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AN ACT FOR THE BETTER MANAGEMENT OF THE CREDIT OF ALBERTA

By C. H. DOUGLAS

Apologia.

It is perhaps not necessary, but it may be desirable, to state at once that the title of this little essay carries no official authority whatever. It is dedicated without permission but with every respect to the people of that Western Canadian Province which acted while others talked, and so earned the title, of which nothing can deprive it, of the first Social Credit Administration.

It will be recalled that Social Credit is that funny-money scheme which was tried and failed in Alberta. This failure had curious results. Not only was the Social Credit Administration returned again, and again, but the virus spread to a Province three thousand miles away, speaking a different language, and in transplantation gained, if possible, even greater vigour. Failure as an explanation clearly required emendation.

The latest and perhaps most polished version has appeared in a newspaper whose city of origin is, after all, an excuse rather than a misdemeanour.

After remarking that on the election of the Provincial Government "dedicated to the Major Douglas version of Social Credit", it states quite simply "Premier William Aberhart did not live to see the introduction of Social Credit measures into his Province." The main value of the article in question to readers of this journal is that it administers the *coup de grâce* to the funny-money which failed in Alberta story and substitutes a discussion of the Bill of Rights. To quote its own words "the latest measure was, like all its predecessors, ruled invalid". That is to say what the Province of Alberta wanted to do did not fail, because it was not allowed to be tried.

In parenthesis, it may be said that, in spite of every obstacle, many minor policies inspired by Social Credit principles have been instituted with such success that Alberta is admittedly the best administered Province in Canada. But the fact remains—whether legally or by bluff, or simply by *force majeure*, the Ottawa Government showed that Alberta had not the sanctions. The issue raised by that is the constitutional issue which is rising everywhere, but at the moment we are not dealing with that.

In a certain sense, the aphorism that politics is the art of the possible does not admit of dispute. Nevertheless, it is fatally easy to quote it as an excuse for an easy life, ("after all, we're aiming at the same thing, aren't we?") and it has severe limitations in regard to high policy. So far as Alberta is concerned, after the initial direction had, perhaps unavoidably, been set in 1935, it is my opinion that, to the present

time, the situation has been well handled. And the chief success, when the period of Mr. Aberhart's premiership is seen in proper perspective will be recognised in his growing understanding of his enemies' essential weakness. Every Bill disallowed by Ottawa demonstrated, as nothing else would have demonstrated, that it was not the failure of Social Credit of which Mr. Mackenzie King and his shadowy sponsors were afraid: it was its certainty of success.

It is in the light of this situation that the Bill of Rights ought to be considered. It might be said that if its object was to be thrown out, the art of the possible did not matter very much. However that may be, it received certain able criticism, not even remotely inspired by me, and it was, in addition, declared invalid.

It would appear that an irresponsible individual such as myself can render some small service at this juncture by clarifying the distinction between the ultimate aim, and the cautious approach to it. As things are, I don't think the quarry will run away; but it would be a pity to lose sight of him.

The *pro forma* Act which follows is purposely submitted in the rough. Its details do not matter vitally: but I think its principles are sound. Perhaps we might regard it as a buoy marking an elbow in a tortuous channel:

Text

Whereas it is expedient that certain changes in the disposition of the credit of the Province of Alberta shall be made and whereas it is commonly agreed that Bank Deposits and Bank Loans are mainly or wholly derived from the monetisation of the credit of the population which is the base of the credit of the Province and whereas by Section 92 of the British North America Act it is laid down that in each province the Legislature may exclusively make laws in relation to matters coming within the classes of subjects next hereinafter enumerated, that is to say, the borrowing of money on the sole credit of the province. Be it therefore enacted that from the passing of this Act no bank of any description, including the Bank of Canada and all banks chartered under the Dominion Bank Act, shall operate in the Province of Alberta except under the direction of a local Directorate. Such Directorate shall consist of three Members appointed by the Social Credit Board set up under Act 90, and two Members appointed by the Head Office of the bank concerned. The Chairman of such Board of Directors shall be elected by the Board and for this purpose

no meeting of the Board which is not attended by all the Directors shall constitute a quorum.

All employees of banks situated in Alberta shall individually apply for a licence to carry on the business of banking, and such licences shall be granted by the Social Credit Board on a recommendation of the local Board of Directors of the bank. The amount of such licence and the conditions of issue and withdrawal shall be laid down by the Social Credit Board. Any salaried employee of a bank within the meaning of this Act or any employee dealing with loan or deposit business, whether salaried or otherwise, shall be guilty of a misdemeanour unless in possession of such licence and shall be subject to such penalties as the Board may lay down.

The Capital Account of the Province of Alberta shall consist of the following items:—

1. Land values (a) undeveloped at valuation (b) developed, at last sale price or valuation if no figure available.
2. Public works at cost, less twenty times annual maintenance cost.
3. Private property at values taken for taxation in 1939.
4. The capitalised value of the population based upon a figure obtained by multiplying half the average expectation of life in the Province by the total production per annum for the year under account, at prices ruling in 1939, including capital development for the same year and subtracting from this all amounts allowed by the taxation authorities for depreciation in the same year.
5. Net credit balances on Trading Account between the Province of Alberta and elsewhere.

