J. H. Blackmore to Lead New Democracy Movement

A recent caucus of elected New Democracy candidates in Edmonton pointed out that Mr. W. D. Herridge should not be regarded as the leader of the New Democracy movement as he had not been chosen by a national convention. Mr. Herridge has been advocating compulsory national service and conscription of industry and resources as well as manpower. “National Service,” he says, “is the wartime name for reform.”

Mr. Herridge is no longer recognised in Alberta as the leader of the New Democracy movement; members recently selected John H. Blackmore, M.P. for Lethbridge and Social Credit group leader in the last parliament, as their leader at Ottawa. The party programme, issued before the election on March 26, stated that “we affirm that the conscription of finance, without expropriation of individuals’ property or money, should precede the conscription of manpower.”

Mr. Aberhart has made the following statement on the matter:

“I have read the statement by Major Herridge in regard to his national service proposals and New Democracy and I feel that it is fitting that I should make some reply.

“The New Democracy movement was inaugurated some time before the present war was declared and therefore the idea of national service was not considered as a part of the New Democracy programme.

“After the war was declared, the Social Credit members of parliament met in Edmonton and issued a statement of their attitude to conscription of manpower, which was very plain and definite.

“The statement was published in the daily papers and I believe given over the wires of the Canadian Press.

“The Alberta supporters of the New Democracy movement were definitely opposed to conscription of manpower, and so declared themselves. It was Major Herridge’s persistence in this national service idea that placed him outside the New Democracy movement and lost his election. (Mr. Herridge was defeated when he contested Kindersley, Sask, federal seat in the general election on March 26.)

“Major Herridge no longer is recognised in Alberta as the New Democracy leader and he will be obliged to secure other followers for his national service policy, outside the ranks of the New Democracy supporters. The New Democracy movement is definitely opposed to Major Herridge’s national service proposals and the conscription of manpower.

“Even if he were the leader, the question of national service is too serious for any individual to decide for us all.”

Tax-Bonds Campaign in Australia

The Tax-Bonds Campaign is being taken up with great enthusiasm in Australia, where Mr. John Mitchell’s address given at the inaugural meeting of the Liverpool Tax-Bonds Association was reprinted within five days of receiving the issue of The Social Crediter in which it was published. Recognising that the campaign demands the attention of all sections of the Social Credit movement in Australia, the Tax-Bonds Advisory Association of Australia was formed with the objective: To give advice on the securing of interest-bearing tax-bonds for the people of Australia by non-party political action.

This association is representative of the Electoral Campaign, New South Wales; the Women’s Division of the Electoral Campaign; the Douglas Social Credit Association; the League of Economic Democracy; and the Democratic Federation of Youth.

The book Tax-Bonds or Bondage is to be re-published in Australia, and representatives of the Electoral Campaign, the Douglas Social Credit Association and the League of Economic Democracy will form a trust for this purpose. Technical advisers will be drawn as required from the Douglas Social Credit Association and the League of Economic Democracy, while the Electoral Campaign and the Democratic Federation of Youth will give advice on action.

Senator Richard Darcey, who has been championing money reform in the Senate, is touring Northern New South Wales with Mr. Ager, one of the Directors of the Board of the Electoral Campaign, and both are speaking on the Tax-Bonds question at their meetings.

On Other Pages

Weygand, by T. J.

Artist or Publicity Expert? by B. M. Palmer

Realists in the Inland Revenue Department

# DIARY OF EVENTS

## WAR

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>April 7</td>
<td>German naval forces known to be moving towards Norway.</td>
</tr>
<tr>
<td>April 8</td>
<td>British mines laid off Norway.</td>
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<tr>
<td>April 9</td>
<td>Land invasion of Denmark and Norway by Germany.</td>
</tr>
<tr>
<td>April 11</td>
<td>Mr. Churchill: “We have arrived at the first crunch of the war.”</td>
</tr>
<tr>
<td>April 13</td>
<td>Admiralty announces Naval victory at Narvik.</td>
</tr>
<tr>
<td>April 14</td>
<td>British Naval forces landed at Namsos. Sharpened Press campaign against the Allies in Italy.</td>
</tr>
<tr>
<td>April 15</td>
<td>First British Military forces arrived at Narvik.</td>
</tr>
<tr>
<td>April 16</td>
<td>First British Military forces landed at Namsos.</td>
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<tr>
<td>April 17</td>
<td>Naval party landed at Andalsnes.</td>
</tr>
<tr>
<td>April 19</td>
<td>British troops landed at Andalsnes.</td>
</tr>
<tr>
<td>May 2</td>
<td>British forces withdrawn from Namsos.</td>
</tr>
<tr>
<td>May 4</td>
<td>British forces withdrawn from Andalsnes.</td>
</tr>
<tr>
<td>May 10</td>
<td>Invasion of Holland and Belgium by Germany.</td>
</tr>
<tr>
<td>May 15</td>
<td>Holland surrenders.</td>
</tr>
<tr>
<td>May 19</td>
<td>General Weygand appointed Commander-in-Chief of the French and Allied forces in succession to General Gamelin.</td>
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## PARLIAMENTARY

