From Week to Week

Our readers will recall that we published in our issues of April 8 and 15 an objectively worded article by the late Frederick Davidson of Toronto, on the background and connections of Communism.

We are informed on reliable authority that several determined attacks on Mr. Davidson's life were made after the publication of this essay in 1937 and the strain became so severe that, being fortunately a man of some means, he left Canada for a time and lived in Egypt and Europe, returning only on the outbreak of war.

Since Mr. Davidson died some years ago, we think it is desirable to publish this information. It appears to be most difficult to arouse the public to recognition of the murderous banditry with which every country is now permeated.

The pronouncement of the Labour Party (not the "Labour" Government) on the Schuman plan, (so called) and on the transfer of effective British Sovereignty to a nebulous Parliament of Europe, besides being one of the most heartening, is one of the most surprising events of contemporary politics. That it was followed by practically a flat disclaimer from the sheep in sheep's clothing, Mr Attlee, makes it doubly clear that we are witnessing a re-gurgitation of the London School of Economics influence which will split Labour from top to bottom. Everyone with practical experience of the craftsmen (we emphasise the description because the general public tends to ignore it) knows that he is both the most sensible and the most genuinely conservative component of the industrial community; and we suspect that it is from the craftsmen and the craft unions that the revival of common sense is in evidence. Since it is already clear that the Harriman-Kuhn Loeb influence intends to make "Britain" take its medicine, the outcome of a clash between the Trade Unions and Mr Averill Harriman will be informative.

Nothing is more remarkable about that very remarkable institution, the British Parliament, (which of course includes both the House of Lords and the Commons) than its ability, not to say determination, to play Hamlet without the Prince of Denmark. Anyone comparing Hansard with U.S. Congressional Record must be impressed by the much greater freedom enjoyed and exercised both in Congress and the Senate either to modify or depart from any agenda which would obstruct discussion of high policy.

The quality of debate in the House of Lords is generally higher than that in either the U.S. Senate or Congress; but the level in either the Lords or, still less, the Commons, rarely transcends the legislative or administrative.

The inference is unmistakeable. The policy making body is in neither of them. By the time that any matter of importance reaches the representative bodies, elected or hereditary, it has been fitted into a plan for which they had no responsibility.

It is a matter of no consequence that this is not democracy nor is it anything like it; but it is of vital importance that the most important decisions are made anonymously.

International Finance, the workings of the Treasury and the Bank of England, Freemasonry and the Jewish question are all taboo, and the institutions which, if they have any validity, ought to focus policy, wrangle over the question of the merits of a 1/4d. meat ration.

We cannot reiterate the statement too often: the present state of affairs in this country is neither adventitious nor inevitable. It is the result of traitorous activity over a long period of time. We use the word traitorous advisedly, because while many aliens are involved they would have been powerless without, primarily, la trahison des clercs—large numbers of conceited, semi-educated intelligentsia, who are far more culpable than "the workers" whom they pretend to lead. The so-called unwritten Constitution, which as Mr. Herbert Morrison quite correctly suggested, means anything you want it to mean, has been the perfect springboard for these schemers. In the United States, the same influences with the same objectives have been at work, but have been frustrated many times by the wisdom of the Founding Fathers in their written Constitution. Unless we can interpose some barrier, not necessarily of the same composition, but having the same objectives, it is merely childish to concern ourselves with any kind of challenge to the Hidden Hand.

George V and the Doctors

"The King's impromptu sickbed strictures on the ineptitude and incompetence of the British medical profession, from which his chief physician, Lord Dawson, was not excluded, were marvellous to overhear."—H.R.H. the Duke of Windsor.

Mr. Morgan Phillips and the Labour Party Pamphlet

A Sunday newspaper, referring to a speech on June 17 by Mr. Morgan Phillips, secretary of the Socialist Party, on the Party's European Unity pamphlet, attributed to him "this challenge to Mr. Eden, deputy leader of the Tory Party: 'Are the Tories in favour of handing over the control of British industries to a super-national authority?"
PARLIAMENT

House of Commons: June 13, 1950.

Schuman Plan (Anglo-French Discussions)

The Prime Minister: I desire, with permission, to make a statement in reply to Question 49.

On the afternoon of May 9, the French Ambassador informed the Secretary of State for Foreign Affairs that the French Government had prepared a proposal for the pooling of the French, German and other European coal and steel production and that a public statement would be issued by the French Government on this subject in the course of the day.