On the basis of the capital value so obtained by the addition of items (1), (2), (3), (4), and (5), citizens' debentures to be issued only to residents in the Province of Alberta who have been registered as such either at birth or after a period of seven years of residence, may be created. The total capital value of Debentures issued against the Assets of the Province shall not exceed 80 *per cent.* of the Balance Sheet value. To all such registered residents a debenture representing one-seventh of the discounted capitalised value of

$$\text{yearly cost of living} \times \frac{\text{average life}}{\text{expectation of life}}$$

to be given at date of registration, and a further debenture, again representing one-seventh of the original fraction, to be given to such registered residents on the completion of each seventh year subsequently during the life time of the resident, up to a maximum of seven debentures. These debentures to be inalienable, non-transferable, and not good security for loans, and to be known as Class A Debentures. The dividend on each of these debentures will be a first charge on the potential productivity of the capital assets, but will not exceed one-seventh of the average cost of living, such cost of living being defined as twice the maximum relief per head allowed in the Province of Alberta in cases of destitution in 1939. Such dividend shall not in the aggregate exceed 50 *per cent.* of the capital increment for the year in which the dividend is paid.

Productive property which is scheduled as approved to be valued on a basis of total capacity output per annum, minus cost of maintenance, owner to be issued with a debenture known as Class B. Debenture, which will pass with the property and vary in value with the rating as above

defined. The schedule of productive property shall be annually revised. The dividend on these debentures will be at the rate of five *per cent.* upon the value of debentures as above defined at the end of each financial year, and the rating shall be written down by the amount of such dividend, and written up by the amount of approved expenditure on the property during the year. No registered holder of Class B Debentures shall maintain a bank balance exceeding twice the daily outgoings multiplied by the length of the turnover period in days of the property of which he is the owner, all excess of bank balance above this period to be converted into Class D Debentures, and no shares or other investments shall be bought or held by industrial corporations or other associations. *Class C Debentures* will be issued in respect of approved amenity property actually occupied and maintained by the owner, to an extent based upon the capitalised value of the rating for taxation in 1939, such rating to be revised each twelve months having regard to the improvement or deterioration of the property. These debentures will carry a dividend based upon the cost of maximum maintenance of the property, such that half of the cost of maintenance will be met by the dividend upon the debentures. *Class D Debentures* will be issued in return for all personal bank balances exceeding 125 *per cent.* of the immediate last year's personal expenditure and will bear interest at 2½ *per cent.* One-twelfth of the personal total holding of Class D Debentures will be reconvertible into cash upon demand and each further twelfth on giving a number of months' notice equivalent to the number of twelfths it is required to convert. No such reversion into cash shall increase the personal bank balance of the owner beyond the limits laid down in this section and such reversion shall only be for the purpose of acquiring property against which Class B or Class C Debentures will be issued.

Price Regulation.

The accounts of all retail merchants dealing direct with individual consumers shall be audited annually in accordance with the provisions of the Dominion Companies Acts, Section III *et seq.* as amended 24, 25 George V, Chapter 55, modified as may be desirable to meet Provincial conditions. The stock in trade at the date of audit, taken at cost price, shall be divided into 90 *per cent.* of the annual turnover for the purpose of ascertaining the average rate of turnover. A credit equal to five *per cent.* of the value of the stock shown in the account multiplied by a figure equal to half the number of times in which the stock is turned over *per annum* shall be entered in favour of such trader in the form of Class B Debentures, in every case in which the net profit upon the annual turnover available to the trader, or the shareholders in the case of a limited company, including the interest on the Class B Debentures held, shall not exceed ten *per cent.*, providing that such profit is distributed in full. The capital value of such Debentures and the terms of their transfer shall be similar to those of other Class B Debentures, the business to which they refer being regarded as a property.

The total value of all Debentures issued under these regulations shall not exceed 80 *per cent.* of the valuation placed upon all the assets of Alberta and such ratio shall be maintained if necessary by suspending the issue of any class of Debenture other than those in Class A for any period shown to be requisite.

At the discretion of the Social Credit Board any of the undeveloped resources of the Province may be leased to

suitable undertakers, the capital value of such assets being charged with Class B Debentures the interest on which shall be credited to a Fund out of which the salaries and expenses of the Government shall be met together with other public costs.

Where the assets of Alberta have already been leased or allotted a 5 *per cent.* tax shall be paid on the proportion of the capital value of such assets as is equal to the proportion of shares or other securities owned outside the Province.

PARLIAMENT

The Statistics of Trade Bill

The Statistics of Trade Bill gives the Board of Trade extremely wide powers to demand, from producers and traders, on penalty, practically unlimited information as to their businesses. The provision that this information may be used even for legal prosecutions against those who give it is included. In introducing this Bill, Sir Stafford Cripps was insistent that it kept rigidly to the recommendations of the Coalition Government's White Paper on Employment Policy, compiled when Opposition Leaders were among the Ministers responsible. Socialist politicians have recently been finding this continuity of policy very useful.