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>April 23</td>
<td>Sir John Simon announces new War Budget.</td>
</tr>
<tr>
<td>April 26</td>
<td>Announced that the Allied Economic Mission in the U.S.A. is coming home. The 8 weeks negotiations have had no result.</td>
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<tr>
<td>April 28</td>
<td>First major criticisms of the Government’s handling of the Norway Campaign made by Lloyd George and the Daily Herald.</td>
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<tr>
<td>May 7</td>
<td>Debate opened in Parliament on the Norway Campaign.</td>
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<tr>
<td>May 8</td>
<td>Debate carried on. 5 p.m.: opposition stated their intention to have a vote of censure on the Norway Campaign taken in the form of “vote on the Motion for the Adjournment.” Referring to this in Parliament Mr. Churchill said “It seems to me that the House will be absolutely wrong to take such a grave decision in such a precipitate manner, and after such a little notice.” Government received a majority of 81 in resulting vote.</td>
</tr>
<tr>
<td>May 10</td>
<td>Mr. Neville Chamberlain resigns Prime Ministership. Mr. Churchill takes his place.</td>
</tr>
</tbody>
</table>
| May 22 | Emergency Powers (Defence) Act brought in by Mr. Attlee and within 2½ hours passed by Parliament. “The compromise that was most expected, Mr. Chamberlain’s appointment to lead the House of Commons, did not happen. Mr. Churchill himself is Leader of the House, and fittingly enough it was to Mr. Attlee, as Deputy Leader of the House, that the introduction of the Bill mobilising all property as well as persons fell. Mr. Churchill’s Government is a non-party one and its talents are drawn widely; but the key men during this eleventh hour, apart from the overriding importance of the Prime Minister himself and the quick decisiveness of Lord Beaverbrook, are Labour men. It is upon Mr. Morrison, the Minister of Supply, and Mr. Bevin, the Minister of Labour, that the task of enlisting
May 25  
Fifteen French Generals displaced. "In the last few days it has been propounded from a thousand platforms, with the air of a new discovery, that the cheapest and most effective way in which America can protect her own security is by assisting the Allies."  
The Economist, May 25, 1940.

May 27  
King Leopold of the Belgians, as Commander-in-Chief of the Belgian army, instructs his soldiers to lay down their arms. The Belgian Government dissociates themselves from this action. The situation of the Allied armies extremely serious.

Some of the dates given in this diary are those on which the events noted took place while others are those on which they were announced to the public.

NEWS AND VIEWS

FROM A LETTER TO AN M.P.

To My M.P.

... You are no doubt aware that a large number of people in this country, who are no whit less patriotic or determined to defeat the Germans than members of the Government, are of the opinion that this legislation goes far beyond, in its restriction and sacrifice of the individual’s liberty, anything which is necessary for the effective defence of the country. A considerable, if smaller, number of people are also fully aware that the reconstruction and preparation of the defences of this country in all their aspects have been sabotaged on a very wide scale by the operation of a restrictive credit policy by the controllers of the banking system in this country.

The new legislation introduces in effect a Totalitarian and Police State into this country. The powers taken by the Government and the measures intended clearly reveal the imposition of a Soviet on Great Britain. Owing to the manner in which this has been presented to them by the national Press and the abnormal psychological reactions to which they are subjected by current events, the full practical implications of this legislation may not be appreciated at present by the majority of our fellow countrymen. The time will come, however, when the British people will see the true nature of what has been and is being done and will exercise their sovereign rights along appropriate lines to regain their liberties.

You will appreciate, therefore, the importance of responsibility being properly fixed upon those who had a part in the passing of this legislation. As one of your constituents I therefore write to ask what action you took in the matter.

Yours truly,

JOHN MITCHELL.

THE SOIL OF BRITAIN

Speaking in French, Mr. Duff Cooper, Minister of Information, broadcast to the French people last night.

"Everything is at stake," he declared. "We are fighting, not for possessions, for power, or for prestige: we are fighting for independence, for liberty, for existence. We are fighting in order that the soil of France may still belong to Frenchmen and that the soil of Great Britain may still belong to the men who live upon it." [Our italics.]

—Daily Telegraph, May 28, 1940.

In his speech in the House of Commons on May 28 Mr. Duff Cooper said that "The opinion of the world was still a tremendous force. It was the business of the Ministry of Information to see that that public opinion was well informed, well instructed, and harnessed to the duty that civilisation demanded of us." [Our italics.]

"WE COULD HAVE GIVEN . . ."

... the paramount task is the achievement of victory. In this, too, it must be admitted—bitter though it is to tell the truth at a moment like this—that the Democracies did not appreciate in time the tremendous contribution which Jews could have made, even early in the struggle, towards victory. In a war of this kind and of the present dimensions, it is a people like ours that could have played a decisive role. Our international connections, sympathies in key positions, and resoluteness in a struggle in which no Jew could remain neutral whatever the policy of the country of his domicile, we could have given to the Allies prizes and services they could not otherwise obtain, and which they have not hitherto obtained. This is the truth which must now be hammered into the minds of the statesmen of the embattled Democracies.”

—The Jewish Standard”, May 17, 1940.
ARTIST OR PUBLICITY EXPERT?

By B. M. PALMER

Many must have read with the deepest sympathy Mrs. Warburton-Lee’s protest in a letter to The Times concerning the manner of the B.B.C.’s reproduction of the Battle of Narvik. It was not only unpardonable, it was crudely sensational to reproduce the voices of the dead; a naval officer writing to the same paper, condemned the crudest sensational to reproduce the actual dialogue; a naval officer writing to the same paper, condemned the melodramatic unreality of most B.B.C. programmes, and also explains the curious fact that though the apology was quite sincere, it entirely missed the point of the accusation which had been brought.

These are hard words, but there is no room for half measures.

The staff of the B.B.C. would not be where they are if they had not accepted the theory that the end justifies the means. They are compelled to subordinate their art to the conditions of their employment. Most of them may be quite unconscious of their betrayal. But nothing can be concealed when it comes to artistic expression. The philosophy comes out in the policy. This is an inexorable law.