His Majesty's Government appreciate that there were good reasons for seeking to achieve the greatest possible impact for this new departure in Franco-German relations and the method was justified by the enthusiastic welcome which the statement received on the German side.

It is not my intention on this occasion to give a detailed account of the exchanges of view which subsequently took place between His Majesty's Government and the French Government. His Majesty's Government have thought it appropriate, in view of the high importance of the matter, to publish the relevant documents without delay. The agreement of the French Government has been obtained and a White Paper is being laid before the House today. I only wish now to make one or two comments.

It became perfectly clear in the course of informal discussions between M. Monnet, the Chief Planning Officer of the French Government, and British officials that while the French Government had not worked out how their proposal would be applied in practice, their views on the procedure for negotiations were definite. They were that the Governments should accept at the outset the principles of the pooling of resources and of a high authority whose decisions would be binding on Governments, and the next step should be the conclusion of a treaty in which these principles would be embodied. Shortly thereafter the French Government secured the agreement of the German Government to the proposed basis on which the negotiations should proceed. This fact naturally determined the course of the subsequent exchanges of view between the two Governments and made difficult the achievement of His Majesty's Government's desire to play an active part in the discussion of the French proposal but without commitment to the acceptance of its principles in advance. His Majesty's Government fully appreciate the reasons for the procedure adopted by the French Government, and this has not affected in any way His Majesty's Government's attitude of approval and support for the French initiative.

The consequences, as far as His Majesty's Government are concerned, were stated in the communiqué which they issued on June 3, and from which I quote the following passage:

"His Majesty's Government do not feel able to accept in advance, nor do they wish to reject in advance, the principles underlying the French proposal.

They consider that a detailed discussion, which would throw light on the nature of the scheme and its full political and economic consequences, is a normal and, indeed, essential preliminary to the conclusion of a treaty. They feel that there is a substantial difference of approach between the two Governments as to the basis on which the negotiations should be opened. An unhappy situation would arise if, having bound themselves to certain principles without knowing how they would work out in practice, they were to find themselves, as a result of the discussion, compelled to withdraw from their undertakings. They have accordingly, to their regret, found it impossible, in view of their responsibility to Parliament and people, to associate themselves with the negotiations on the terms proposed by the French Government."

The position is therefore clear. His Majesty's Government will be kept regularly informed of the course of the negotiations which will open on June 20 between the French, German and other Governments. They themselves have initiated studies of the French proposal immediately it was put forward and these studies will continue. But there is no question of putting forward any alternative British proposal at the present time. It would not be right to take any step which might be regarded as a diversion or as an attempt to modify the course which the French and other Governments have decided to take. His Majesty's Government desire to help and not to hinder in this matter, and the manner in which they can best do so will only appear after the negotiations have begun.

I am sure that the whole House will hope that the practical working out of the scheme will show ways by which the United Kingdom may be able to associate itself with this valuable piece of European co-operation.

I conclude with two points. In its attitude to a proposal of this kind His Majesty's Government must have in mind the basic economic and security needs of the country and the necessity to ensure that the United Kingdom is in a position to discharge its responsibilities in every part of the world.

Secondly, the discussion of the French proposal has naturally tended to obscure from view the steady progress which is being made towards greater unity of action among the democracies in the political, strategic and economic fields. In European and other international organisations there is a continual process, supported and, indeed, often led by United Kingdom representatives, by which governments are increasingly merging their interests and restricting their individual freedom of action. Throughout the last three years a continuous effort has been made to build up and consolidate by every means the strength and solidarity of the West. Now, as a result of the recent conferences in London we are, I believe, about to enter a formative and decisive phase in the organisation of the Atlantic Community. This will require, by a more effective pooling of resources, the surrender in an unprecedented degree by each country of the ability to do as it pleases. His Majesty's Government will be in the forefront of this great endeavour.

... Mr. Churchill: I am sure that we have all listened with great interest to the statement which the Prime Minister has made. May I ask him if this statement has been collated with or is to be read in accordance with the other statement issued this morning by the National Executive Committee of the Labour Party.