Consequently, only Sir William Darling and Colonel Crosthwaite-Eyre (apart from Mr. Drayson, who was cut off by the Division two minutes after he began to speak) opposed the Bill on principle. Most Conservatives adopted their usual role of agreeing with Socialist aims while criticising one or two particular provisions. Mr. Belcher welcomed this as "constructive" criticism. It ensures that the Bill shall be passed without scrutiny of what is taken for granted.

House of Commons: January 21, 1947.

Statistics of Trade Bill

Sir William Darling (Edinburgh, South): . . . I, perhaps, do not take such a liberal view of the value of statistics as has been expressed earlier. I am one of those who are inclined to believe that just as "happy is the country that has no history," so "happy is the community which has no statistics." . . .

. . . It may be that these old-fashioned views carry little conviction in this House or in the country, but it is an unassailable truth that this country was probably happier with fewer statistics than it is at present when so many are wanted.

The President of the Board of Trade has indicated to us the necessity for an inquiry in the distributive trade. He was concerned with the place it occupies in our economy. He said that it was the biggest single gap between production and distribution and he mentioned the amount of national income which it enjoys. I detect in many places this dissatisfaction with shopkeepers, particularly among politicians and statisticians, but there is nothing more desired by the people than the little shop and the grand store. I think the little shop is one of the greatest of human endeavours, because no shop exists except by the free will of those who use it. If it is a petty little shop, charging too much, dirty and not very well kept, none the less it is kept by a human being and a certain number of people want to associate with that person in his business, and so satisfy their wants and needs. In the interests of streamlined civilisation, the fruits of which are

sparse today, are we to dispense with those rich individualities and those places which have been the breeding ground of some of the greatest of our country? Is a system to be thrown away because it is inconvenient? Is the ideal of the President of the Board of Trade—and I suspect for all his protestations this is the case—that the Co-operative societies should be expanded indefinitely so that their only serious competitor will be the multiple store?

Believe me, the shopkeepers of this country are suspicious of this inquiry into distribution. This inquiry is like what happens in a court when a prisoner already knows that he is guilty, and is shortly to be condemned, because the President of the Board of Trade and those associated with him will no doubt prove to their own satisfaction that the shopkeeper is redundant and is as superfluous as are his methods and cost of distribution. But he will not disprove that the public of the country like the little shopkeeper. They like the little shops, and will persist, whatever Government is in power, in supporting them. I make a plea from this side of the House for the small man, who formerly looked, in mistaken loyalty, to the other side, but who now knows what his fate is to be. That fate is to be either a civil servant or a municipal employee. Only the other day I was approached by one of my constituents who wants to guide her boy into the business of life. As he seems rather dull and about my own mental calibre, and might not do well at a university or a higher school, I suggested that he might do well to become a shopkeeper. His mother said: "I will not have him in a shop. I would like to get him into the Co-op. or the Corporation." God help him. That is the kind of paradise that this Census of Distribution is going to produce for us. . . .

Now that I have sketched in the general background of the Census of Production and Distribution, I would like respectfully to suggest an alternative. Why should this be made compulsory? Why should there not be a voluntary census? I put it to the President that efficient businesses are well equipped and have the staff and the experience to supply such statistics as are required, if invited by him to do so. If they are they will continue to do what they have done in the past, and submit the statistics which he requires in the form he requires. By gentle persuasion, in which the right hon. and learned Gentleman is not deficient, he might gradually grade up the voluntary effort to the point at which at least 50 *per cent.* of the worthwhile businesses were giving him the information which he requires. He would follow this plan, if his intentions were benevolent.

If the right hon. and learned Gentleman will not follow the voluntary method he leads us to the suspicion that his intentions are malevolent. He is not willing to ask for the voluntary co-operation of the leaders of industry in this country. He holds over them a whip. He says, in Clause 4, that if they fail to make returns, or if they make reckless false statements, there is imprisonment for three months, or a fine up to £50. He says later in the same Clause there can be imprisonment for two years or a fine up to £100. With the eye of a prophet he foresees a certain degree of recalcitrance, because he says that for any recalcitrant who fails to furnish the estimates there shall be an additional fine of £10 for every day on which the recalcitrant continues the failure to provide the right hon. and learned Gentleman and his officers with the returns which they require. Does that look like sweet reasonableness? Does that look like the building

(continued on page 5)

THE SOCIAL CREDITER

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Saturday, February 8, 1947.

From Week to Week

Perhaps the most far-reaching of the deliberate fallacies and frauds which seem to suffocate the large amount of good-will existing in the world is the widely circulated idea that human material at birth is nearly uniform in quality, and, given equal opportunity and environment, "equality" may be expected, and with it the Millennial classless society. Such a statement would probably express the view of Miss Ellen Wilkinson, with, of course, some mental reservation regarding the special texture of Socialist Ministers of Education. It indicates the reality of the "education" we are to have.