The English are becoming aware of the incongruous and insincere quality of our broadcasting. As each day passes we are brought closer to reality. Shams are beginning to show up for what they are.

It would, however, be quite a mistake to suppose that radio has not been consciously manipulated. The technique employed would be something like this. “Such and such an event has happened. The effect on the people ‘ought’ to be so and so.” “Public opinion on such a matter ‘ought’ to be this or that.” To one who has been educated and lived all his life under the classical ideal a mere hint is enough, sometimes not even that would be needed. For it is what he already believes.

War cannot be lived through in an atmosphere of illusion. We may confidently expect that a good many eyes will be opened. It is our task to present a picture that is a true reflection of the facts—of those facts of which we are aware. We have no B.B.C. We only have our own unaided, individual efforts. But at least we can see that no opportunity that comes our way is allowed to slip, but is used in the best way, the only correct way.

STUDY COURSE IN SOCIAL CREDIT

There are two courses in social credit which are open to those who wish to make a study of the subject. The courses are approved by Major C. H. Douglas.

(1) Course A—This is the less advanced course, and will be instructive though not compulsory for those who wish to qualify by examination for admission as Associate of the Social Credit Secretariat.

Course A may be taken in two ways.

Either by correspondence (twenty postal communications for which the fee is £1/0/0 plus postage 2/6 at home, or 3/6 abroad).

Or by lecture (twenty lecture periods for which the fee is £1/10/0). Centres of instruction have been widely established and will be increased wherever there is a demand.

The examination fee for Associate Membership of the Secretariat is 10/6.

(2) Course B—This is the advanced course and no fee is charged, but a fee of 10/6 will be charged on entry for the examination. Successful candidates will receive the Diploma of Fellowship of the Secretariat.

Calendar and prospectus are now available (3d.).

Further information may be had from—

THE ASSISTANT DIRECTOR,
LECTURES AND STUDIES SECTION,
SOCIAL CREDIT SECRETARIAT,
12; LORD STREET, LIVERPOOL, 2.
MARSHAL FOCH ON WEYGAND

It is worth while to recall the words of Foch reported by Raymond Recouly (Marshal Foch) concerning the career and qualities of Weygand:—

"I am very deeply attached to Weygand," he said. "He is an admirable man. The more you know him, the higher he rises in your appreciation and friendship. During the War, especially at the most critical moments, he was of incalculable assistance to me."

"Many inaccurate accounts," he went on, in pursuance of his theme, "have been given of our meeting and his appointment to my Staff. This is what happened.

"When Joffre transferred me from my command of the 20th Corps to that of the new Army he was constituting in the centre of our forces, he himself chose my Staff. The previous year his infallsible perceptions and certain judgement had distinguished and appreciated Weygand at the Ecole des Maréchaux. He appointed him and Colonel Devaux to be my colleagues."

"Personally, I had had only brief and occasional encounters with Weygand, although he was in my corps d'armée and second in command of a cavalry regiment. Our relations were the usual ones between the commandant of an army corps and a colonel.

"When the time came to take up my new command, a difficulty arose: which of the two was to be my Chief of Staff? Weygand was senior in service, but Devaux held a brevet. The question was submitted to me, and I settled it with my usual quickness. 'I will take the senior. If he is no good to me, back he goes to his regiment in a few days' time.' I was to keep him nine years.

"Weygand's characteristics are lucidity of mind, self-control, surety of judgment, and unqualified, unceasing devotion to the person or cause he has been appointed to serve. He continuously developed them from the first day of our collaboration.

"You know the importance of the Chief of Staff, especially in the modern army. He is the necessary intermediary between the Commander-in-Chief and his officers. The Commander-in-Chief is alone, but there are many officers. The former gives general instructions, and his Chief of Staff amplifies them in detail and causes them to be obeyed.

"At such a task Weygand was wonderful. His mind was so accurate, clear and systematic that nothing remained in obscurity. His orders were given in such a way that no hesitation or delay was entailed. He also gave me an hourly account of the events over the whole of the Front. His method was perfect. I was promptly informed of all happenings of note.

"In the time of Napoleon, a Chief of Staff was hardworked. His task was light, however, beside the labour of his modern successor. Armies are larger, services have increased to an alarming extent—transport, motor, railway and air, and the rest. To set the whole machine in motion and keep a firm hold of yourself in the midst of all your preoccupations, you need a methodical brain, an active, tireless mind, and an indomitable will; besides these you must be so attuned physically and mentally to your task that at any hour of the day or night events produce in you the necessary reflexes.

"Weygand possesses all those qualities. When it was necessary for him to play a leading, not a secondary part—for the Red Armies were advancing on Warsaw in the gravest of circumstances—he had to make weighty decisions. You know how marvellous was his judgment. As soon as he arrived, he promptly reduced the confusion to clarity. He planned an operation and carried it out. The Red Armies were checked, and Poland was saved.

"He is not only a great—a very great—General, but he is also an admirable administrator. You may be sure that he will do marvels in Syria and wherever else he is sent."

"SAYS POBOTTLE"

Says "Pobottle" in The Times (how odd he doesn't write the 'leaders!')—

"There are, broadly speaking, two possible ways of controlling things in a war:

"(1) To leave everything to Professional Civil Servants, in which case of course everything is a mass of red tape and what is required is a Practical Man with Experience of the Industry. Or—

"(2) To use the Practical Man with Experience of the Industry, in which case, of course, the whole thing is a Scandal and a Ramp and a Racket, and what is required is a nice impartial Civil Servant.

