St. Andrew's Crescent

BELFAST : 80 Chichester Street

or through any bookseller

EXPANDING SOUTH AFRICAN - CANADIAN TRADE.

The war has given a remarkable impetus to trade between South Africa and Canada. Exports to Canada have soared by hundreds since September last year, and Canadian manufacturers and exporters have been flooded with requests for agencies in the Union for a wide range of merchandise.

Canada's imports of merchandise from South Africa rose from £190,000 in January to October 1938, to £726,000 in the corresponding period last year.

In October 1939 alone - and October is normally a quiet month - Canada bought £230,000 worth of Union goods compared with £43,700 in October 1938. Canada on the other hand sold an additional £300,000 worth of her products to the Union in the first ten months of last year, the comparative totals being £3,034,000 in 1938 and £3,326,000 in 1939.

The volume of trade between the two Dominions is expected to undergo further rapid expansion.

BOARD OF TRADE ANNOUNCEMENT.

*For Thursday's papers.*

The Board of Trade have 'made' the Export of Goods (Control) Orders No.5 and No.6. As a result of the former, a licence will be required for the export of creosote oil to any destination as from 1st March. The changes effected by the latter, which comes into force on 2nd March are as follows:-

- (a) Paper bags and paper sacks of which any side exceeds 400 square inches in area will require a licence for all destinations;
- (b) Flowmeters not containing mercury may be exported to destinations within the British Empire without a licence (flowmeters containing mercury still require a licence for export to any destination);
- (c) Sheep and cattle dips exported to destinations outside the British Empire will require a licence in future only if they contain arsenic compounds. (No licence is required for the export of animal dips to Empire destinations).
- (d) Insecticides, fungicides, and weed killers; other than those containing certain specified constituents (e.g. arsenic, cyanides, fluorides, cubé, derris, &c.) will no longer require a licence for any destination.
- (e) Liquid chlorine may be exported to Empire destinations without a licence.

Applications for export licences should be made to the Export Licensing Department, Inveresk House, 346, Strand, London, W.C.2., except in the case of applications for licences for paper bags and sacks, which should be sent to the Paper Control, Ministry of Supply, Great Western Hotel, Reading.

The full text of these orders will be published by H.M. Stationery Office and reproduced in the Board of Trade Journal of the 29th February.

Board of Trade,

28th February, 1940.



# MINISTRY OF LABOUR & NATIONAL SERVICE

## Press Notice

7/23, 2, 40.

### PARTIAL RELAXATION OF THE SCHEDULE OF RESERVED OCCUPATIONS.

The Ministry of Labour and National Service announces that the operation of the Schedule of Reserved Occupations is being temporarily relaxed to permit slate miners, slate quarriers and other workers in and about slate mines and slate quarries, who are of or above the age of reservation for their particular occupations, to enlist voluntarily in any branch of the Defence Services including Home Defence Battalions and the Military Pioneer Corps.

They are now free also to enrol for whole-time duty in any branch of the Civil Defence Services.

Press Office,  
Ministry of Labour and National Service,  
Montagu House,  
Whitehall,  
S.W.1.

Telephone No: Whitehall 6200.

H.Q.657-530 B.J.

For Thursday's papers.

BOARD OF TRADE ANNOUNCEMENT.

The Board of Trade have issued The Import (Certificates of Origin and Interest) Order, 1939, (Amendment) Order, 1940, dated 22nd February, 1940. As a result of this Amending Order, which comes into force on 1st March, certificates of origin and interest will no longer be required for the following goods imported into the United Kingdom from any country:-

felspar; iron pyrites; nickel hydroxide; cotton yarns; woollen and worsted yarns; binder and reaper twine; rubber outer tyres; rubber inner tubes; news films; photographic prints; consignments of goods valued at less than £3.

The full text of the Order will be published by H.M. Stationery Office on 1st March. It is also printed in the issue of the Board of Trade Journal of the 29th February.

BOARD OF TRADE,  
28th February, 1940.

AMERICAN SOCIETY FOR BRITISH MEDICAL & CIVILIAN AID.

Statement made by Lady Ward, Chairman  
of the Dudley House Depot Committee  
for American gifts to Britain, on  
28th February, 1940:-

"During the last war enormous sums of money were raised by Americans in America for comforts and aid for British wounded soldiers and throughout the United States today there is still greater eagerness to help France and Britain in their struggle for democracy.

"Realising, however, that this time the civilian population might suffer almost as greatly, the friends and admirers of Britain in America have founded the American Society for British Medical and Civilian Aid of which Mr. Winthrop W. Aldrich is President, Henry Rogers Winthrop is Vice-President, E. Gerry Chadwick, Secretary and Marshall Field, Treasurers. In addition, the Directors are:-

David Bruce,  
Clarence Dillon,  
Leon Fraser,  
Frank L. Polk,  
John A. Rockefeller III.  
Myron C. Taylor,  
Harold S. Vanderbilt,  
Samuel A. Welldon,  
Sheldon Whitehouse,  
John Hay Whitney  
William Woodward and  
Mr. Cruger of the Chase National Bank is the  
Representative of the Fund in this country.

"The first consignment of garments for civilian hospitals and evacuated population has just arrived in this country addressed to the Personal Service League, and is to be devoted only to cases of hardship or distress arising direct from the war.

"Dudley House, Park Lane, W.1. is the Central Depot and Storehouse for these gifts and has become a bonded warehouse for Customs clearance purposes. The first shipment consists, amongst other contributions, of:-

6,400 children's dresses  
2,000 men's sweaters  
1,000 operating gowns  
600 convalescent robes  
1,000 babies' nightgowns  
1,000 boys' shirts  
800 layettes  
650 women's dresses.

"The Hon. Mrs. Sydney Marsham, of the Personal Service League, is Chairman of the Allocation Committee, and the actual distribution to the Regions will be handled by the Personal Service League.

"My Committee, of which the Dowager Viscountess Harcourt is Vice-Chairman, and Lady Robertson is in charge of the Group of American ladies, deals with the unpacking and sorting of the articles and reception from the docks.

/Naturally

"Naturally, until the need is really acute we cannot beg for more space in the ships, but already there has arrived in England a large amount of knitting wool.

"In the near future surgical instruments and appliances, X-ray apparatus, bandages, gauze and surgical dressings will also be shipped since we all realise that it is no use waiting for bombs to fall before asking our friends in the States for help.

"I think it should be emphasised that the only reason for these goods not being sent direct to the British Red Cross is that that very worthy society is limited by its charter to helping sick or wounded members of the fighting Services, and it was therefore necessary to find an entirely voluntary and nationally organised society which could receive these gifts intended for civilians. The Personal Service League was the obvious choice."

PERSONAL SERVICE LEAGUE.

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28th February, 1940.

No.10  
M.A.F.160

MINISTRY OF AGRICULTURE ANNOUNCEMENT.

POSTPONEMENT OF CALLING UP FOR AGRICULTURAL WORKERS.

Men required to register on 9th March.

