

# THE SOCIAL CREDITER

## FOR POLITICAL AND ECONOMIC REALISM

Vol. 20. No. 8.

Registered at G.P.O. as a Newspaper.  
Postage (home and abroad) 1d.

SATURDAY, APRIL 24, 1948.

6d. Weekly.

### From Week to Week

We have no doubt that the Powers behind the "B".B.C. performance on the occasion of the death of Mohan Das Karam Chand, popularly referred to as Ghandi, suppose that the matter of his canonisation is now closed, a *fait accompli*. If so, we would disabuse them of that idea. Ghandi himself is dead, but the works of which he was a tool, live after him, and his connection with them, and the strategy of which he was an instrument, require, and so far as we are able, will receive, attention and explanation. Events in India are integral with the treachery to the British everywhere. Anything we can do to unmask traitors will be done.

It may or may not be significant that *Ghandi*, which is neither an hereditary nor a "baptismal" name, means in Hindustani, "a green bug"; *gandidan*, "to stink, to have a foul smell", and *gandhila*, "stinking, foetid." Both these latter words are derivatives of *Ghandi*.

It may or may not be a coincidence that Mr. Edgar Snow, an Associate Editor of the *Saturday Evening Post*, and generally considered to be, if not a Communist, a 'fellow-traveller', was present in Birla House, New Delhi, when Ghandi died. The *Post* carries an article, much on "B".B.C. lines, by him, in its issue of March 27, but there is an undertone of uncertainty in it which our local 'fellow-travellers' were able to exclude.

In order to clear the ground from a common misunderstanding, it should be realised that the austere disciplines which are confused with virtue by so many as a proof of saintliness are as amoral as physical gymnastics. They are as useful to a murderer as to an explorer, and the significance of Ghandi was not in his fasts, but in his fealties.

We hope in the near future to publish a lecture, given some years ago by a Political Officer of thirty years' experience in India, which illuminates one of the most sinister plots in history. Its major significance at this time is in its clear connection with the attack on British culture, power and influence, everywhere.

Since 1935, New Zealand has had a so-called Labour (i.e., Financier-Socialist) Government. When this Government came into power, largely by the support of Social Crediters given on the basis of promises every one of which has been broken, the National Debt was £277,433,000. It is now £634,751,000, or practically that of Great Britain in 1914. The population of New Zealand, however, is 1,600,000, as compared with about 45,000,000 in Great Britain in 1914.

In the same period, under a Social Credit Administration, the Provincial Debt of Alberta has been reduced by \$40,000,000, and the orthodox financial credit of the Province raised from the lowest, to the highest of any Province of the Dominion.

There could hardly be a more useless expenditure of

energy than to comment on the details of Sir Stafford Cripps's, or any contemporary Budget, and we do not propose to waste either our own or our readers' time in such a fatuity. But one remark of the Chancellor will bear emphasis and examination—that a Capital Levy is not practicable *at this time*.

The essential point of notice, that practicability is the only criterion, should be taken in conjunction with the carefully emphasised theory of the omnipotence of Parliament. This means, of course, that the Administration of this country has degenerated into a simple spoils system. Whenever a gerrymandered majority vote can be obtained, a Cabinet is enthroned which is expected to take something, and finally, everything, off the minorities. And, as it has been demonstrated beyond possibility of discussion that the only difference between Mr. Churchill and Sir Stafford Cripps is one of the difference, if any, between Mr. Baruch and Lord Rothschild, we arrive at the final end of contemporary politics—to rob every national for the benefit of a select group of internationals. It is rather wearisome to keep repeating it; but there is really nothing else of consequence to say in this connection.

We cannot imagine anything more grimly funny than a Pan-American Conference, such as that at Bogota, being broken up by a local riot and revolution of the South American variety so often fomented from New York. We could have wished the venue to be Guatemala, to lend point to the demand that British Honduras should be surrendered at once to whichever faction comes out on top.

"British Conservatives are entitled to take credit for their refusal to capitulate to Hitler, and for their willingness to fight him at all risks, but it is time that their compatriots realised that even the gentleman has had his day"—South African *Jewish Times*, March 19, 1948.

This realisation is being intensified and hastened by the charm and popularity of the gentleman's substitute.

"The aristocracy of the *goyim* as a political force is dead, we need not take it into account . . . *You gentlemen here present*, who are economists . . ."—Protocol VI of the Learned Elders of Zion.

Who says you can't get fun out of the Protocols?

In extending our best wishes to our new contemporary, and associate, *The Social Credit Challenge* (Edmonton, Alberta), we feel confident that our readers will recognise that its appearance marks a definite, historical step in the progress of Social Credit, not alone in Canada, but everywhere.

We regard the action of Mr. Manning's Cabinet in forcibly assuming control of the *Canadian Social Crediter* as both discreditable, and as a direct infringement of, or in-

competence in, the first principle of Social Credit—maximum practical decentralisation.

It is curious, and rather sinister, that the policy involved is in essence the same as that of the Central Office of Information, ably criticised by Mr. Boyd-Carpenter in the House of Commons on March 19 (see Hansard, T.S.C. April 10) and it confirms our opinion that a concerted attack on British political ideals is in progress everywhere. In Alberta, the last few years have been marked by a stealthy approach to centralised control—largely but not entirely, as the result of genuine ignorance of political problems. The first mistake usually made by an incompetent management is to assume responsibilities which belong to the individual; and the second is to try to enforce them from an office. That is the Alpha and Omega of Socialism. It is much simpler, and much more attractive to the adolescent mind, than Social Credit, because it appeals directly to the Power Complex—generally, a subtle variation of the inferiority complex. It is directly atavistic, and is in fact the parody of barbarism superimposed on modern technology. The defence against it is personal initiative.