"The obvious solution is therefore to mix Civil Servants and Practical Men in judicious proportion when one will, of course, get that most glorious of all things, a Racket tied up with Red Tape.

"This is exactly what has happened as far as we can see. In fact, the only damned thing in the whole war which we believe is being handled with speed, efficiency, integrity, unselfishness, patriotism, vision and courtesy, is a small matter which we ourselves have reluctantly taken over officially at extreme personal inconvenience, at the almost tearful request of the Very Highest Quarters. It is costing us a great deal of money and all our time, and we aren't getting a penny for doing it. And yet if you believe us, there are some people about who are so blind to every canon of decency—so untouched by any claim of gratitude—that they write to us and complain...."

But readers should refer to the "advt." in The Times for the rest.

MANY A TRUE WORD...

"'Germany is an ungrateful beast, and I don't care who hears me say it,' declared Miss Ruby Fossicks, the Bank of England May Queen for 1940, at Brighton yesterday, opening the £500,000 Golden Calf Rest Home for Tired Usurers.

"A wan smile from a Mr. Skinner and frantic applause from 5,000 City usurers, each with features more brutally degraded than the last, rewarded this stinging attack. 'Heil der interest on der Glockenspiel, a leading British financier. A resolution never to arm the Prussian Spirit with money ever again till the present war is over was carried unanimously.'"

THE SOCIAL CREDITER

This journal expresses and supports the policy of the Social Credit Secretariat, which is a non-party, non-class organisation neither connected with nor supporting any political party, Social Credit or otherwise.

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<table>
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<th>Home and abroad, post free: One year 30/-; Six months 15/-; Three months 7s. 6d.</th>
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**WEYGAND**

French generals since Napoleon have been a race apart and have numbered among them men of deep rather than of wide culture whose adoption of their profession seems to have rested far more upon a high conception of service and the place and importance of technical competency in all service than upon any special proclivity towards violence. Violence and high performance in any sphere are not strictly compatible and where performance is in the use of great forces there is no exception.

Weygand is the general who won the friendship, approval and admiration of Foch*, and Foch exemplified the characteristics defined above more than anyone else. His “Art of War,” a textbook in use in the academies, is the finished product of a great mind and has for long been a subsidiary course of study among Social Crediters not because it deals with the matters of special interest to soldiers; but because it deals with military warfare in a way so precise and fundamental as to be in a large measure applicable to all forms of warfare.

The philosophy of Foch, unlike that of many of the German military leaders, so far from being a repugnant philosophy to men imbued with our free island culture is a simple, natural philosophy, which has to do with the concept of *Country* rather than with that of *State*.

Weygand’s recall, the recall of an old man in whom trust had been reposed by men who had justified trust, and trust in whom had itself been justified, had on it the mark of decision: decision concerning matters not merely matters of expediency but decision concerning fundamental matters of policy. It was a discarding of a wrong weapon for a right weapon: right in regard to its serviceability and right in regard to the purpose it was required to serve.

This discarding has since, with rather shocking thoroughness, been extended to the supercession of fifteen French generals. We in England have not yet seen any sign of that *kind* of thoroughness yet: a thoroughness which cuts right down to realities—or at least seems to do so. If it didn’t, what’s the object?

Not only this journal, *The Social Crediter*, but the heart and core of England, however diffused and inarticulate it may be, desires that. We stand united with the unconscious mind of the English people.

What has happened in France, the sweeping broom, it seems, has swept into oblivion the doctrine of the supremacy of centralised institutions over the individual. The dismissed general is not an individual, as we pointed out at the time of Mr. Hore-Belisha’s dismissal: he is a centralised officer sharing very unequally, two functions, the function of his own personality and the function of his public instrumentalities. The public good is the individual good and when its security is placed before the security of the machine, whether military or political, the individual is served.

We are opposed, irrevocably opposed, to the Police State in any form. The Police State is that state of the community and of the common individual life in which not only are institutions supreme but a wide use of force cunningly exercised is required to keep them so. A tower which requires more and more energy to keep it up is not a tower of strength: it is a tower of weakness.

But while we state our allegiance unequivocally, we do so recognising that having decided to carry on a war to this end against the embodiment of the centralised state which is even now laying country after country waste, concentration of energy for that end is inevitable and the diffusion of the smallest fraction of it insufferable. While there is cause we shall attack, as constructively as may be, everything which hinders our war effort.

We have said on many occasions that Hitler embodies, whether as principle or agent is no matter, the fundamental thing against which we are fighting. Mere mechanisms, whether financial or otherwise, are subsidiary to that thing. The war now raging is a battle for the soul of the world.

As all men are, we are uncertain of the future, yet only in regard to its forms. The public has no news and forms depend on news; on report; but the structure is independent of report. It is. And of some features of that which is, and is now exposing itself as the substance of life in society we are sure. The great edifices of the Universe are not there because someone is continually pointing to them; but of themselves. Too much insistence upon the mere names of things blinds apprehension of the things themselves. 'Unity', 'victory', the virtues, Social Credit—it does not matter what—is it an accident that *The Times* speaks of 'the continental civil war'? The war, as we defined it on its outbreak is a civil war: a war interpenetrating the life and the institutions of society. Every man must take up his place in the side: each must be certain of his side and choose it with his eyes open and his understanding clear.

Those essentials, which are not easy to come by, depend on forms, on something concrete. Let there be news to constitute these forms; then we shall see and none need fall into the wrong camp or, as the saying is, among thieves.