A curious feature of this belief is that it is most strongly held in those circles in which an unquestioning, if thinly superficial acceptance of the evolutionary dogma credited to Charles Darwin has replaced Christianity. At first sight, the two conceptions would appear to be, and, *in terms of one generation*, are, mutually exclusive.

But they are, nevertheless, held concurrently; and it is not the least of the betrayals of the so-called Conservative Party, that its leaders appear to have neither the courage nor the desire to base its policy on an open denial of both of them.

Yet even the "scientific," i.e. statistical method, so sacred to dialectical materialism, has come down flatly in opposition to the egalitarian idea and the crude deductions from it. Squadron-Leader Christopher Hollis, M.P., in *The Tablet* quotes from a booklet by Sir Cyril Burt, which concludes with a quotation from *Foundations of Educational Psychology* by Barbara Burke: "The contribution of heredity is about four times as potent as that of environment." Anyone retaining native common sense unblinded by book-learning knows that simple fact without the aid of statistics, but the whole of the so-called democratic system as operated, is a flat defiance of it.

Mr. Hollis sees this, but possibly by reason of his original profession of schoolmaster falls into two surprisingly elementary mistakes. The first is to attribute to biological "sports" the appearance of genuinely brilliant men and women from classes which do not ordinarily produce them, whereas a much more probable explanation is the widespread diffusion of distinguished heredity by illegitimate or even casual unions. And the second is the treatment of scholastic success as though it were a reliable criterion of all-round ability. Fortunately, it often is in Great Britain, although much less so than a century ago, and not uniformly enough to prevent its failure in the latter days of the Indian Civil Service. But essentially, there is little more connection between book-learning and ability than between piano-playing and morals.

It seems clear that at the root of the confusion which

envelops these questions is always the same essential error, clearly enough brought out by every great religion but perhaps most uncompromisingly stated in the Hindu dogma of the Twice-born. *Mankind* is essentially an animal group with a mob-mind. Until he is "born again" with an *individual* soul he is always *instinctively* deluded as to what is, or is not, valuable. And the ends to which the group mind in action will tend, cannot rise above man's origin, which is animal. To put the immediate political problem into every-day language, poverty should be abolished, not represented. But that does not mean to say that those from whom the fear of poverty has been banished have nothing to learn, or that they will learn it very quickly. It will be noticed that the Satanic Powers which are so active just now are determined to stress just the opposite—that the group should rule, and that poverty should be represented, not abolished.

The Social Credit conception of an unconditional National Dividend could only be associated with egalitarianism by a mind which would regard the statement that the rain falleth on the just and the unjust as a proof of it. We do not doubt that Mr. Hollis knows what he means when he says that there is a profounder sense in which all men are equal, but he would be less liable to misunderstanding if he had used the word "primary" rather than "profounder." We are not in the primary stage, and our greatest danger comes from those who wish us to believe that we have never left it.

Machine tools are being released by the Ministry of Supply to merchants "on condition that the tools are exported, and not offered for sale in the home market." Not for "hard currencies" (e.g. dollars) for which there is an alleged need, but for anything or nothing. Now, who do you think is likely to buy machine tools, Clarence? Why not ask the Dean of Canterbury? And how much of the hundreds of millions worth of surplus production do you think has been smuggled out of the country while you're on bread rations? Did'nt you know you owned it—just like the coal mines?

The appointment "on the advice of His Majesty's (Australian) Ministers" of the son of a Sydney butcher, a boilermakers Trades' Union official, Mr. M'Kell, to succeed the Duke of Gloucester as Governor-General of Australia is of course, and is meant to be, highly symbolical. It has little or nothing to do with any personal merits Mr. M'Kell may have (although it may easily have some connection with his previous tenure of the post of Treasurer of the Finance Dept. of New South Wales). It is one more item in the mass of evidence which supports Lord Acton in his opinion, just as true of the present Revolution as in that of the eighteenth century: "The appalling thing in the French Revolution is not the tumult, but the design. Through all the fire and smoke, we perceive the evidence of calculating organisation. The managers remain studiously concealed; but there is no doubt about their presence from the first."

The idea that there are two World Powers coming to grips, the U.S. and Russia, is infantile. The Pacific is an American lake for the purpose of the next phase of the cultural struggle, and for that purpose, British culture and outlook must be eliminated there as elsewhere. Behind both "Russia" and "America" is the Sanhedrin, and if our culture falls, even though two continents are devastated, their end is achieved. Australians, beware!

An Introduction to Social Credit

By BRYAN W. MONAHAN

Part 1.—PHYSICS.

[Publication of Dr. Monahan's Essay will be resumed in *The Social Crediter* next week.]

PARLIAMENT (Continued from page 3)
up of the new Jerusalem of "each for all and all for each"? It does not look like a reasonable spirit and I ask the Minister to remove those provisions from the Bill.