The Prime Minister: The Labour Party document to which the right hon. Gentleman refers is a general statement of party policy, and it sets out, in the section on the problem of the basic industries, what the party considers to be the ultimate necessities of a fully developed scheme of European co-operation in this field. But the Government have always made clear both at the O.E.E.C. and elsewhere that they are fully prepared to co-operate in the closer integration of the European economy with other countries which hold different economic views. The Labour Party document is not, of course, a statement of Government policy in this matter. Government policy is as I have just now stated...
Town and Country Planning

Mr. Thornton-Kemsley (Angus North and Mearns):...Let me say, at the outset, that I recognise with some regret that the rules of order prevent us this evening from discussing Amendments to the Act itself, and on that point I would say only this. The Government have shown themselves by more than one recent decision to be alive to the wishes of the electorate and sensitive to the suggestions of the Opposition. We had only to give notice that we wanted to debate the direction of labour and the offending Order was quickly withdrawn. The food points followed, and, shortly after that, the "irresponsible suggestion" which was made by my right hon. Friend the Leader of the Opposition, that petrol should be taken off the ration, was accepted by the Government. We have, indeed, entered upon a phase which seems likely to be recognised as Government by the Opposition.

Few announcements would give greater satisfaction in the country today than that the Government intend to amend the Town and Country Planning Act....

During the passage of the Bill through the House, after the weeks and months spent in Standing Committee on the Bill upstairs, those of us who took part will remember the Debates which we had on Report and Third Reading. They will remember how often it was suggested that the Act would impose a variable development charge, and the suggestion, made in the Uthwatt Report and in the White Paper of 1944, that some incentive to develop should be left in the hands of the developer, which gave rise to the further suggestion, not least by the then Minister of Town and Country Planning, that this was a useful possibility of encouraging positive planning by imposing a lower development charge in respect of developments which were in the national interest, together with the encouragement of development where we wanted development to take place.

These possibilities, which seemed so desirable to many of us and were welcomed by so many on this side of the Committee, were later rendered abortive by the introduction of regulations which imposed a flat 100 per cent. development charge. This fixed the development charge at the whole of the difference between what is now called consent value—the value of the property with consent to develop it in the way proposed—and refusal value, which, broadly speaking, is its value for existing use...I will give a few examples of the deterrent effect upon desirable development of the imposition of the 100 per cent. development charge.

The first is the case of the late Turkish Baths in Northumberland Avenue, not very far from this House and known, no doubt, to some hon. Members. It was proposed to convert those baths into offices, and the development charge suggested was in the neighbourhood of £40,000. That figure was reduced, after discussion, to £24,000, and, at that stage, the developers considered that the scheme was not worth preceding with and abandoned it. Then there was the case of a large Victorian house in a business area in Nottingham. The occupier of that house proposed to release the ground floor for use as four consulting rooms—a very desirable project in the public interest. The development charge proposed in respect of this change of use was £4,000, and the development was abandoned.

Another Nottingham case was in respect of staff and stock room accommodation over a row of shops. The proposal there was to change the use and to turn the accommodation into offices. The development charge proposed was £7,000, and, again, the proposal was abandoned. Another case was that of a commercial property in Bristol which it was proposed to redevelop by the erection of buildings for milk distribution. The value of the site was not increased by more than about £5,500, which was the estimated cost of building, and, therefore, the development charge ought, in fact, to have been nil or, at any rate, purely nominal. But, in fact, a charge of £1,150 was proposed, and the redevelopment was abandoned in consequence.

Just one further example which concerns a laundry at Bexley, in Kent, with land opposite upon which the owner proposed to erect a workers' canteen. Though the proposed development charge was only £250—in this case there was no quarrel with the amount, which was very reasonable and which was thought by the owner's advisers to be very reasonable—the owner abandoned the project on principle as he considered that provision for the welfare of his workers, which would in any case cost him several thousand pounds, from which he would derive no direct benefit, ought not to be further penalised by the assessment of a development charge.

Personally, I should like to see development charges restricted to 75 per cent., as proposed in the Uthwatt Report....

...Personally, I would do away altogether with charges for change of use. We live in a world of change and to fine a man—for that is what it amounts to—for performing a public service by changing the use of his lands or his buildings to a purpose which accords with the needs of the day is neither good sense nor good planning.

...During the long Committee stage on the English Bill and the corresponding Scottish Bill I formed the fairly strong impression that the party opposite felt sincerely and strongly that a man ought not to be allowed to reap any benefit from increased values which he himself had done nothing to create. It seems to me that the converse has not been squarely faced.