The war is not going to be decided by the non-playing captain. It is going to be fought and ultimately it is going to be won by free people. Knowledge of essentials is necessary because it is of no use to lock stable-doors on vanished horses.

And how many vanished horses there are! After Quisling, Leopold, who, it is said, informed not his Ministers or his people but the President of the United States of America forsooth! Did he know where to seek sympathy or was he merely making report as from one crowned head to the Crown of all crowned heads? Does anyone know what it all means? If there is a programme prepared, may we see the programme and may all men see the programme and know who prepared it?
The following resolution which was adopted at the annual general meeting of the London East Branch (Taxes) of the Inland Revenue Staff Federation shows an appreciation of the issue involved in the claim for a War Bonus:—

“This A.D.C. endorses the claim for a War Bonus. The Federation’s claim should make clear to Government representatives that the membership of the Federation is aware of the financial control over Government policy indicated—

(a) by the extensive credits created for war that in peace time could have been created for, and used by, the people of this country as purchasing power, and

(b) by the Government’s refusal to meet the relatively small claim of the Civil Service Associations.”

This resolution, was unfortunately omitted from the preliminary agenda of the third annual Delegate Conference of the Inland Revenue Staff Federation and a circular had to be sent by the Secretary of the London East Branch to all Branch Secretaries and Executive Members, giving the text of the resolution with a brief statement of the facts upon which it is based. The circular concludes:

“I shall be glad if your Branch Committee will consider, at an early date, taking action—

(a) to indicate to Headquarters your support of the basic point in our resolution;

(b) to approach M.P.’s on the subject.

“Please also see that your Delegate is in possession of the facts before Conference.

“Finally, let me assure you that my Committee regard this struggle, the issue between the Citizen and the Bank, as a matter above the sphere of party politics, and adherence to, or the promotion of, political party interests is not our concern.”

The resolution was included in the Final Agenda for the Conference.

Another resolution passed by the same branch of the Federation ran:—

“This A.D.C. records its opinion that taxation upon the moderate salaries of Civil Servants and other citizens of similar standards of income should be abolished. This Conference would point out that the financial institutions, contributing at present by loan to the greater portion of war expenditure, are fully secured for the return of all payments they now make.”

This Resolution was recommended by the Standing Orders Committee to be referred to the Executive Committee for consideration and action where necessary, without prior discussion at the conference. The Branch Committee opposed this summary disposal of the motion, and the following letter was circulated:

“I have received instructions from my Branch Committee to oppose the Standing Orders Committee and press for the inclusion of the above resolution in the Agenda for Conference.

“We ascertained from Headquarters that the reason for the recommendation of the Standing Orders Committee was that it was feared that an undue amount of time available for Conference business would be occupied in a debate on methods of financial reform.

“This is a misapprehension, and we think that the Standing Orders Committee should have first approached us before removing the resolution from Conference Agenda. However, the General Secretary has advised us that we may circularise delegates to invite support for our challenge to the Standing Orders Committee was that it was feared that an undue amount of time available for Conference business would be occupied in a debate on methods of financial reform.

“The resolution is first a statement of desire and secondly a statement of fact.

“The financial policy in this country should be such as would enable the Government and the community to make the maximum use of the resources of the country. The taxation of meagre incomes has no part in such a policy.

“The existence of war is being used as an excuse to reduce the purchasing power of all in this country, and we are losing by increased prices and by direct taxation the benefits that years of struggle have brought to members of our Federation. The sums we pay “towards the cost of the war” by taxation represent confiscated purchasing power; the sums the financial institutions pay are not so confiscated, but interest-bearing bonds are issued in return. The source of their contributions is not the hard-earned money of individuals.

“It is not our task to determine the financial technique required to produce desired results but it is the responsibility of the Government to employ experts to do so. It is sufficient for us that we should demand the removal of unnecessary impositions in the same way as we demand a War Bonus.

“In conclusion I must state categorically on my own behalf and on behalf of my Committee that there is no wish to introduce arguments on financial technique to Conference and that we are concerned solely with the forwarding of the policy of the members of the London East Branch determined in a constitutional manner, and our policy is: “We don’t want any portion of our meagre salaries confiscated.”

“Please support our challenge to the Standing Orders Committee.

D. G. MITCHELL,
For Branch Committee,
London East (Taxes).”

ACCOUNTANTS WANT MORE TAXATION

In the course of his speech at the annual general meeting of the Society of Incorporated Accountants, Mr. Percy Toothill, F.S.A.A., the president, said:

“Higher taxation should be thought of, not in isolation, but in relation to the alternative methods of finance. These alternatives were inflation and saving—either forced or voluntary. Inflation should be avoided, and he did not think the voluntary effort alone could possibly be sufficient for the enormous drive necessary. Nor did forced savings appeal to him, and he would prefer to obviate the many problems to which forced savings would give rise by suffering some further increase of taxation, which, he believed, the country could bear, if the additional taxes were properly devised...”