Applications for the postponement of the calling-up of men in agricultural occupations, who have to register on 9th March and who are not covered by the Schedule of Reserved Occupations, must be sent to County War Agricultural Executive Committees as soon as the men have been registered. The applications must be made on Form N.S.100A and the latest date for the receipt of applications by the Committee is 14th March; employers are, therefore, advised to apply at once to their County War Agricultural Executive Committee for the requisite application form.

It is of great importance that the workers' registration number and the name of the Employment Exchange entered on his registration certificate (N.S.2) should be quoted correctly when filling in the form N.S.100A, otherwise it may not be possible to trace the worker in time to withhold his calling-up notice. The registration number required is that given in the top right-hand corner of the Certificate of Registration, N.S.2. The number appearing on the National Registration Identity Card is not required.

The men required to register are those not already registered who were born between 1st January, 1915 and 9th March, 1920, that is, men who had reached the age of 24 (but not 25) on 31st December, 1939, and men who reach the age of 20 between 1st January and 9th March, 1940. Most agricultural workers in this group will be covered by the Schedule of Reserved Occupations; but applications may be made in respect of men who reach the age of 20 between 1st January and 9th March, 1940, both dates inclusive, and also those in occupations (such as horticultural occupations) for which the age of reservation is 25 or more who had not reached the relevant age of reservation by 9th March, 1940.

The period of postponement granted will vary according to the circumstances of each case but will not, in any event, exceed six months, and no postponement will be sanctioned except where the man is in a "key" position on the farm and it is impossible to obtain a substitute or to make other arrangements. Extension of the period of postponement will be considered only if it can be shown that determined efforts have been made by the farmer concerned to obtain a substitute but without success.

WORK OF THE CONTRABAND CONTROL BASES.

Statement given to correspondents at Ministry of Economic Warfare on 28 February, 1940, at 3 p.m.

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On February 27 there were 27 neutral ships in the three Contraband Control bases in the United Kingdom, of which 15 had been there for five days or less. This total included:-

13 Dutch	(6 for 5 days or less)
5 Norwegian	{ 4 " " " " " }
2 Belgian	{ 1 " " " " " }
2 Danish	{ 1 " " " " " }
2 Italian	
2 Swedish	( 1 " " " " " )

and one Estonian ship, detained for less than five days.

During the week ending February 24 the Contraband Committee considered the cargoes of 114 ships which had arrived since February 17, and 19 outstanding cargoes from the previous week. The combined total included ships of the following nationalities:-

37 Italian
35 Dutch
22 Norwegian
13 Swedish
8 Danish
4 Greek

In 57 cases entire cargoes were released, either on first consideration or after inquiries.

The system under which advance copies of manifests of cargoes are received and considered before the ships' arrival at ports in this country resulted, during the week under review, in 77 cases being so dealt with, and in 42 cases of the ships concerned being released by the Committee, subject merely to the formal checking of the original manifests on their arrival at the Control Bases.

PRESS SECTION

MINISTRY OF ECONOMIC WARFARE.



SHEFFIELD (Cont.)

Mr. Edgar J. Jenkins, M.I., Mech.E.	Robert Jenkins & Co., Ltd., Rotherham.
Mr. E. Hoult	Edgar Allen & Co. Ltd., Sheffield.
Mr. G. H. Fletcher	Metropolitan-Vickers Electrical Co. Ltd., Sheffield.
Mr. A. Firth	Brightside Foundry & Engineering Co. Ltd., Sheffield.
Col. F. A. Neill, D.S.O., T.D.	James Neill & Co. (Sheffield) Ltd., Sheffield.
Mr. G. A. Wilson	District Secretary, Federation of British Industries (Sheffield District Branch).
Mr. T. Goddard Mander	Secretary, Sheffield and District Engineering Trades Employers' Association.

Nominated by the Trades Union Congress

Mr. W. Ward	} (Amalgamated Engineering Union.)
Mr. H. F. Walker	
Mr. H. Burgin	
Mr. W. Burke	
Mr. J. W. Middleton	(Electrical Trades Union).
Mr. J. A. Fagan	(Amal. Soc. of Woodcutting Machinists).
Mr. A. Ward	(Assoc. Blacksmiths and Ironworkers).
Mr. E. Hutchinson	(Transport and General Workers' Union).
Mr. B. Wood	(National Union of Foundry Workers).
Mr. F. Fowlston	(Association of Engineering & Shipbuilding Draughtsmen).

Ministry of Supply,  
Press Office,  
Adelphi, W.C.2.

28th February 1940.

R.A.F. OVER BERLIN AGAIN.  
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The Air Ministry announces:-

Last night aircraft of the Royal Air Force carried out extensive reconnaissance flights over Northern Germany.

Our aircraft flew over Berlin and Hanover, and enemy naval bases at Kiel and Cuxhaven were successfully reconnoitred.

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AIR AFFAIRS

NOT TO BE PUBLISHED BEFORE THE MORNING NEWSPAPERS OF THURSDAY  
29TH FEBRUARY 1940, OR BROADCAST BEFORE 7 A.M. ON THAT DATE.

Air Ministry Casualty Communico No. 20.

ROYAL AIR FORCE.

The Air Ministry regrets to announce the following casualties on various dates.

Killed in Action

BLEKSLEY	516366	Sergeant	H.F.
DRURY	537272	Corporal	N.R.
MOORBY	816074	Sergeant	H.C.
PARKER	39334	Flying Officer	T.M.

Previously Reported "Missing" Now Reported  
"Killed in Action"

BLACKWOOD	42474	Pilot Officer	N.O'R.
FOSTER	621741	Aircraftman 2nd Class	A.G.
RADCLIFFE	41063	Pilot Officer	M.

Missing Believed Killed in Action

MARSDEN	528828	Leading Aircraftman	H.J.N.
TARLINTON	40763	Pilot Officer	J.J.
WHITE	39406	Flying Officer	J.A.C.
WRIGHT	41643	Pilot Officer	A.H.N.

Missing

BIGG	563033	Sergeant	F.J.R.
BIRCH	540261	Leading Aircraftman	F.
ORCHARD	540259	Aircraftman 1st Class	J.
TICE	507671	Sergeant	G.H.
WADMORE	564478	Sergeant	J.H.
WOODS	580401	Sergeant	W.B.

Killed on Active Service.

BLIGH	42186	Pilot Officer	O.W.
BRADES	755593	Leading Aircraftman	C.F.
CRITCHLEY	619014	Aircraftman 1st Class	W.
DUPE	517894	Sergeant	R.F.C.
HAIGH	581095	Sergeant	A.C.
HAY	812316	Sergeant	S.J.
LOVELL	40724	Pilot Officer	H.A.
McLEAN	42245	Pilot Officer	J.A.D.
SHRIMPTON	42652	Acting Pilot Officer	K.R.W.
SQUIRES	632151	Aircraftman 2nd Class	W.A.
STRATFORD	751663	Leading Aircraftman	L.D.
TINDAL	740407	Sergeant	E.J.

Died on Active Service.