Let us take the case of a country house, the kind of house that until comparatively recently, and by that I mean within the present century, was worth a large amount for private occupation. Now, owing to changes of need, owing to changed requirements, changing social conditions and owing, above all, to high rate of taxation and to the incidence of Death Duties, these houses are what is commonly called a drug on the market. Owners are rendering themselves liable to what again I must call a heavy fine by the imposition of development charges if they attempt to recover some small part of the loss they have sustained by selling their houses for some purpose which accords with present day needs. I wonder if the Committee realises that, apart altogether from industrial uses, there are under the existing regulations, no fewer than nine different classes of use to which a house of the size and type to which I am referring might be put. Each one of these uses requires a separate determination of the development charge....

...Let me pass to the third point I want to make, about delay—the time taken by planning authorities to give decisions upon applications for planning permission. The one or two months laid down as a maximum tend to become a minimum. In London, the practice seems to have grown up, immediately upon receipt of an application for planning permission, of requesting an extension of time from one to

(Continued on page 7.)
Hypnotism

The effects of the mass hypnosis from which the non-Jewish world is suffering today are very clear in a recent newspaper article by Phillip Toynbee describing the driving out by the Jews of Arabs from Palestine into the desert to die of thirst.

To quote: "This story, I know, is sickeningly, almost wearisomely, familiar, and it is only the roles which have changed. The outcast race is not the Jews, and the State is not the State of Nazi Germany. The State is the State of Israel, and the frontier area is the terrible Waddi Araba, south of the Dead Sea, a desert valley far below sea level where only lizard and locust can live, and where in the day time the sand scorches the bare flesh."

We all know that sort of thing is going on. It is a tragic blot on our so-called civilization. But it is the deductions and conclusions from the situation, such as this article contains, that constitute the really hopeless and tragic aspect of the matter. The spectre at the feast today is Judaic self-righteousness, racial neurasthenia. It will continue to tyrannise over our society until it is faced up to with realism and courage. Given way to, it merely becomes more inflamed.

Here is Mr. Toynbee’s conclusion: "Do as you were done by" will be a tragic motto for the new State of Israel. By nature Jews are surely profoundly gentle people, and nothing could be more sad than if they begin to cultivate some of the more abominable Gentile vices."

The suggestion that the behaviour of Nazi Germany, which no decent or sane person condones, of course, is just the counter-part and the precipitator—almost the justification—of the present atrocities on the Palestine border, is bung of the worst kind. The native Germans turned hysterically on the infiltrating Jews. In Palestine it is a case of the infiltrated Jew following his habitual cuckoo-like propensities with the native Arab. No analogy exists. Mr. Toynbee’s mind and reasoning faculties are under alien control. And until we can gain the courage and insight to break that occult spell, nothing can be done with or for the Jew, and all the problems he gives rise to.—N.F.W.

The Pope Renounces ‘Full Employment’

"Men have only exaggerated mass production and exploitation to the point of exhausting all resources above, below or on the surface of the earth. Men have only too cruelly sacrificed for these attempts the rural populations and economies. Equally blind is the almost superstitious trust in the mechanism of a world market to balance the economy, and the trust in an all-providing State (un état-providence)...

"In the face of the pressing duty in the field of social economy of balancing production and consumption, wisely measured according to the needs and dignity of men, the problem of the ordering and establishment of this economy, in so far as production is concerned, is today of prime importance. We must not look for a solution either in the purely positivistic theory founded on neo-Kantian critique of the ‘law of the market’ or in the equally artificial formalism of ‘full employment.’ This is the problem We should like to see theorists and men of action, belonging to the Catholic social movement, concentrate their attention upon, making it the focal point of their study. ..."—H.H. Pope Pius XII, speaking to the International Congress of Social Studies.

Correction

The author of the paragraph at the foot of the second column on page 4 of last week’s The Social Crediter was, of course, Mr. L. D. Byrne. The paragraph went to press uncorrected and we regret the mistake in Mr. Byrne’s initials.
The fight for the independence of the school at Lindell and the opposition of the Catholic Church to certain measures in the 1945 Education Act are but isolated exceptions to a general acceptance of education, without any qualifying adjective, as the least disputable benefit conferred by the state in its relatively new capacity of chief spender of the subject's income (43 per cent. I believe is the current figure). It has become as axiomatic to greet it as synonymous with automatic progress as the axiom of automatic progress which it has so successfully helped to propagandise. Occasionally doubts about its nature seem to ripple to the surface in letters to the national newspapers about the number of Communist candidates who are school teachers or the fact that low salaries in the profession have the effect of attracting the better men out into industry leaving more surface in letters to the national newspapers about the number of Communist candidates who are school teachers or the fact that low salaries in the profession have the effect of attracting the better men out into industry leaving more