“He therefore suggested that the Chancellor could, with advantage, reformulate the basis of income tax on personal incomes, so that the stress would be placed upon effective rates and not the standard rate. This would be a change in form only, but it would have important psychological advantages.”
THE EMERGENCY POWERS ACT, 1940

The following is the text of the Bill, which was passed through all its stages in Parliament and received the Royal Assent on May 22, to extend the powers which may be exercised by the King under the Emergency Powers (Defence) Act, 1939:

Whereas by the Emergency Powers (Defence) Act, 1939, His Majesty was enabled to exercise certain powers for the purpose of meeting the emergency existing at the date of the passing of that Act:

And whereas by reason of the development of hostilities since that date it has become necessary to extend the said powers in order to secure that the whole resources of the community may be rendered immediately available when required for purposes connected with the defence of the Realm:

1.—(1) The powers conferred on His Majesty by the Emergency Powers (Defence) Act, 1939 (hereinafter referred to as the "principal Act") shall, notwithstanding anything in that Act, include power by Order in Council to make such Defence Regulations making provision for requiring persons to place themselves, their services, and their property at the disposal of His Majesty, as appear to him to be necessary or expedient for securing the public safety, the defence of the Realm, the maintenance of public order, or the efficient prosecution of any war in which His Majesty may be engaged, or for maintaining supplies or services essential to the life of the community.

(2) In paragraph (d) of subsection (2) of section one of the principal Act, and in subsection (4) of that section the expression "enactment" shall mean any enactment passed before the commencement of this Act.

(3) Subsection (1) of section eleven of the principal Act (which relates to the duration of that Act) shall have effect as if for the words "one year," where those words first occur, there were substituted the words "two years."

2.—This Act may be cited as the Emergency Powers (Defence) Act, 1940, and this Act and the Emergency Powers (Defence) Acts, 1939, may be cited together as the Emergency Powers (Defence) Acts, 1939 and 1940.

The Debate

WAR SITUATION

The Lord Privy Seal (Mr. Attlee): I beg to move:

"That the following provisions shall have effect with respect to the Business of this day's Sitting:

A Bill to extend the powers which may be exercised by His Majesty under the Emergency Powers (Defence) Act, 1939, may without notice be presented by a Minister of the Crown and forthwith considered and passed through all its stages on the same day, and the requirements of Standing Orders No. 64 and 68 and of the practice of the House relating to the imposition of charges upon the people shall be deemed to have been complied with respect of any provisions of the Bill or of any Amendments thereto moved by a Minister of the Crown which authorise expenditure or the imposition of any such charge.

Immediately after the Bill to which this Order applies has been read a Second time it shall be considered in Committee of the Whole House."—(King's Recommendation signified).

I have to inform the House that the present situation is so critical that the Government are compelled to seek special powers from the House by a Bill to be passed through all its stages in both Houses of Parliament to-day. The situation is grave. Every hon. Member is fully aware of that; and also of the issues which are at stake. A great battle is now proceeding. Our men at sea, on land and in the air, are fighting with splendid courage, devotion and skill, in company with the freedom-loving people who are our Allies. The result of that battle we cannot know, but it must be clear to all that the next few weeks will be critical. Our ruthless enemy, who is restrained by no considerations of international law, of justice or humanity, is throwing everything into the scale to force a decision. We are resolved that he shall not succeed. The Government are convinced that now is the time when we must mobilise to the full the whole resources of this country. We must throw all our weight into the struggle. Every private interest must give way to the urgent needs of the community. We cannot know what the next few weeks or even days may bring forth, but whatever may come we shall meet it as the British people in the past have met dangers and overcome them.

But it is necessary that the Government should be given complete control over persons and property, not just some persons of some particular class of the community, but of all persons, rich and poor, employer and workman, man or woman, and all property. It is these powers for which I am asking the House this afternoon. I do not ask for them in any spirit of panic; there is no need for panic. I am asking that in this emergency we should be given the requisite powers that may be needed. In order to pass the Bill through all its stages, it is necessary to move this procedure Motion without notice, and I am asking the House to acquiesce in this procedure in view of the great peril in which the nation stands to-day. The Motion is in precisely the same form as that moved on 24th August last year when the original Emergency Powers (Defence) Bill was passed through all its stages. The Bill is available for hon. Members in the Vote Office now.

Mr. Lees-Smith (Keighley): I thank the Lord Privy Seal for his explanation. We are setting a precedent, but this is not the time for a lengthy discussion. It is a time for action and for showing that the House of Commons can
be a completely efficient instrument in the conduct of war. I have only to say that we shall give the Bill all facilities.

Sir Percy Harris (South West Bethnal Green): These are drastic powers for which the Government are asking, and the justification for them is that the country is in danger. I do not suppose in the history of our country, not even in 1914, 1915 and 1916, has the danger been more real. Nothing will give the country greater confidence than the knowledge that the Government are prepared to take action rapidly, and even against all constitutional practices and traditions. The Government must take responsibility, and I am glad they are prepared to do so. Parliament, of course, must be diligent in examining—the House has a great duty in that respect—the way in which these powers are used. When the occasion arises, Parliament must be vigilant to see that these powers are not unfairly used. [HON. MEMBERS: “Agreed.”] The House of Commons has its functions to perform. It does not help the Government if Members do not express their views. These are drastic powers. I reiterate that Members will have the responsibility of examining the use of those powers in practice and protecting individuals; but I am satisfied—

Mr. Charles Brown (Mansfield): On a point of Order. Is not the business before the House a procedure Motion? The Second Reading of the Bill has not been moved.

Mr. Speaker: A procedure Motion is before the House.

Sir P. Harris: The seriousness of the situation justifies these great powers, but nevertheless, hon. Members still have their responsibilities, and when these powers are put into operation, those responsibilities will be vastly increased. As far as hon. Members on this bench are concerned, we will do everything we can to facilitate the progress of the Bill through all its stages.

Mr. Maxton (Bridge ton): I do not propose to oppose this Motion on procedure. I agree absolutely that the House ought to be able to function speedily in critical circumstances, but I reserve my right to speak adequately on the Bill, which has just been placed in our hands. At first glance I cannot see what there is in it that adds to the emergency powers already given to the Government, but as I have said, I reserve my right to speak further on the Bill.