BEATTIE	521868	Aircraftman 1st Class	R.
BECKWITH	353601	Leading Aircraftman	R.O.S.
BROWNING	39852	Pilot Officer	B.M.
DAVIS	943223	Aircraftman 2nd Class	B.T.
DENTON	866615	Aircraftman 2nd Class	T.
HAMPSON	545099	Acting Corporal	N.
LEGGOTT	35148	Acting Flight Lieutenant	C.H.
McCLURE	816021	Leading Aircraftman	T.C.
McEWAN	624157	Aircraftman 2nd Class	W.
McGREGOR	966446	Aircraftman 2nd Class	H.A.
McKAY	623504	Aircraftman 1st Class	J.
ROUT	868830	Aircraftman 1st Class	G.E.H.
WILSON	874565	Aircraftman 2nd Class	A.

Press & Publicity Branch,  
Air Ministry,  
King Charles Street,  
Whitehall, S.W.1.

29th February, 1940.

LORD HANKEY'S STATEMENT IN THE HOUSE OF LORDS.

NOT TO BE RELEASED BEFORE THE SPEECH IS DELIVERED.

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The Motion which the Noble Lord has introduced raises a very large and profoundly important issue. It opens up what is really one of the central problems of our economic policy.

I think it may be useful to lead up to my reply to the argument he has developed by recalling the recent history of this question, and, more particularly, the precautionary measures which were prepared beforehand bearing on the difficulties which were liable to arise in the early stages of a major war in this connection.

The "vicious spiral" mentioned in the Motion is no new issue. We were painfully familiar with it in the last war; when the problem was frequently investigated but never completely solved. By September, 1918, the situation as described in the "Official History" was as follows:-

"Prices, in spite of the controls, and the subsidy which kept down artificially the cost of the loaf, were still rising. The Economist and Statist Index Numbers stood in September, 1918, about 140 per cent. higher than at the outbreak of war; the Labour Gazette Index of retail prices showed an advance of 110 per cent., and the rise had been rather sharply graded during the summer months. The Board of Trade "Cost of Living" Index Number (which included rent) was just double that for July, 1914, and had risen about twenty-five points since January, 1918, mainly as the result of a sharp advance in the cost of fuel and light, and a still greater advance in the price of clothing. Owing to the decrease in cotton imports, and the large proportion of the woollen output devoted to military or export purposes, the cost of clothing was now nearly half as great again as at the beginning of the year, and nearly three times as great as before the war.

The effect of high prices, however, though they gave rise to much discontent, was mitigated by the advance in wages, and fell mainly on the professional class and people with small fixed incomes."

REPROACHES OF INSUFFICIENT PREPARATION.

The Government is sometimes reproached on the ground that before the present war it had not thought out these problems of price and income levels, profits and wages, purchasing power abroad, exports and so forth, and that at the outset of the war it did not announce a comprehensive economic policy.

As/

THE INVESTIGATION OF 1929.

As a matter of fact, the Committee of Imperial Defence opened up these questions as long ago as 1929, in the course of inquiries into the connected questions of man-power and supply. As a result the subject was examined by the Treasury in the light of experience of the last war. Their investigations led to a number of fresh inquiries on different aspects of the question, with the result that a series of precautionary measures were drawn up which could be put in operation either before a war, or at its outbreak, or subsequently.

Why then, it may be asked, was a comprehensive scheme of economic policy not announced on the first day of the war? I submit to your Lordships that in the circumstances in which this war began this was impossible. There were too many uncertain factors in the problem.

We are a peace loving nation. We hoped to avoid war altogether. So the date of war was uncertain. We were almost equally uncertain as to who would be our friends or our foes; with whom we should be able to trade and with whom we should not. There was uncertainty as to the effect on our economic position of such factors as the possible closing of the Mediterranean for a time, or unrestricted submarine warfare and other unscrupulous and inhuman breaches of international law, to which from previous experience we were bound to expect that Germany, if she became our enemy, would resort. There was the same uncertainty as to the effects of unrestricted air warfare which, for similar reasons, we had to expect, to say nothing of the blackout, the evacuation policy and other war conditions.

Again we knew that our defensive preparations, though progressing rapidly, would take some time to complete. It would have been easy to produce a beautiful economic programme allowing, from the first day, adequate labour and raw materials for exports and civilian needs if we could assume that our armaments would be complete, with huge stocks of munitions and reserves. As things were we knew we should probably have to give first priority to armaments both in labour and material.

The pre-war investigations, showed that no precise rule could be laid down in peace as to the moment when each particular step should be taken, whether at the outbreak of war or subsequently. The only thing to be done was to have our defensive precautions in these matters as ready as possible for application at the appropriate moment.

WHAT WE HAVE DONE.

The result was that, by the time war broke out, precautionary measures bearing directly or indirectly on the problems we are discussing had been thought out. Some were put in operation before the war, others on its outbreak, or during the early months. Among them I might mention the following:-

Exchange Control.

Control of Imports and Exports, in particular the curtailment of luxury imports.

Bulk purchase of certain foodstuffs and other commodities.

The establishment of a Ministry of Food together with preparations for the control of food prices and for rationing.

/Measures

Measures for increasing agricultural production.

Rent Control.

The control of materials likely to be scarce and the fixing of maximum prices.

Petrol rationing.

The control of shipping and the control of the railways.

These are all measures which were the subject of much preparation before the outbreak of war; not all of them, of course, have worked out perfectly smoothly, and in several cases it has been necessary to modify, in the light of circumstances which have actually arisen, the plans originally contemplated. But it is not too much to say that the preparatory work which was undertaken before the war has put us in a much stronger position than we should otherwise have been for dealing with the many difficult economic problems that war conditions entail, including among them the "vicious spiral".

To the list already given I must add a series of further measures taken since the outbreak of war some of which were in the programme, so to speak, but not worked out in detail beforehand and which have an important bearing on the problems raised in the Noble Lord's Motion. There was a supplementary War Budget, well described by its author as a "swingeing budget;" there was a great intensification of the voluntary savings campaign; a Prices of Goods Act designed to prevent profiteering in articles of general consumption. There is the policy recently announced by the Chancellor of the Exchequer in another place of checking the rise in food prices by what are, in effect, Exchequer subsidies on certain important articles of food costing about \$1 million per week or (say £50 million a year. There have been a series of measures designed to promote exports, including the schemes which are now in operation in the cotton and woollen trades for inducing producers in these industries to give preference to export and to Government orders as compared with home civilian orders, and including also the recent establishment by the President of the Board of Trade of an Export Council whose task is the organisation in detail of an export drive.

Your Lordships may have noticed that the President of the Board of Trade announced yesterday in another place that a White Paper would be issued shortly on the plans of the Export Council. I am not in a position to anticipate its contents.

It is one of the main objects of several of the measures I have mentioned to help to avert the development of a vicious spiral by checking the rise of prices, particularly of commodities like essential foodstuffs which play a major part in the cost of living.

I am fully aware that it can be argued that measures of this type, although invaluable for the purpose of delaying the approach of inflation, are not enough; that, indeed, some of them may even aggravate the problem unless they are accompanied by other measures which are designed to restrict civilian consumption. This brings me to the argument that has been developed by the Noble Lord Balfour of Burleigh with which I shall now attempt to deal.