When the Minister asks us to undertake this matter, the House should know in some detail the kind of thing that is required. The hon. Member for Edmonton (Mr. Durbin) told us about the importance of these detailed statistics, and how impossible it was to direct public policy without all the facts. I submit very respectfully, in regard to what he said about the American statistics for 1929, that those American statistics were as good then, as they are today, and that the possession of those statistics in 1929 did not prevent the slump in America. The mere collection of figures will not in itself be of service, and the collection of unnecessary figures is surely the worst kind of economic waste.

I have in my hand a census form which has to be completed in not less than three months from 1st January. It deals with the clothing trade. The document runs to 16 pages and is issued by the President of the Board of Trade. It is an indication, in my view, of the kind of task which the President of the Board of Trade has undertaken and the errors which will inevitably arise out of it. It is addressed to a gentleman who died in 1936. . . .

. . . The document consists of 16 pages of two sections, (a) and (b). There are eight Subsections in (a) and four in (b). The matters upon which the curiosity of the Minister or of the Director of Statistics is aroused are not only interesting but somewhat extraordinary. We are being asked to provide this information in order that the Government may formulate a great national policy, which will hinder or restrict the possibility of mass unemployment. I will read some of the items upon which information is sought and upon which this Director of Statistics, acting under the Minister, is curious. He wants to know, for example, in page eight—which is properly marked "confidential"—the amount of infants' pram coats, overcoats under 24 inches in length, leggings, breechettes, gaiters, and the like. What influence that information will have, even if it is accumulated in its entirety throughout the United Kingdom, I have a little difficulty in imagining. When he proceeds to ask for the number of siren suits, dressing-gowns, baby bags with sleeves—there is no reference whatever to baby bags without sleeves—I have a little difficulty in following the Minister's curiosity. There is no limit to this thing. Paragraph 6. I am glad to see, is also marked "confidential." The Minister wants to know, in Paragraph 7. the following:

"78.—Laced corsets and brassieres;

79.—Lapped corsets and brassieres;

80.—Maternity and surgical corsets and brassieres."

He wants to know the quantity per dozen and the net selling value of those. He goes further. He demands to know the number of suspender belts under separate heads, and of:

'roll-ons, step-ins, and panties.'

I am not going to say that these questions are improper or indecent, but I seriously suggest that while the collection of

statistics about general industry may be desirable and proper, this inquiry is a waste of public time and money. Anyone who is conducting a manufacturing business of this character conducts it on a certain plan, which use and want in the circumstances of business justify. He does not analyse his business under such headings as "pinafores and aprons, smocks, academic and ecclesiastical robes, gowns, cassocks and surplices made wholly or mainly of fur." That is not the classification. He departmentalises his business in an entirely different fashion suitable to its characteristics, and the extraction and collection and codification of all these items means, as the whole House will agree, a tremendous amount of time. I put it to the Minister that it would be helpful—if he cannot accept my suggestion of a voluntary census—if he would reduce the number of items upon which he wants information. What is sought from this comparatively small business, seems to be nothing except raw material for the statisticians. I beg the Minister in dealing with this pilot scheme, to see whether it is not possible to deal with a business of this character under the labels "Ladies' clothing," "Boys' clothing," "Men's clothing" and "Children's clothing." He would not gain a great deal at this stage by further subdivision. If he should find that children are having too much to wear, he can ask, in future years, for a subdivision of the amount of material and labour used in the manufacture of infants' clothing. At the present stage, a major division should be sufficient for his purposes.

. . . This document looks as if the Director of Statistics has said, "There is nothing like statistics." Good luck to him. He is passionately devoted to statistics. He wants a lot of raw material for his industry, and he has persuaded the Minister, and many Ministers before him, that a lot of this is worth having. . . .

. . . I do not think the Minister has made a case. He has made a case for better and fuller figures than we have but he has not made a case for figures in the degree of elaboration he is now seeking. I admit that in these matters I am quite conservative. I do not think that industry is helped by such achievements. I still believe in the rule of thumb method, and in human instinct and not so much in human science. I believe that the greatness of this country's industry, its manufacturing genius, its capacity to manufacture and export and to maintain its high standard of living are not things taught by scientists. I have a great respect for the rather stupid chap who runs a successful business in his own way. He does not believe in consultations with working parties, and he is the *bête noir* of the President of the Board of Trade. He is not a talking chap, but his balance sheet shows that he is making a far more substantial contribution than the most prominent member of a working party. British industry has what its critics call a stupidity, a dull traditionalism and a conservative quality, but it should not be misunderstood. That quality, at its peak, brought this country the highest standard of living this world has ever seen. The more Government has interfered with industry, the less industry has been efficient, and this further interference by Government in British industry is neither timely nor necessary.

Colonel Crosthwaite-Eyre (New Forest and Christchurch): . . . Not one hon. Member opposite, not even the President of the Board of Trade, said one word as to how this Measure is to help full employment. All they have said is that we have a delightful Measure. . . .

[After describing one of the census forms sent to printers and publishers, and his firm's efforts to relate its questions to what it did:] . . . I would suggest to the President of the Board of Trade that, if he seriously is requiring some additional check of the figures which are already in existence, the only way of doing it is by promulgating, before census, some basis on which that census is to be taken. He must provide by regulation a costings system as some basis on which all firms can make a return, and a return which will compare with that of their neighbours. Returns which my firm is making under forms 144 and 147 will simply bear no relation to any other, not because we are more honest or dishonest than any other firm but because the answer is arbitrary and will provide no comparison and will be of no use to His Majesty's Government.