Mr. Gallacher (Fife, West): As regards procedure, I understand that it will be on the same lines as on the last occasion when we discussed such matters. At the moment we are not discussing the Second Reading of the Bill, but I hope the House will understand the importance of one statement that was made by the Lord Privy Seal. I understand the tragic situation of the people of this country, but in connection with this Bill it is essential that the power of the working class should remain unaffected. The hatred of the working class for Nazi-ism is deep-rooted.

Mr. Speaker: The hon. Member must confine himself to the Motion before the House.

Mr. Gallacher: I shall want to raise some matters on the Second Reading of the Bill. The enmity of the other side is very recent and shallow and to those of us who are concerned about the welfare of the working classes, it is important that nothing be done to interfere with their liberty of organisation.

Question put, and agreed to.

[Hansard here reprints the motion moved by Mr. Attlee and quoted in the first paragraph.]
paid by good employers. If there are cases, in which people are asked to shift from one district to another, there should be payment to deal with things of that kind. There is power to inspect premises and to require employers to produce their books. The object is to mobilise the effective resources of the nation for whatever tasks may come upon us now. I said at the beginning that it was essential that this should be done but not because people are unwilling. I am convinced that the bulk of the work will be done with the good will of all and with the co-operation of organised labour.

Let me deal with a few points about control over property. Some establishments will be controlled altogether right away. Others may be controlled later. They will, in effect, be working on Government account. Wages and profits will be under Government control. The Excess Profits Tax will be at the rate of 100 per cent. There will be no profit out of the national emergency. Other establishments may be ordered to carry on and they may perhaps be ordered to carry on at a loss, but there must be power to carry on on essential services and if people are put in a position where they are making a loss, they must have adequate remuneration in order to do their job effectively. The essential thing is that over a wide field—how wide one cannot say at the moment—industry will be carried on for the community in fact, and not for private profit. There may be cases in which firms will have to close down and there may be destruction of property here and there. One cannot tell what will happen. There will be difficult questions of compensation. There will have to be full reconsideration of compensation but in an emergency, these things cannot be worked out precisely and meanwhile, there will have to be interim compensation.

I have spoken of businesses, but it is not only industrial businesses in the ordinary sense that will be, or may be, under control. It depends on what the Regulations will be. There will have to be control of the finance of the country and the banks. It may be done, centrally; it may be, if conditions require it, that it will have to be done through regional commissioners and financial advisers, but at the moment I cannot give more than an indication of the kind of action which may have to be taken. The point arises:

Under whose orders are these things to be done? They are to be done under the orders of the Government. The order will be given by the competent authority and the competent authority in each case will be the Minister concerned with that particular national activity—the Minister of Labour, for instance, dealing with labour matters, and the Minister of Agriculture with agricultural matters. If conditions enforce it, control will have to be exercised through the regional commissioners, but, broadly speaking, we are taking control in a time of emergency, so that in the national interest we may utilise all our resources for the common weal.

Now let me take one part of the scheme which has already been worked out in detail. It is essential in this crisis that we should produce to the full all our essential munitions, and the Minister of Labour has been given the responsibility of supplying the labour required for the programmes of the various Departments. He proposes to set up at once a Production Council consisting of representatives of the chief Government Departments concerned with munition supplies—the Admiralty, the Ministry of Aircraft Production, the Ministry of Supply, the Ministry of Labour, the Ministry of Agriculture and the Ministry of Mines. That Production Council will be presided over by the Minister without Portfolio my right hon. Friend the Member for Wakefield (Mr. Greenwood). It is proposed to set up a Director of Labour Supply with full-time assistants, drawn from trade unions and employers. There will be local organisations based on area boards.

Mr. j. J. Davidson (Maryhill): Will there be no Office of Works in it?

Mr. Attlee: No, but there will be full control of building operations. I am obliged to my hon. Friend. I am afraid I have had to deal with this matter at very short notice. It is essential that all building operations should be properly controlled, brought together and co-ordinated. At all important centres, labour supply committees will be set up to organise local self-help for meeting difficulties in the labour supply. It is proposed that firms should be grouped to secure the best utilisation of labour and to prevent waste. In certain instances there will be compulsory notification through the Employment Exchanges of all men who are "stood off" or on short time. Those firms engaged in munitions will be brought under control and will become controlled establishments. My right hon. Friend the Minister of Labour proposes to set on foot a bold and comprehensive scheme of training. Training facilities are available under the Ministry of Labour and in the technical schools and so forth. It is proposed, too, where non-federated firms are standing out and not observing agreements, that they shall observe agreements.

The essential thing at this time is to see that there is no waste of the skilled labour which is available and that there is the utmost co-operation between all those who are working for the common end. My right hon. Friend intends to work in the closest co-operation with trade unions and employers organisations. It may be that cases will arise in which, under this stress, agreements will be made to set aside, for the time being, customs in industry that have previously been agreed between employers and employed. It is essential that everybody who is engaged in this great effort should be satisfied that the rights which he has had shall remain alive and in being and it is proposed, therefore, that there should be an addition to the Fair Wages Clause whereby employers who do not at the end of this war restore any customs or conditions which have been set aside for the war, will be ineligible to come on the list of Government contractors. [HON. MEMBERS: "Permanently?"] Certainly until they comply but I will deal with that point later. I cannot now give more than a broad outline. I have tried to give the House a picture of an immediate piece of work. To show how immediate it is, I may say that it is proposed that the Munitions Board should meet to-night to get on with the job.