#### LORD BALFOUR OF BURLEIGH'S ARGUMENT.

The gravamen of the Noble Lord's argument is that our consumption is probably proceeding at a rate which is in excess of our production and that we are eating into our stocks in consequence. He calls accordingly, in the terms of his Motion, for a drastic curtailment of the consumption of goods by the civilian public; and he argues that for this purpose some drastic financial scheme is necessary, such as the ingenious plan for compulsory saving or deferred pay put forward by Mr. Keynes.

Of Mr. Keynes' scheme, which I have myself read in its latest form from cover to cover, I will only say in reply to the specific question put by my Noble Friend, that it is being studied and that no decision has been taken against it.

Schemes of that character, however, take one into regions of general financial policy. They are obviously very closely connected with questions of taxation and the Budget; even if they do not actually enroach upon that ground. The Noble Lord will appreciate, therefore, that it is impossible for me to enter into a discussion of the merits of general financial projects such as he has referred to, or to offer any opinion upon them.

There are, however, two or three general propositions which I may put forward.

First, I should like to mention one typical characteristic of the British Government which has served us well throughout our history, namely, an unwillingness to enact legislation until we are satisfied that the administrative problems involved can be successfully met. The machinery is of great importance when increasing taxation, and there is the risk of a fiasco if the burden placed on the people who will have to administer the scheme is more than they can successfully carry.

Next I would observe that in examining any scheme for preventing inflation the Government has to assure itself, not only as to its mechanical and practical efficiency, but also as to whether it can be fitted into our democratic system of Government.

A plan that may be admirably adapted to a totalitarian country, where the people have no voice in the Government and have to put up with what their rulers decree, may be wholly inapplicable to a country governed like our own by a parliament free to express its views without restriction. The point is that a totalitarian Government turns instinctively to methods of compulsion, whereas a free Government, before adopting measures of compulsory saving and so forth, will always need to be fully assured that voluntary effort cannot produce the result.

Of course, we all desire the best scheme that can be evolved, and we have shown again and again in our history the extent of the sacrifices to which we will submit in times of war. But our people have rightly a very sharp eye for the preservation of those liberties, which form the basis of our war aims, and the fact that such schemes must be submitted to the test of a discriminating criticism by both Houses of Parliament compels the Government to exercise the utmost vigilance in their formulation.

Next, I agree that the question raised by the Noble Lord has an important financial aspect.

It is/

THE FINANCIAL ASPECT OF THE QUESTION.

It is true, of course, that the war expenditure of the Government is only partly defrayed by taxation and that it serves accordingly to increase the total volume of purchasing power at the public disposal. That results from the huge orders placed by the Government for the purposes of the war, which put a great deal, of money into the pockets of the wage earners and others. As obviously this money could all be taken away from them by taxation they have more money to spend. It is further true that if the public were to attempt to employ the whole of that increased purchasing power for purposes of ordinary expenditure, inasmuch as our war production encroaches on and diminishes the quantity of goods available for consumption, the result would be a general excess of demand over supply, which would act as a powerful force tending to create shortages and to raise prices. With all that I agree, and the general financial aspect of the question is, therefore, as I have said, important.

But my second proposition is that important as this aspect is, it is by no means the only one, and I am not sure that a false perspective of the problem that actually confronts us may not be conveyed by a purely financial approach which deals in what I may call global figures or estimates of Government expenditure and revenue, savings, production and the like.

Certainly what most forces itself on the attention of the Government, as we deal with the economic problems that arise from day to day, is the great diversity of conditions in different sections of the economic field. The Government's war demands are concentrated in a high degree on certain branches of industry, such as engineering and shipbuilding and the woollen industry; they fall comparatively lightly upon others. That necessarily means that for some materials, the supplies that remain available for civilian consumption after the Government's war demands have been met represent a far smaller proportion of the normal civilian demand than they do in the case of other materials.

Again it is far more difficult to maintain the supplies of some materials which are imported from sources where shipping presents especial difficulties than it is to maintain supplies of other materials. For that reason also the proportion which the supplies available for civilian consumption under war conditions bears to our normal peace-time consumption varies greatly from one commodity to another.

This bears on some of the specific questions which have been asked by the Noble Lord. Take the question of how far our consumption is outrunning our production, and how far we are eating into stocks. That is a most vital question; in the case of some important commodities it is a serious practical question with which we are constantly preoccupied; but I find it very difficult to answer the question when formulated in general global terms.

Such general data as are available, though far from conclusive, are of a more reassuring character than might be supposed. The indices, for example, published by the Bank of England of the volume of retail sales suggest that a considerable measure of economy has been exercised by the civilian public in their personal expenditure in recent months.

In the early weeks of the war there does appear to have been an increase in the amount of buying from shops; but since then there has been a marked reduction. Taking articles other than food, the Bank of England Indices show a reduction of 4% in the value of the goods purchased in November last as compared with November of the preceding year, and a reduction of over 5% for December as compared with the preceding December. That, I would emphasise, is in terms of money values. When allowance is made for the rise of prices, the effective reduction in the volume of sales of non-

non-food articles was not 4%, but nearly 14% for November, and not 5%, but nearly 15% for December. The volume of food purchases also seems to have declined slightly by comparison with the preceding year.

I do not want to base too much on these figures. The Bank of England indices are based on returns from certain shops only, which include principally Department Stores, Co-operative Societies and multiple organisations, and they are not necessarily representative of retail trade as a whole. Moreover, we must remember that there are large numbers of men who are now serving with the armed forces and whose wants are no longer supplied through shops. But when due allowance has been made for these considerations, it remains probable that there has been an appreciable reduction in the general volume of purchases made by the civilian public.

The Bank of England retail figures also cover the stocks held by the retailers who make returns, and these figures, so far as they go, are encouraging. According to them the stocks held by shops in December were somewhat higher in volume, that is after allowance has been made for the rise of prices, than they were in December of the previous year.

Turning to another side of the picture, we have the encouraging fact announced by the Prime Minister last Saturday that the sums lent to the Government in the forms of National Defence Bonds and National Saving Certificates have amounted to over £90 millions in the first 13 weeks of the National Savings Campaign. It is possible, of course, that some part of these sums might represent a diversion of savings from other channels. But the rapid growth in the number of Savings Groups throughout the country suggests that the scale on which savings are being made is very considerable.

Now I do not refer to these facts in order to encourage a spirit of complacency - far from it. Rather do I suggest that the problem that confronts us is not to be regarded simply as one of securing a sufficient reduction of purchasing power by taxation or saving, or - what is the same thing from another angle - of securing sufficient reduction of civilian consumption, regardless of the forms which that reduction takes. There are some important commodities in regard to which the maintenance of adequate stocks and the securing of a proper balance between consumption and the flow of supplies represent problems of great difficulty and great urgency. But such problems cannot be solved by a general financial panacea. When you get the great differences to which I have already referred between one commodity and another in the proportion of the normal supplies that can be made available under war conditions for civilian consumption, prescriptions for preventing an excess of purchasing-power will not really take you very far. If you were to confine yourselves to measures of that type the most that you could hope to do would be to balance shortages for some commodities by corresponding surpluses in the supply of others. But you would still get shortages of some important commodities. That is why I have deprecated a purely financial approach to this question.