people from cossing each other over the head and shop-breaking (the Borstal brothers), in other words something that can be put across as a substitute for religion, and at the same time a form of enlightenment which will cause people (usually Africans and Asians in this context) to abandon their deep-rooted superstitions (their religion). In addition to these frequently admitted aims there is that, which is most respected perhaps in the States, of education as an effective means for a man to make "good conversation". Perhaps this is the most straightforward and justified aim of "general education". But we have the testimony of Sir Thomas Beecham concerning its efficacy—"the public's taste in music has not improved in the last 50 years; it has merely become more streamlined, centering round a few well-known frequently-played composers."

I do not wish to side-track into an argument on aesthetics: I merely mention the subject in passing to show where it fits into the conception of what education is for. The question "What is education?" still remains unanswered. It is as vague and undefined in contemporary thought as the other archetypes of twentieth century mythology—"democracy", "social security", "full employment" "money", "human rights", "social justice" and what is perhaps best described as "Ethical Christianity". A clue is perhaps offered about the nature of what most people mean by education if we look at the extreme examples of its products or more exactly the products of those institutions which are gradually being more closely copied by the majority of institutions elsewhere. I speak of the average American University graduate or undergraduate whose cultural expeditions to that quaint old museum Europe are no doubt familiar to the majority of readers. The aim and practice seems to be to find as much as possible of the detailed lives and arts of other men with as few as possible points of reference in their own lives. In this lack of relationship of course lies the reason for the complaint so often made about American voluminous literary scholarship—that it has no sense of proportion, the often quoted example being the satirical chapter heading "How many children had Lady Macbeth"?

The movement in the direction of a "comprehensive general educational system" seems to be mainly a feature of the last 50 years or at any rate it is convenient to take the 1902 Education Act as a landmark in the canalisation of education into the channels where it is now thought to belong. An essay written fifty years ago on "The Value of Education" (In Le chemin de velours—Mercure de France 1900) by Remy de Gourmant contains some extremely important observations on what education is and does. Unlike the majority of his successors in the criticism of education he does not concern himself with what education might do if certain conditions (smaller classes, better text books, more playing fields, no School Certificate etc.) were fulfilled. The process had not gone far enough for his thought to be seriously assailed by the self-justifying axioms of education which greet us continually to-day. At the same time the process had already begun and he was familiar with the writings of those who were keen on fostering and directing it. Though many of his philosophical views would be unacceptable to Social Crediters such as that which accounts for the widespread belief in immortality as resulting for inability on the part of most egotistical human being to imagine themselves as not existing, what has been described as his "caustic intellect" can be of assistance to us in our
manifold task of questioning and breaking down axioms that are not axiomatic. He begins his essay (I quote from the authorised English translation by William Bradley) on a prophetic note—"Without being as widespread as it might be, and as it will be, education is very much in vogue. We live less and less, and we learn more and more.... I have seen a man laughed at because he examined a dead leaf attentively with pleasure. No one would have laughed..."

"We have tasted it at the sound, authentic source—that of the people with their own unhealthy habits of receiving sensation only by reflex, of watching in a glass the life they dread not encounter, and they do so with a certain good faith. The real object of this education is the implanting of a morality—a singular morality, whose precepts are almost entirely negative. By weakening the will to live, to the profit of an unstable cerebrality, they fashion those second-rate tyrants."

"Education is a means, and not an end.... Considered as the precise instrument of future work, education may have a very great, even absolute importance. It may be the necessary condition of certain intellectual achievements. It will be the staff of the intelligence; but offered to the second-rate brain, directly and solely to the enlargement of the memory, it has no power to regenerate sick cells. It will rather serve to crush them. It will make them dull. It will divert from the natural needs of life the activities merely meant for daily exercise.... It has an influence only upon intelligences in action or capable of action. It does not determine, it inclines. Above all, it does not create intelligence."

This last paragraph shows clearly the narrow dividing line which separates, as it were, the true and the false, in education. It throws further light on the system which the Church has employed through the centuries in selecting a relatively small number of boys from all its parishes for a really first class education. It exposes the levelling principle as being as unsound when applied to education as it...
is when applied to most other things.