Any figures supplied and used must be used accurately, and the Board of Trade have a most unenviable reputation in this matter. I need only refer to the October trade returns. Those returns, as far as we know were accurate so far as the figures were concerned, but the Explanatory Memorandum put out with those figures was one of the most misleading things I have ever seen. The Board of Trade, in order to prove their case, in order to make the figures sound nice to the general public as a whole, compared one section of figures with June, another with March, some, they said, were double those of the early months of this year, others were the largest since the war, others were an increase on the month preceding. In fact, the Board used statistics in that way, which is most abominable. They used them to try to bolster up their own position instead of showing the truth to the country. Nothing is more despicable in a Government Department than to use trade returns and figures in order to try to prove its immediate case, irrespective of the harm it may be doing to the country as a whole. . . .

. . . We come to the actual measures which the Government propose to employ to make this Bill work. Again, one comes up first of all against this point, that the Government are not concerned in trying to produce a Bill that will give them the material they require, but a Bill that gives them unlimited power to do whatever they require in the industrial sphere. They are not concerned in merely helping the country. They are concerned, above all, in taking to themselves power which will enable them to do anything they may wish in the sphere of industrial statistics and production. Above all, they have committed the unpardonable sin of saying, in Clause 9, that they may require information from the individual which subsequently can be used against that individual in a criminal prosecution. They have said that not only themselves but other Departments to which they have given this authority may collect information and ensure the delivery of that information, which will later lead to the giver being put in the dock. I do not know whether the President of the Board of Trade realises that. I noticed that he skated over it in his speech.

It is possible for any industrialist who has quarrelled with the Treasury, for example, to find that the Treasury can compel him under the terms of this Bill to provide information which will put him in the dock and which will be used as evidence against him. [HON. MEMBERS: "Hear, hear."] I notice that hon. Gentlemen opposite cheer. I would point out that even a murderer is granted the safeguard that the officer who arrests him is bound to tell him that he need not say anything unless he wishes and to warn him that it may

be used in evidence against him. He is further bound to caution the man not to say anything until he has legal advice. That is not so with the President of the Board of Trade or the other 13 Ministers to whom he has delegated his authority. They are now empowered to demand information which can be used afterwards in a court of law by any other department. That is something unknown to British law as it stands at the moment. The President of the Board of Trade ignored these provisions when he talked about the Bill. Nor did he talk about the position of a director. Hon. Members will see from the Bill that a director or any other member of a body corporate is to be held guilty of any offence under this Bill unless he proves himself innocent. Is the President of the Board of Trade really going to tell the House that he wishes to hold every director of a business guilty unless he can prove himself innocent? Does he really mean to say that to the House? Perhaps he does not like that question.

When he advertises, in whatever papers he may think satisfactory to himself, and a business fails to reply to the forms which he distributes so nicely without demand, does he mean to tell us that any firm which does not comply must prove that they are innocent? Have they to prove that they did not know of the order of the Board of Trade? The right hon. and learned Gentleman does not appear to like that question either. This Bill involves the most enormous inroads on the personal liberty not only of the keeper of the small shop but also of the big company which in future, at the will of the Board of Trade, will be considered guilty of these offences unless they can prove their innocence.

I will pass to another point. I recently asked the President of the Board of Trade how many people in his Department were allowed to exercise the power of signing Statutory Rules and Orders. To that question the right hon. and learned Gentleman replied, somewhat coyly, that there were ninety-one and fourteen regional officers. Under this Bill all these people, 105 in his Ministry alone, will be entitled to exercise every power. The 105 people in that Ministry will be able to make these enquiries and to bully the industrialists upon whom the President himself has said the future of this country depends. As I understand it, the attitude of the right hon. and learned Gentleman is that he goes to the country at the week-ends and urges everybody to additional effort at production and comes to the House and produces yet more authoritarian power for himself to bully the persons upon whom he relies for the future of the country. That is the situation and all I can do in conclusion is to repeat for the benefit of this House that which is called the ex-Fascist's lament, when he says:

"Carry me back to Douglas,
Back to the Isle of Man;
For I would rather be free under 18B
Than part of your postwar plan."

The Parliamentary Secretary to the Board of Trade (Mr. Belcher): . . . before drafting the schedules for the partial census of production which is to take place this year, we discussed it with other Government Departments, all the industries concerned and the trade associations of every industry which is to be questioned. We questioned the shipbuilding industry, the National Union of Manufacturers, a prominent firm of builders, the Nuffield College, Imperial Chemical Industries, the Railway Clerks' Association—[*Laughter.*] That was a very sensible thing to do—the Federation of British Industries; we even went to the London

School of Economics, and quite a number of other people, including the Co-operative Wholesale Society. All these people were consulted before the schedules were drawn up, and I think it is quite unfair to suggest that we have ignored the knowledge or the wishes of industry in face of the consultations which have taken place.