I turn now to another very important aspect of the spiral, as it is described in the Motion before the House, namely, wages.

The war of 1914-18 had a profound effect on the social and industrial organisation of Great Britain. During that war the voluntary organisation of employers and workers greatly increased and since that time there has been established in the majority of industries some form of voluntary or statutory joint machinery for the negotiation and settlement of wages, hours and working conditions. It was with the general agreement of the employers' organisations and the trade unions that this joint machinery was left to operate freely under war conditions and it is not the least of our assets in such .....

a war as the present to be able to point to the peaceful conditions which exist in industry under the stress and strain of war conditions with no restriction upon the freedom of either employers or workers.

Under our system government is by consent and it is necessary to have the consent of those mainly concerned for the effective operation of any general policy. In the prosecution of the war the Government has the full co-operation of both sides in industry.

This enabled the Chancellor of the Exchequer, in the exercise of the great responsibility falling upon him to meet the National Joint Advisory Council, which is constituted of representatives of the British Employers' Confederation and of the Trades Union Congress General Council, and to place the elements of his financial problem before them. Since that time the whole subject has been earnestly discussed by the Council and it is hoped that in the near future their considered views will be available to the Government. The Council has no authority to interfere with the autonomy of the joint machinery in any industry but, without doubt, their views will be of the greatest value to all concerned in this difficult and perplexing problem.

It is recognised that this country has to show that its voluntary and free system can produce the same discipline and sacrifice as the brutal system against which we are waging war. It would be more than welcome to the Government to be able to say that wages could be advanced freely without injury to the country but they would not be showing a sense of the responsibility which rests upon them in doing so. It is the intention of the Government, with the guidance and advice of industrial representatives, to take all steps within their power to assure that equality of sacrifice which is rightly insisted upon. They are confident that the good sense of the people will prevail and that, with the wise guidance of the constitutional leaders, a way will be found to the fair adjustment of wages without on the one hand endangering the financial stability of the country and without on the other hand dealing unfairly with the proper claims of the workpeople. The Government wishes to pursue a policy calculated to secure from all classes a contribution in proportion to their means and on our success in this depends the ability of this country to prosecute the war to a successful conclusion.

I hope that nothing that I have said will lead anyone to suppose that I wish to minimise the extent of the sacrifices which will have to be borne by the whole of the civilian population, if we are to make an adequate effort in this war. The development of our war effort is moving forward steadily, and as it gathers momentum, the greater must be the extent to which civilian consumption in different directions must be curtailed. This curtailment is important, as the Noble Lord has suggested, in order to keep in check the vicious spiral. It is important also for other reasons, notably in order to permit the maintenance of a large export trade to provide the means of purchasing necessary war material from abroad. In order to prevent the pressure of the home market from encroaching on our capacity to export, steps are being taken, as I mentioned earlier, in the cotton and woollen industries to require manufacturers to give preference to production for export over production for the home market. More generally, in the allocation of scarce materials that are subject to control, we are endeavouring to secure that adequate provision is made for export purposes. These steps will, of course, serve to reduce the supplies available for the public at home; and a readiness on the part of the public to cut down their expenditure on articles of clothing and on other things will be of great assistance in helping to avoid a condition of real scarcity.

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The principle of individual co-operation and sacrifice is so important that I only wish I could find some new and striking way of driving it home. I do not think, however, that I could much improve on the following extract from a personal letter I received recently from a member of this House, my Noble and Gallant Friend, Field Marshal the Earl of Cavan, which he has given me permission to use:-

"You know how much the public like to be 'taken into confidence of the Government.' May I very shortly suggest a simple method? Get a Government representative to broadcast say once a month on the following lines -

'Yesterday as you saw in the newspapers we lost a ship carrying (say) 6,000 tons of meat - this means a week's rations for X people. Will you help to make up for this loss by not ordering any meat for one day? Say next Tuesday. This is not an order, it is in response to your keen desire to help.'

I am certain," Lord Cavan continues, "the response would be astounding, and it could be made quite clear by the speaker, that these losses meant no real shortage, but that the public could almost transform them into a net gain by willing response."

That suggestion I submit, is a fine illustration of the spirit of individual co-operation and sacrifice at which we should aim.

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Advance Report of Speech by  
Sir George Paish to be given  
this evening, Wednesday,  
28th February, at Dover.

28/2/40 - No. 16

WORKERS' SAVINGS WILL CAUSE GERMAN SURRENDER

Speaking at Dover this evening Sir George Paish said:

"There are five Fronts on which the Nation is fighting - the naval, the military, the diplomatic, the economic, and the financial. Success on all these fronts is essential to victory.

"Without exaggeration it can be said that on the naval front we are already completely victorious. The Navy of Germany is to-day impotent, and the Navy of Great Britain supreme.

"On the military front the German forces are in a state of stagnation and seem likely to remain so. According to the best military experts, their chances of breaking through the Maginot Line are nil.

"On the diplomatic front, neutral opinion from all parts of the world, including the whole of Europe, is steadily swinging in favour of France and Great Britain.

"On the economic front the distress of the German people is increasing and, according to the information available, is likely rapidly to increase in the next few weeks. Indeed their condition may become almost desperate before the next harvest is gathered in.

"On the financial front, the difficulties are of a character that must be causing very grave concern to the German Minister of Finance, a very large part of the money now being spent by the German Government having to be provided by an expansion of the Note circulation which is giving rise to fears of a runaway inflation of the currency.

"Already, according to reliable reports, the German people have begun to buy anything that is likely to be of permanent value such as furniture, and indeed anything that is not strictly rationed.

"On all fronts, therefore, the march to victory of the allied powers cannot be questioned. The only matter in doubt is how much distress the German people will suffer before they are prepared to accept the reasonable terms of peace offered them by the British and French Governments. What is in doubt is how far these terms are known to the German people, in order that they bring effective pressure on their own Government to accept them.

"There cannot, however, be any doubt that a great many responsible people in Germany are aware of the reasonable proposals of the French and British Governments, and it is evident that if these proposals can obtain wider circulation in Germany among the great mass of the people, the aims, both war and peace, of Great Britain and France, will be attained.

/ "Notwithstanding

"Notwithstanding the highly favourable course of events, it is of supreme importance that everything possible should continue to be done both in Great Britain and in France, to make victory certain. There must be no assumption that the war is yet won, or is likely to be won without a very great effort, and it is essential to realise that more determined are the peoples of Great Britain and France to attain their objectives, and more particularly the objective of compelling Germany, and this includes not only her Government but her people, to abandon once and for all their policy of conquest and of power, and willingly and freely to co-operate with the peoples of other countries, and more particularly with those of France and Great Britain, in creating a prosperous world in which peace would be not only assured for a few years, but assured for ever.