These arguments are not a comprehensive theory for founding a new paideuma, but they are basic notions that we must sort out in our own minds before we can effectively oppose the paideuma of those who direct present day "world education" with an alternative, or even before we can fight the evils in our national educational system on a wider front than such "outrage battles" as that to which the enterprising inhabitants of Lindell were recently provoked.

PARLIAMENT

(continued from page 3).

two months. Theoretically an applicant who is unwilling to agree to an extension of time may appeal to the Minister. In practice, the appeals to the Minister are not dealt with in less than three or four months, so the right of appeal is of little practical use...

...I should like to give one or two examples. One was at Sanderstead. Application for development of an estate was made in November, 1948. Notice of refusal was issued by the planning authority in April, 1949. An appeal was lodged in May, and the Minister fixed a hearing for November 4, 1949. It so happened that the professional adviser to the owner was quite unable to manage that date of November 4. He informed the Ministry and the only other date they seemed able to give him was January 20 this year. The hearing of the appeal was held up from the beginning of November to January 20, and no decision has yet been given, although over 18 months have elapsed since the original planning application was made.

Let me give an example from Central London. A bombed site which was formerly occupied by warehouses and offices was to be used temporarily, pending a licence to rebuild, for the erection of wooden huts for which permission had been given for use as offices and storage. Negotiations over the liability for development charge dragged on for nearly two years. The first assessment was £300, the second assessment was £100, the third £940, and the final assessment was nil. There is another example from Westminister. Application for construction change the use of land was made on November 2, 1949. It was refused on December 10. An appeal was entered on January 9 this year. The hearing was on April 21 and an official intimation has been given that the appeal will not be allowed. There has been a delay of seven months since the making of the original appeal.

I am sure that one of the chief causes of delay is the number of consents that are required under the Act. For example, in the case of a proposed industrial development it is necessary first of all to get an industrial certificate from the President of the Board of Trade under Section 14 (4) of the Act as regards the location of the proposed expansion. One has to get an application for a building licence, an application for bylaw consent, an application for planning permission, by-law consent, and determination of development charge.

In the case of industrial development, until it is known whether one is to get an industrial certificate from the Board of Trade and whether one will get the application for a building licence, there is no point in going to the trouble and expense of putting in all the other applications, requiring, as they do, drawings and plans, which it would be a complete waste of time and money to make until one knows whether those first two points are to be met. In Scotland, I am glad to say, the decision is given very much more speedily. There, we have a combined form of application for planning permission, by-law consent, and determination of development charge. I recommend the Minister to have a look at that and see whether that can be applied to England and Wales as well.

My fourth and final point deals with the way in which development charges are assessed. We all know of examples of the wide disparity that has been made between the original assessment by district valuers and the amount finally agreed. I heard this morning of a case in Faringdon Road in London. A site was being developed for the use of an American Press organisation. The development charge quoted was £25,000, and after negotiations it was settled at £4,000. I do not cite that example as being particularly wrong...

...I am not blaming the district valuers one bit. I think they are doing a very difficult job as well as it can be done. At the same time, I must say that the high amounts asked lead in many cases not only to the abandonment of desirable schemes of development, examples of which I have already given the Committee, but they make it most difficult for the man of moderate means who does not employ and cannot afford professional help to undertake development. This is hitting the poor man hardest and I think the Minister ought to consider that point. It is very hard on the man who does not employ a professional adviser to represent him before the district valuer.

I think there is a remedy for this. ...I think a remedy can be imposed by regulation or by direction from the Minister. The remedy is for the Minister to lay down by regulation some statutory basis of valuation. Under Section 61 of the Act there is laid down in some detail the basis to be adopted in ascertaining development values. Similar provision should be made by regulation in respect of valuation for development charges. The statutory basis for development charges should be as definite as possible and it should be set out plainly in terms somewhat similar to those used in the Second Schedule of the War Damage Act, 1943....

Mr. Derek Walker-Smith (Hertford) : ...The main question is that which my hon. Friend put first in his speech, that is to say whether development charges as at present operating, with their 100 per cent. levy, are a deterrent to desirable and necessary development. It is abundantly clear that that is so, and it must be no. There are, of course, a large number of instances of prohibitive development charges, especially in cases of small development.