House of Commons: January 22, 1947.

Special Dietetic Allowances (Medical Advice)

Sir Ernest Graham-Little asked the Minister of Food in how many cases in the last six months his medical advisers have overruled advice as to dietetic and other requirements given by medical practitioners in actual charge of the patients concerned whom his advisers have not themselves seen at any time.

Mr. Strachey: During the six months to December 31, 1946, 235 applications which had been individually referred to the medical advisers were refused extra supplies of rationed foods as a result of the advice which was tendered.

Sir E. Graham-Little: Has there been direct personal contact by the advisers in any of these cases?

Mr. Strachey: When we reach the next Question but one—No. 71—I will be able to give a full answer.

Sir E. Graham-Little asked the Minister of Food how many members of the Special Diets Advisory Committee, by whose direction applications by doctors for special dietetic allowances have been refused, are under 40 years of age; are in active practice as consultants and as general practitioners; and at what date the schedule of ailments with recommendations to deal with each was last revised.

Mr. Strachey: One member is under 40. Six members are in active practice as consultants. There are no general practitioners. The schedule of ailments is constantly under their review.

Sir E. Graham-Little asked the Minister of Food if he is aware that the withdrawal from a patient, in the care of certain doctors in Birmingham, of an allowance of fat essential to the maintenance of the patient's life, was followed by his death within a few days; and if he will take steps to prevent a recurrence of this overriding of the opinion of doctors in actual charge of a patient.

Mr. Strachey: In the very sad case referred to by the hon. Member, the patient died of inoperable cancer. My medical advisers inform me that the grant or refusal of an extra fat ration can have had no influence whatever upon the course of this tragic disease. Extra milk and eggs were granted on medical grounds to this patient, and an allowance of butter was, in fact, granted, after being discontinued for only two days, on compassionate grounds.

I should like to take this opportunity to inform the House of the system under which these special allowances of rationed foods are given. In 1940, the then Minister of Food, the right hon. Member for Cirencester and Tewkesbury (Mr. W. S. Morrison), obtained the help of the Medical Research Council in this difficult matter. The Medical Research Council set up a Food Rationing (Special Diets) Advisory Committee. The function of the Committee is to advise the Minister how best to dispose of the very limited amount of extra food available for invalids. This independent, honorary and authoritative Committee advises the

Minister of Food what categories of illness require special rations, and establishes scales of the additional foodstuffs needed for each category. A list of these categories was circulated to every medical practitioner in the country. The certification from the practitioner that the patient is suffering from the illness specified is always accepted without question. It was so accepted in this case, and the official concerned had to inform the practitioner that in such cases two pints of milk daily and three eggs a week were allowed, but not additional butter. The lay official transmitted an incorrect reason for refusing the butter. The practitioner then appealed, but, there being no reason given for regarding this case as in any way different from others in this category, the Committee confirmed the refusal, giving the correct medical reasons for doing so. The Committee also considers applications from medical practitioners for additional foodstuffs for patients who would be excluded on a strict application of the scales of allowances laid down for each type of illness or condition. The Committee, therefore, acts as a court of appeal on borderline cases.

This admirable system was continued by successive Ministers of Food, and I have every confidence in it. In fact, I should like to pay the warmest possible tribute—with which I am sure each of my predecessors in my present office would associate himself—to the eminent medical men who have, through all these years carried out these arduous and difficult duties.

The Membership of the Food Rationing (Special Diets) Advisory Committee of the Medical Research Council is as follows:—

Sir Edward Mellanby, K.C.B., F.R.S., M.D., F.R.C.P.,
(Chairman).
Professor L. S. P. Davidson, F.R.S.E., M.D., F.R.C.P.,
Professor of Med., University of Edinburgh.
Professor Sir Francis Fraser, M.D., F.R.C.P., F.R.C.P.E.,
Professor Med., University of London.
Lord Horder, G.C.V.O., M.D., F.R.C.P.
Dr. R. D. Lawrence, M.D., F.R.C.P.
Professor R. A. McCance, M.D., F.R.C.P.
Dr. M. L. Rosenheim, M.D., F.R.C.P.
Dr. Norman Smith, M.D., F.R.C.P.,
Professor J. C. Spence, M.D., F.R.C.P., Professor of Child
Health, University of Durham.
Professor H. P. Himsworth, M.D., F.R.C.P., Professor Med.,
University of London (Secretary).
Lord Dawson of Penn, the then President of the British
Medical Association, was an active member of the Committee
until the time of his death.

Mr. Churchill: Is there any reason to believe that doctors have been abusing the right of giving advice as to extra diet to their patients in the past few years, and has this abuse amounted to such dimensions as to make an appreciable effect upon the general problem of food supplies?

Mr. Strachey: Well, Sir, I should not like to accuse the medical profession of abuse in the matter, but the amount of extra milk given on medical priority grounds has caused concern to myself, and, on other occasions, to my predecessors, and to this medical Committee, and we have asked doctors, through the medical Press, to have regard to the need, particularly in the case of milk, for restricting the extra amount which is granted on medical grounds.