" To accomplish this purpose, the National Savings Committee has been created to mobilise the country's financial resources and make them available for the prosecution of the war. The success of the movement has already been far greater than was expected. Nearly £100,000,000 has now been provided for the war through the purchase of National Savings Certificates and Defence Bonds. This is, of course, a relatively small sum in comparison with the great sums that are needed, but it is a very valuable contribution to have secured in a period of 3 months in which the movement has been in operation. It is desirable, indeed essential, that in the next 3 months the sum subscribed by the purchase of National Savings Certificates and Defence Bonds should reach a much greater total. Indeed, I should like to see so great a subscription, that the German people when they hear of the amount subscribed, would realise that not only is Great Britain prepared to provide all the material and all the men necessary, but that the British people themselves voluntarily and willingly without any compulsion whatever, will supply all the money needed to meet the expenditures.

"The greatly increased taxation imposed by the Chancellor of the Exchequer, is being paid willingly, and if the British people of all classes, and more particularly the working classes, would now provide the balance of the money by subscribing to the National Savings Certificates and Defence Bonds, I am convinced that the impression made upon the German people would cause them to realise the solidity and determination of the British nation in prosecuting this war to victory, and probably would have an important influence on them so that they caused their Government to accept the terms offered them by the British and French Governments, and bring this disastrous war to an end.

"It is, however, essential that the money should be provided by our people in the faith and with the conviction that this war will finally end war; that out of it will come the reconciliation and peaceful friendly co-operation with all nations including Germany."

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NATIONAL SAVINGS COMMITTEE.

CORRECTION IN AIR MINISTRY CASUALTY COMMUNIQUE NO. 20.

Pilot Officer J.N.O'R. Blackwood should be listed among "Killed in Action". Please amend accordingly.

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AIR AFFAIRS.

28/2/40. - No. 18.

PROTECTION OF WINDOWS.

"The Protection of Windows in Commercial and Industrial Buildings" is the title of a pamphlet (A.R.P. Memorandum No.12) issued by the Air Raid Precautions Department and published by the Stationery Office, price 4d.

This gives advice on the protection of window openings and roof lights in commercial and industrial buildings. Most of its recommendations are also applicable in public and institutional buildings.

The devices described aim at the protection of the contents of rooms (e.g. machinery) rather than the preservation of glass; the latter will rarely be possible without doing away with the use of windows for admitting light and air.

In protecting the contents of rooms there are two aims: protection of the contents against the effects of bomb explosion, and minimizing of the results of glass breakage, such as the penetration of wind and rain.

This Memorandum is not concerned with the protection of personnel. If any window in a commercial or industrial building is part of an air raid shelter within the meaning of the Civil Defence Act, 1939, it must be protected as laid down in the Revised Code (August, 1939) entitled "Air Raid Shelters for Persons working in Factories, Mines and Commercial Buildings."

The methods of protection described in this pamphlet which are not specified in the Code, may not be taken as alternatives to those in the Code for the purpose of protection in shelters, unless a Ministerial Order sanctioning their use has been issued.

MINISTRY OF HOME SECURITY.

SANDBAG REPLACEMENTS.

Now that many sandbag revetments and similar forms of protection have been in position for six months and have endured the rigours of a hard winter, the question of renewal or replacement has become of interest to those responsible for the provision and maintenance of such protection, whether under the Civil Defence Act, or as local authorities.

The matter is dealt with in detail in a pamphlet prepared by the technical services of the Ministry of Home Security entitled "Notes of the Construction, Maintenance and Replacement of Sandbag Revetments" (Stationery Office, price 2d.)

Of particular interest is the section devoted to the subject of alternative types of protection to sandbags.

Figures are given of the relative unit costs of various forms of protection, including brickwork, hollow concrete blocks, etc., as well as sandbagging itself, and it is pointed out that "even without taking account of its lack of durability, the sandbag revetment will be found to compare unfavourably in the first cost with other forms of protection, except as emergency protection."

Technical details are given of alternative types of protection and such practical details are dealt with as the relative cost of removal of sandbag and other forms of protection, such as brickwork, when no longer required.

MINISTRY OF HOME SECURITY.

MOTHER OF COLONIES.

The Press throughout East Africa continues to be enthusiastic about the White Paper on Colonial Development.

The latest advices received in London quote the "Mombasa Times", which refers to the charge often made against Great Britain that the Colonies are neglected, and goes on to recount various forms of financial assistance given to the Colonies in recent years.

The editorial concludes: "Latest announcements that £5,000,000 are to be distributed among the various British Colonies, Protectorates, and Mandated Territories, are a further indication of Great Britain's intention to assist her big family of youngsters to develop into self-reliant grown-ups capable of taking care of themselves and no longer tied financially or governmentally to the Mother Country's apron strings".

EMPIRE AFFAIRS.

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LOCAL REACTION TO WEST INDIA RECOMMENDATIONS.

The recommendations of the West India Royal Commission have been enthusiastically welcomed by British Guiana papers, which express special gratification that it has been decided to proceed with fulfilment of the policy notwithstanding the War.

Non-publication of the full Report has been accepted with little comment. One paper states that the decision not to publish will be well understood and that we should concentrate on the constructive side of the Report and not concern ourselves with what may be the critical and destructive side.

A British Guiana Labour paper which has just started publication welcomes the Report as a triumph for Labour and Trade Unions.

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28/2/40. - No. 22.

Trinidad's Help to Red Cross  
Third Gift of £1,000.

Another £1,000 is being cabled to London Headquarters of the British Red Cross Society from the Trinidad and Tobago branch.

This is the Colonists' third contribution of £1,000 to the London Red Cross Society, apart from considerable sums spent in buying material for working Parties to make garments and Hospital Supplies.

Since the formation of the Trinidad and Tobago Branch last July over £6,000 has been subscribed by the people of the Colony, besides two Ambulances which have been presented by the Chinese Community.

The first V.A.D. was established on September the 3rd, the day the War started and two further detachments have since been formed.

EMPIRE AFFAIRS

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MALAYA AND THE NEW COLONIAL POLICY.

Asiatic opinion in Malaya as expressed by Indian and Malayan newspapers is warmly appreciative of the important development of British Colonial policy announced last week.

Malayan and Tamiel newspapers in Malaya have published editorials on the announcement during the last few days, and, leading articles, while recognizing that Malaya is a sufficiently wealthy country to finance its own services and unlikely to benefit much from the new scheme (with the possible exception of Kelantan, Trengganu, North Brunei and Labuan) hail the scheme as a notable step forward in British Colonial history and a most significant gesture at the present time.

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EMPIRE AFFAIRS.

#24  
missing.

28/2/40 - No. 25.

Not for publication or broadcast or to be cabled abroad before 5 a.m. Thursday, 29th February, 1940.

PRESS NOTICE.

ALUMINIUM PRODUCTION.

The Ministry of Supply have made arrangements with the British Aluminium Company and the Aluminium Company of Canada, for substantial increases in the output of aluminium in the United Kingdom and Canada.

In Canada, for instance, the increase in output is sufficient to make the total capacity of that country alone almost equal to that of Germany.