My hon. Friend quoted some cases. Many cases have been quoted in Debates in another place by Lord Llewellyn and others. But those instances, numerous as they are, are not nearly as numerous as they would be but for the fact that the primary deterrent to development today is the necessity of obtaining a licence because of the control of Building Operations effected by the Defence Regulation 56A. Were that necessity removed we should find far more instances to show the deterrent effect of a 100 per cent. development charge. Practical examples are scarcely necessary to prove what must be so obvious a proposition—that a 100 per cent. development charge must act as a deterrent to desirable development. One can give obvious examples of that. The most obvious of all is that of the owner of grazing land which is ripe for development. If there is to be a 100 per cent. development charge there is no incentive for him to make the land available for development, because, other
things being equal, it is more pleasant to keep one's land in an immobilised state than to have it covered with bricks and mortar.

Another obvious instance is in regard to decaying property. With a 100 per cent. development charge in respect of any re-development more than that of simple re-instatement of the decayed proportions, plus 10 per cent., it is obviously less trouble to go on enjoying what revenues there may be from decaying properties rather than to face the risks of re-development with a 100 per cent. development charge. The difficulty is that the 1947 Act takes away from the owner his right to develop but vests in nobody the duty to develop. Development needs a joint interest and a joint incentive. Instead, we have a divided interest and a reduced incentive. It is rather like tearing a pound note in two. Put together the pieces are worth 20 shillings, but either half is valueless by itself.

Under the 100 per cent. development charge the Central Land Board may only sell the right to develop for the full 20s. Therefore, it follows that there can be no development unless the owner is willing to sell his part for nothing, that is to say, to sell at the existing use value without anything for development value at all. In practice, as we all know, that does not work; and may I say to the Minister that the fact that it does not work is made all the more clear by the pathetic efforts to use Section 43 of the Act as a disciplinary measure? The efforts to establish compulsory purchase at existing use value by the Central Land Board have had the minimum of effect combined with the maximum of irritation, and I hope that the Minister will announce tonight that we shall have no more of that...

The Minister of Town and Country Planning (Mr. Dalton): ... I do not propose to vary the 100 per cent. I do not accept, in the broad way in which it has been put by hon. Members, the argument that a development charge at 100 per cent. is having a deterrent effect on development. It may be, as the hon. Member for Huntingdon (Mr. Renton) has said, that at some future date, when the total volume of development is substantially greater, that that may be so, but at the present moment, our labour force is fully employed, and therefore there can be no deterrence on the development in the aggregate. All that can happen, as a result of the charge, is that some development takes place and other development does not. The development which takes place is, on the whole, development fostered by Government policy, with regard to housing, existing habitations, new towns, industrial building and so on.

Therefore, I do not accept the view that a 100 per cent. development charge discourages the aggregate of development at this time. I do not consider that the reduction in the revenue accruing to the Exchequer, which would be the result of reducing the 100 per cent. charge, and from the Exchequer point of view would be unfortunate, would be balanced by any additional total development taking place. That is the short argument, and, whether legislation is required or not, I do not propose at this stage to take steps to reduce the charge...

May I turn to the question of development charges and the report I have had from the Central Land Board. I asked Sir Thomas Phillips, the Chairman of the Board, and his colleagues, to put up to me a study of all the possible administrative improvements which would not require legislation. He did so, and put up a number of suggestions. My right hon. Friend the Secretary of State for Scotland, who of course is the Minister of Town and Country Planning north of the Border, and myself, are proposing, as a result of this, to lay before Parliament in the near future, new regulations, which will exempt certain classes of development from liability to development charge.

In the first place, these regulations will provide for exempting from charge the enlargement of a dwelling-house by 10 per cent. or 7,500 cubic feet, whichever is the greater. That is an extension from the present figure of 1,750 cubic feet. The same will apply to the rebuilding of a dwelling-house with simultaneous enlargement within the limit I have indicated.

In the second place, and this was the point raised by the hon. Member for Wimbledon (Mr. Black), the new Regulations will exempt from charge the lateral conversion into flats of not more than three adjoining dwelling-houses, provided they were in existence on 1st July, 1948. This concession will also extend to war-destruction houses in respect of which there is an entitlement to a cost of works payment. Vertical conversion, as the hon. Gentleman said, of a single dwelling-house into flats is already exempt from charge, and we shall lateralise the vertical concession.

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