Colonel Stoddart-Scott: Will the right hon. Gentleman tell us how frequently this distinguished Committee meets, and why it took from August 3 to December 20 to get them to agree to provide white flour for a man for whom it was too late, as he died on the 23rd? Why did it take all that

time for the consideration of what is called a border-line case, and will he tell us how often the Committee meet to consider border-line cases?

Mr. Strachey: I cannot tell the hon. and gallant Member without notice whether it is a weekly meeting or whether it is arranged in regard to the business before them. I could give him the information if he will put a Question down.

Mr. Churchill: The right hon. Gentleman the Minister has read out a long and impressive list of all these great authorities whose high standing is supposed to flatten out all criticism of their work, but has he not taken the opportunity, when examining all their credentials and qualifications, to find out how often they meet and how long it takes them to get a border-line case dealt with? Is he now sure, as we all recognise the intelligence which he is giving to his task, that this impressive apparatus at the top is effectively dealing with the many urgent matters which arise in practical instances in ordinary life?

Mr. Strachey: If there were any reflection on the work this Committee is doing, or on the assiduity with which they are performing their functions, I should resent it very much indeed, because I think they have performed these functions over a number of years—very arduous and often invidious functions—and they have done so voluntarily and in an honorary capacity. I certainly think they have performed them as well as they could be performed. I was most careful to find out the average time which appeals made to the Committee take, and it turned out to be nine days, which seems to me to be a not unreasonable time by any means. I was asked how often the Committee meet, and that I cannot say.

Mr. Churchill: I presume, nevertheless, that the right hon. Gentleman will give us the exact dates of the meetings of the Committee in the last year or 18 months.

Mr. Logan: I wish to ask the Minister if he will withdraw what he has just stated and give power to medical men to give prescriptions for extras to be given to their patients? In the poorer areas, it is absolutely essential that the medical man's advice shall be taken: lives are saved by medical men, and not by committees.

Mr. Strachey: I could not possibly change the system.

Hon. Members: Why not?

Mr. Strachey: For reasons which all my predecessors, including those of the party opposite, appreciated—that all the reasons which applied when this Committee was set up still hold today, and I believe that it would be entirely wrong to change the system. In the case of milk, which I have given, and I do not wish to use any but the most moderate language, it certainly appears, from the amount of milk given on medical prescriptions, that there must be some eminent and independent medical authority reviewing these cases.

Mr. Churchill: Yes, but might not the process be conducted in reverse, namely, that if a medical man, a doctor attending a patient, certifies that the matter is urgent, the diet should be given, within the approved limits, pending reconsideration by higher authority?

Mr. Strachey: That would be very good if it could be done. The medical Committee has laid down the categories of illnesses, ailments and conditions which qualify for the extra ration.

Mr. Churchill: The right hon. Gentleman has not really dealt with the point. The point is that a doctor attending a patient should have the responsibility of saying that special patients shall be allowed to have the extra rations until the matter is dealt with by the higher authority.

Mr. Strachey: If the doctor certifies that the patient is suffering from a condition which, on the scales laid down by this Committee which I have read out, carries with it the extra ration, then he does automatically and immediately receive that extra ration.

Lieut.-Commander Gurney Braithwaite: The patient has to have the right disease before he can have it?

Mr. Bower: Since 135 recommendations have been overruled in six months, and there are not less than 10 members of this medical committee, would it not be possible for patients to be seen by at least one member of the Committee before the recommendation was overruled?

Mrs. Jean Mann: Is my right hon. Friend aware that the answer he has given has greatly relieved the anxiety caused by newspaper reports, and that hon. Members opposite are now filled with chagrin at the fact that the diagnosis and determination of the distribution of this food is in the hands of such an eminent authority; further, is my right hon. Friend aware that hon. Members opposite—

Mr. Speaker: The hon. Lady is making a speech and is not asking a question.

Mr. Lipson: May I ask the Minister if he has taken into account the effect on a patient where his own doctor has recommended that a certain diet is necessary for his recovery and where that is refused by the food office? Can he say how much food has actually been saved over the past year by rejecting doctors' certificates?

Mr. Strachey: No, Sir. It would be impossible to do that. I repeat that we must have scales of specific illnesses and conditions. If hon. Members press me on that point I shall have to return to the instance of milk where a doctor's certificate for dyspepsia carries with it an increased milk allowance which has a very marked effect on the consumption of milk.

Mr. R. S. Hudson: Has the right hon. Gentleman also considered that it may well be the opinion of the individual doctor that more milk is required today in view of the shortage of other foods? It is all very well to talk about scales laid down by his predecessors, but it should be remembered that other foods were then available.

Hon. Members: Speech.

Mr. Speaker: I think we are now getting rather heated and had better go on to the next Business. Mr. Alexander.

Mr. Colin Young, 91 Ashkirk Drive, Glasgow, S.W. 2., will be glad to hear from anyone interested in the formation of a Glasgow (Southern) Douglas Social Credit Group.