The two companies have, moreover, undertaken to co-operate with the Ministry of Supply in developing any further increases in capacity which may be required.

The Ministry have also purchased the entire output of the British Aluminium Company for 1940, and of the Aluminium Company of Canada for the remainder of 1940 and the whole of 1941, less only that required for consumption in Canada and for fulfilling certain pre-war commitments.

Basic prices approximately equal to those current in the United Kingdom and Canada before the war have been agreed.

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MINISTRY OF SUPPLY.

RESCUE BY THE "GLENORCHY"

The following is issued to the Press by Naval Affairs for such use as they may wish to make of it.

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At about midday on February 15th, the Dutch motor tanker "Den Haag", bound from New York to Rotterdam with petroleum products, was torpedoed without warning by an enemy submarine in the Atlantic.

The ship was blown into halves; but the crew of thirty-nine managed to get away in three boats at the shortest notice in the clothes they wore and with very little in the way of water and provisions. It was blowing fresh from the south-east with a moderate sea.

Of the fate of two boats containing twenty-six men we know nothing; but at about 3 p.m. on February 19, an hour or so after passing through an extensive patch of oil floating on the surface, Captain William Christie, of the British steamer "Glenorchy", homeward bound from the Far East, sighted an open boat roughly eighty miles from the Spanish coast.

The sea was rough with a fresh breeze from the south-west, and approaching the boat those in the "Glenorchy" could see no signs of life on board, nothing but what looked like a sail or tarpaulin laid along the thwarts.

Not altogether satisfied, Captain Christie circled round and sounded his whistle, when, as he described it -- "the boat came to life with heads and waving arms."

It contained the Captain, chief engineer and eleven men of the "Den Haag", torpedoed four days before.

With their mast and sail blown away and their rudder smashed, they were in the last stages of exhaustion and hunger. Indeed, they had given up all hope and had lain down to die.

Struggling alongside, only one of the "Den Haag's" crew could climb up the "Glenorchy's" pilot ladder. The others had to be helped.

But for Captain Christie's good seamanship and idea of sounding his whistle that boat would have been thought empty and her crew would have perished.

The British captain must have known he was in a danger area, but did not hesitate to stop his new 9,000 ton ship for the purpose of saving life. His conduct may be contrasted with the callous brutality of the U-boat captain who had no qualms about torpedoing a neutral ship bound from one neutral port to another.

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AS THIS SCRIPT IS ISSUED IN ADVANCE  
IT SHOULD BE CHECKED AGAINST THE  
BROADCAST.

NOT TO BE PUBLISHED UNTIL AFTER 9.30.p.m. 28/2/40.

FACING THE FACTS

by

MRS. AYRTON GOULD

(Chairman of the Labour Party)

Home Service, Wednesday, 28th February, 1940. 9.15.-9.30 p.m.

Wherever you are, whatever you are doing, I am sure there is always one question underlying your thoughts, as it is mine - what is this year going to bring? Not so much to ourselves, as to our children, at home and abroad; to the old and the ailing and the desperately poor.

Millions of you look back to the end of the last war, especially those who are mothers, like myself, with grown up sons. We remember how we thanked God that those four years of misery and anxiety were over, and how our babies were going to grow up in a peaceful world.

But they have not grown up to peace; far from it; it is they, who, in this country are the first victims of Nazi aggression. Those boys have to carry the heaviest burden of the war, while we, their parents, must stand by, filled with the terrible knowledge that we have failed to save the peace.

And how many of the young people themselves are saying "If we come through this War will our children have to face it all again in another twenty years?"

What is going to be the answer to that? Can we secure an enduring peace this time? I think we can. We must.

I met an old soldier in the train the other day. He had ribbons on his breast including the Mons. He told me he had been in France for four years during the Great War and was going back there after a week-end at home on leave. I was on my way to a meeting in the town where he lived, and I asked him to send them a message. He said: "Tell them we'll win the war again, but this time they must see to it that they win the Peace".

That is our job at home - to ensure that this time we win the Peace - an enduring Peace.

Victory is our immediate task, but of what use will it be if victory only means an interval between wars and not the end of War?

Last time we won the War and lost the Peace.

This time while we are still actively engaged in winning the War we must work to prepare for Peace.

Two hundred years ago a great General called his troops together on the eve of battle and said:- "Pray God give us victory; meanwhile make us ready to receive it".

How can we be ready to receive it? What is the strength of our faith? Not only to defeat aggression and destroy all that Hitlerism stands for; merely to destroy what is bad is not enough, we must also create what is good.

Our/

Out of the chaos and carnage, the horror and hell that is War we must build a better, a juster, and a kinder world. If we cannot give the hope of freedom, health and happiness to the millions of mankind who have suffered so cruelly the victory will be nothing but an empty sham and when I talk of the "millions of mankind", I do not mean only the tortured victims of Nazi aggression. I mean also the masses who have suffered as their parents and grandparents suffered before them, from injustice and poverty.

To respect the fundamental rights of all men, no matter what their race, creed or class, is the only possible basis of a real Peace.

It is because the Labour Movement realises this great truth that we are so determined to win the War, whatever the cost. Hitlerism is the negation of human rights, and while it rages like a ravaging beast there can be no hope for humanity.

In this country, the people, by sacrifices often almost as great as those which War demands, have secured for themselves rights and conditions that they will never relinquish. We enjoy rights and conditions that are denied absolutely to those who live in dictator countries.

It is said that in some of these countries there are good social services, welfare schemes, education, and so on. Even if this is true it is all useless without freedom; freedom of thought, freedom of speech, a free press - and, what is perhaps the greatest freedom of all, freedom to fight for the things in which we believe without being victimised because we believe in them.

Do not forget that the bondage of a people is no less cruel because they have exchanged economic slavery for political and industrial slavery.

In the last hundred years in Britain we have secured political freedom, and in spite of the poverty and misery which, alas, still exist, we have won a great measure of industrial and economic freedom. When you compare the workers' conditions today with those of a hundred years ago there can be no doubt as to the advance.

We do not now send young children down mines nor can they be forced to work in factories and beaten by overseers if they fall asleep on their jobs.

The agricultural worker is still underpaid, but he does not have to keep his family on seven shillings a week.

Today no man can be imprisoned or deported because he is a trade unionist.

If the best that we have were nation-wide we could challenge the world on our Social Services.

As compared with the lives of the mass of the people in Germany the British workers are incredibly well off. But we cannot be complacent because the state of our workers compares favourably with intolerable suffering. What we can do is to determine that we will never be subjected to the hideous conditions which the Germans endure. And when the War is over there must be no suffering anywhere in the world which we can prevent.

That determination will go a long way towards achieving the lasting Peace we all so desperately desire.

I happen to have the honour this year of being the Chairman of the British Labour Party. My colleagues and I are charged with the responsibility of helping to direct the Labour Movement of the country, and through that Movement to influence to some extent the Social Democratic Parties all over the world. Therefore, we have a special duty as representing the great mass of working-class people.