I have only been able to indicate some lines on which action will be taken. What other action will be taken must depend on how events move, but I cannot end without again stressing what I am quite sure is in the mind of everybody. At this time everything for which we stand is in jeopardy—our political rights, our rights of conscience, our industrial rights—and everything will go if we do not defeat the enemy. I do not believe it is necessary to make a long appeal to the people of our country. I am quite certain that everybody knows what is at stake, and that while these powers are necessary the real force behind us to-day is the will and determination of a free people.

Mr. MacLaren (Burslem): We have heard about
labour, wages, trade union agreements and all the rest of it, but the most essential of all things, the thing which is in question and jeopardy, is the land, and that has not been mentioned. I want to know if we are taking powers for the entire control of the land of this country?

Mr. Attlee: The hon. Member is, of course, right in stressing the importance of the land. I say “all property, real and personal,” and land is an essential part of property.

Mr. Davidson: The Lord Privy Seal referred to the fact that firms who did not restore what we may call agreements come to between employers and employees will be kept off the list after the war so far as Government work is concerned. May I ask if full cognisance has been taken of the fact that many firms who may be engaged on war work now may, after the war, be engaged on a different type of work and may not desire to be placed on the list?

Mr. Attlee: I quite realise that such cases may happen, but perhaps my hon. Friend will have a talk with the Minister of Labour on particular points. I am giving a general principle. The general principle is that there should be a definite sanction imposed that they should not take advantage of a war situation to break down conditions established for many years, and this is one of the means of enforcing that.

Mr. Logan (Liverpool, Scotland): May I ask the Lord Privy Seal a Question?

Mr. Lees-Smith rose--

Mr. Logan: On a point of Order, Mr. Speaker. I wanted to ask something germane to the Question.

Mr. Speaker: It is better that we should have speeches made than questions put on a point of Order.

Mr. Logan: I was not making a speech. I wanted to ask a question pertinent to the subject which we were discussing then.

Mr. Speaker: I often find that speeches and questions run very much into one! another.

Mr. Maxton (Bridgeton): On a point of Order. The Government have asked the House to make a big concession on the matter of procedure and the House has granted it, but one or two of us are anxious to ask a few questions to elucidate the statement which has been made. We do not want to make speeches, but would it not be more convenient if we could have one or two Questions answered now rather than by having several long speeches?

Mr. Speaker: That is a matter for the House.

Mr. Lees-Smith: Before making any observations upon the Bill I would like to ask the Lord Privy Seal whether these numerous Regulations which are to be put into Orders will be laid and if so what the procedure will be. Perhaps we might have a reply to that before the end of the Debate, because if there are any questions of details to be raised they might be conveniently raised then.

Mr. Attlee: Yes, they will be laid, and, of course, they can be annulled by a Prayer. It is, of course, as the hon. Member says, a fact that the whole meat of it comes in the particular Orders. This is merely an enabling Bill.

Mr. Maxton: When will they be laid?

Mr. Attlee: As soon as they are made.

Mr. Lees-Smith: It seems to me impossible for us to discuss this in detail now, and if any Member wishes to do so it seems to me that his opportunity will come when the Orders are laid. One cannot help recognising in the speech of the Lord Privy Seal that he has in mind certain contingencies of a character which has never yet faced this country, and broadly speaking he wishes to ensure that this country shall not be taken by surprise like some countries already have been. I would, therefore, say that apart from the discussions upon the Orders if hon. Members find that in the working of this Bill there are points which ought to be raised I am glad to know that the ordinary procedure of this House will protect us. We shall have Ministers in front of us from day to day with whom we can raise particular points. One of the great advantages of our procedure is that we can with confidence give Ministers powers, especially if we have confidence in them, and we should give these powers, because our procedure enables us to raise the issue of how they are being utilised any day when the House is sitting.

Mr. Maxton: I agree with the right hon. Gentleman the Member for Keighley (Mr. Lees-Smith) that everything which matters will be in the Regulations and not in this Measure. This merely confers a very wide power on the Government to make Regulations. I imagine that it does not add much to the emergency powers granted in last August, and I believe that all the things outlined by the Lord Privy Seal could have been done under that legislation. I notice that the Lord Privy Seal shakes his head, and I accept his greater knowledge on the subject. He only made a short general statement on which one can say nothing. I do not object to land being nationalised and banks being nationalised, and I do not object to property of all descriptions being taken over for the service of the State. I could have wished, however, that it could have been in rather calmer days and adopted more deliberately than to-day.

As I listened to the Lord Privy Seal I noted that he was very precise about what was to be done in the seizure of labour. He was very definite about that—how they were to be moved anywhere at any time—but he was very vague and general about what was going to be done to property. I am not going to take the responsibility of dividing this House on the matter. I divided the House on the last vote on emergency powers. I can see my hon. Friend the Member for the Scotland Division of Liverpool (Mr. Logan) smiling, but I do not wish to have a Division in which the Opposition is lucidulously small. My hostility to this Bill in principle is as strong as it was previously, but it is only when we see the regulations that we shall know just whether the inroads that are being made into established liberties are necessary, or whether the general circumstances of a time in which people tend to get nervy are being utilised to take away liberties which it is not necessary, even in these days, to take away. As I say, I will not oppose the Measure, but I will scrutinise the regulations very closely when they come before the House.

Dr. Little (Down): I would like to ask the Lord Privy Seal whether this Bill is to apply to Northern Ireland.

(To be continued)
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