In every country in the long run it is always the workers who pay most dearly for war.

There is no class distinction in mutilation or death; there is none in heroism or bravery. There is no class distinction in willingness to sacrifice, but the penalty of sacrifice is not always the same. For there is class distinction in life though not in death, and certainly in the peace-time preservation of life.

I cannot forget the uncomplaining endurance of the mothers in millions of humble homes. Their lives are one long struggle against grinding poverty. An endless effort to make both ends meet; their immediate problem always how to prevent the children from being hungry, and how to keep them clean and tidy. How many mothers, and fathers too, concentrate all their hopes on giving their children a better chance than they have had themselves. "And the end of it all" as one mother said to me, "is to make cannon fodder of him just the same as his father".

But the end of it - or rather it must be the beginning of a new era - is to rid the world of the hideous persecution and terror that is Hitlerism, a terror which is almost as dreadful in Germany itself as it is in the invaded countries.

I'll read you some extracts from the letter of a German woman. She is not a Jewess. She is not and never has been the least interested in politics. This is what she says: "The terror is so systematic, so wide-spread, so successful that I think it is impossible that anyone living under normal conditions can realise it or can think what it feels like. People are executed daily in great numbers - not shot, not hanged, but by the awful means of the axe and block. The most innocent end like that; they are taken out of their beds; there is never a trial; they just disappear, and if their people should dare to ask what has become of them they will share the same fate. People who in the beginning of the war still dared to protest are dead and silent now. The people have suffered so much they have got quite cowed. They may not speak; they may not read; they may not write; they may not travel they may not listen to the radio. They have lost their freedom to work. They are losing their savings, their homes will go. Their children are torn from them. They are cheated and betrayed - what is left to them".

That is this non-Political German woman's statement.

"Systematic terror" that is the phrase which haunts me in that German woman's letter.

When war was thrust upon us by Hitler last September we were threatened with dreadful horrors. Those evil prophecies of the civilian population have not yet been fulfilled. They may still be

if the murder lust really unleashes itself. If so it will be a time of stern and testing trial. I do not for one minute minimise the horror of what that means - the ghastliness of what we may have to face. But whatever it may mean I know that we shall face it bravely.

Think of the alternative. If we weaken. If we yield, above all if we lose faith in freedom's cause ( - and that cause is yours and mine) then as the German woman phrases it "Systematic Terror" will be our lot. And it will be a small matter to us or our sons whether the "Systematic Terror" is practised under the guise of War or Peace.

BRITISH BROADCASTING CORPORATION.

28/2/40, - No. 28.

Increasing Ulster's Flax Acreage

The Northern Ireland campaign to increase the flax acreage by at least 50,000 acres began to-day (Wednesday) with the distribution of supplies of flax seed secured by the Government, mainly from the Canadian authorities.

The maximum wholesale and retail prices have been fixed and it is believed that the present flax production drive will not only help to provide raw material for the linen industry but also prove of great financial value to farmers.

In addition, it is announced that the 200,000 mark has now been passed in the Government drive to secure an additional 250,000 acres of ploughed land of all crops.

It is anticipated that the 250,000 mark will be reached before the end of March.

EMPIRE AFFAIRS

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28/2/40 - No.29.

BELFAST AIRCRAFT WORKERS TO  
HELP FINLAND.

Out of their first national wage increase next week-end, Belfast aircraft workers, numbering many thousands, are to devote a contribution to the Finnish Red Cross Fund.

The idea originated from the workers themselves, who are organising what is expected to be a record contribution to the Fund from Northern Ireland.

EMPIRE AFFAIRS.

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CANADIANS ON "MANOEUVRES".

With faces black as a troop of southern minstrels but carrying "instruments" not resembling banjos, trained scouts of the Edmonton Regiment staged a workmanlike reconnaissance patrol to-day (Wednesday) before a distinguished gallery of military experts from the Imperial and Canadian Forces.

The exercises were planned to simulate a night patrol into a heavily defended enemy position. They were personally directed by the Commander of the 2nd Infantry Brigade.

With him at the observation post were the Inspector General of Infantry, General Staff Officers and Senior Officers of the Canadian Infantry Brigade.

The demonstration was one phase of the work that is carried out nightly by the Canadians in perfecting their individual training.

In other parts of the area, similar manoeuvres were performed by patrols from other regiments.

As the Edmonton patrol emerged from their most forward defensive post in a well-protected corps, a running account on their progress was given by an expert instructor from the Imperial Army.

The men moved at snail-pace as if stepping on red hot cinders during the first stage of their advance, then for more than a minute and a half they wriggled and squirmed on their stomachs across the rugged terrain, lying motionless for a minute at a time as an occasional starshell from enemy trenches lit up "no man's land".

The men performed every operation that a patrol might encounter on an actual raid. They crawled through hedges, over ditches, cut their way through the barbed wire entanglements, detoured around trip wires, and finally accomplished their mission - identification of an enemy corpse which lay near a shell hole fronting the enemy entrenchment.

This operation concluded, a platoon of a famous Guards regiment gave a realistic demonstration raid into an enemy division under protective fire of machine guns.

The attackers, in full battle kit, reached their objective with the (imaginary) loss of only a few men.

They returned, however, with a group of prisoners who looked like the real thing, wearing German helmets and field grey tunics - trophies of the last war.

LONDON MEAT SUPPLY POSITION.

At the Mitcham depot today the following allocation was offered to the butchers:

250 imported sheep, 900 imported lambs - total 1150.

343 Scotch tegs, 50 Birkenhead sheep - total 393

that is an approximate proportion of three imported carcasses to one home killed.

Butchers declined to accept this allocation. They agreed to take the imported sheep and lambs, but only one home killed carcass per shop, which would account for only 159 carcasses out of 393.

The allocation was, in these circumstances withdrawn by the depot manager.

The deputy meat agent of another area has agreed to accept these supplies and re-allocate them in the same proportion.

The refusal of the Mitcham butchers was based on their objection to too large a percentage of home killed meat despite the fact that in view of increased supplies of home killed mutton it was necessary that a larger proportion should be put into consumption.

There was no objection on the ground of the condition of the meat.

In the rest of the London area the situation so far is normal.

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FOOD MINISTRY.

28/2/40. - No. 32.

MILK PRICES IN SCOTLAND

When the Minister of Food, on December 14, announced the grant of a temporary subsidy to milk producers during January, February, and March, he stated that the arrangement was conditional on the maintenance for the present of the existing level of retail prices of liquid milk.

To resolve doubts which have arisen as to the effects in Scotland of the Milk (Provisional Retail Prices) Order 1940, Minister of Food states that he greatly appreciates the action already taken by the Milk Marketing Boards in Scotland and confirms that the Order fixes maximum prices only.

The Order does not in any way whatsoever over-ride the prices fixed by the Milk Marketing Boards in Scotland under their contracts and retail licenses.

MINISTRY OF FOOD

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28/2/40

- No. 33.

FRENCH OFFICIAL COMMUNIQUE (EVENING)

The following official communique was  
issued this evening from French G. H. Q:-

A QUIET DAY.

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