#### The Raw Material of our Majorities.

"Of the young soldiers going into the Army to be sent to Germany, the Rev. G. Druitt, Assistant Chaplain-General, B.A.O.R., said 'Their ignorance of the demands and claims of citizenship, their lack of knowledge of God and belief in man, makes them clay in the hands of the good or evil potter. About 95 per cent have had no real contact with Churches or clubs in moulding their characters; they are incapable of using their leisure time; they have no hobbies and no interests.'"

And then we wonder that the British Empire, which maintained *Pax Britannica* for nearly one hundred years, and is said to have "won" two World Wars in twenty-five years, has less effective voice in world affairs than any one of its constituent parts, e.g., Canada.

Many Social Crediters, the world over, will be interested in the fact that the only Court of the Temple which will disappear permanently as the result of the bombing of London, is Fig Tree Court, in which much of the work of Social Credit was done. Crown Office Row, the southern facade of which was partly formed by the buildings entered from Fig Tree Court, is to be rebuilt at its western end, stopping approximately at the point in which Charles Lamb's memorial plaque was situated.

"The whole point of *Operation Smear* is that if you can taint a few courageous people, then the taint can be easily extended to their less courageous friends, and to the friends of their friends. Thus *Operation Smear* eats up the bones of the resistance to Communism."—*Human Events*, Washington, D.C.

"*Britain*," according to Mr. A. J. Hooke. Mr. Hooke, the Albertan politician who has been visiting England, told a press deputation that he did not think "Britains Labour Government" is generally popular now. 'People of Britain fear war is coming and there is also alarm over the spread of Communism. Communism is spreading in Britain, with Red doctrine being favoured even in the House of Commons' he said.

## PARLIAMENT

House of Commons: March 24, 1948.

### Representation of the People Bill

CLAUSE 6.—(Service declarations.)

Mr. Piratin: . . . I feel that the Committee ought to give greater consideration to this Amendment, which is to the effect that the qualifying age should be 18 and not 21. I ask the Home Secretary to make some observations on this matter. We are dealing with Service men. The Home Secretary, in the Debate in Committee last week, alluded to the same point made by the hon. Member for West Fife (Mr. Gallacher). On the question of the qualifying age being 18 instead of 21, he said:

"Our view is that 21 years of age is the appropriate age for people to undertake the duties of citizenship. It requires a certain amount of maturity and experience, and we feel the long established practice in this country of regarding 21 as a suitable age should be continued."—[OFFICIAL REPORT, March 17, 1948; Vol. 448, c. 2236.]

I take it that that represented the Government's point of view.

I wonder whether that is really the view of the people concerned. We have a most contradictory situation. Lads of 18 have been called up to do their duty in the Services, and, as we know, they have done it very well indeed. Such young men of 18 have risen to rank; many a lad of 19 has flown his own aircraft, and lads of 19 and 20 have been in charge of companies. Does the Home Secretary suggest that these lads have not risen to a stage of maturity and citizenship, when they have been in charge of companies in battle? Of course, they have. Many other lads of that age would have done the same, had they had the opportunity.

I would direct the Home Secretary's attention to the Appendix of the Report of the Conference on Electoral Reform and the Redistribution of Seats, Cmd. 6534. On page 8 it will be seen that the third resolution was to the effect that the Conference recommended that the franchise be extended to all who have reached the age of 18. The resolution was voted on, with the following result: Ayes, 3; noes, 16; not voting, 13. Only 16 out of a committee of 32—only half—voted against that resolution to change the qualifying age from 21 to 18. Yet the Home Secretary says with much confidence, "It is our opinion that 21 is a suitable age." At that conference the Labour Members did not vote in favour of 21; in the main, they abstained. The hon. and learned Member for North Hammersmith (Mr. Pritt) and two others voted in favour of 18. I hope the Home Secretary will make some observations on this matter.

It was only in 1944 when the Labour Members were then half inclined—that is the interpretation of their abstention—to consider that 18 was a suitable age. Yet today the Home Secretary says, "We think 21 is a suitable age." Why? The Home Secretary is well aware that a lad of 18 can be sent to prison for an offence. [AN HON. MEMBER: "That is different from voting."] The hon. Member is not taking this matter as seriously as he might. Perhaps it is because of the late hour, but that, unfortunately, is the result of the Government's decision, and we have to abide by it. We are debating this Bill in most difficult circumstances. If a lad of 18 is sufficiently responsible so that he may be sent to prison for some offence, is he not responsible to undertake the duty of citizenship? If he may be put in the Army and rise to rank and command men, is he not also responsible to under-

take this other duty? . . .

CLAUSE 12.—(*Timetable and procedure*).

*Mr. Younger*: I beg to move, in page 15, line 27, after "election," to insert:

"or otherwise of the rules contained in either of the said Schedules."

Subsection (2) provides that an election will not be voided merely because there is a minor breach of the rules on the part of an official. This Amendment will cover cases where there is a minor breach of the rules by an elector. It seems desirable that the same consideration should apply to a minor breach by an elector as apply already to a minor breach by an official.

*Mr. Hogg*: May we have a little more information on this? What is meant, for instance, by the phrase where it occurs.

"No substantial miscarriage in the conduct of the election"? It seems to me that these words might have a sinister and undesirable meaning in this connection. We understand, of course in another type of case the phrase "no substantial miscarriage of justice."

Is it seriously to be said that no parliamentary election shall be declared invalid by reason of any act or omission on the part of the returning officer or any other person in breach of his official duty in connection with the election simply if it appears that the result of the election would be the same? That is most undesirable. It may well be desirable to declare elections invalid if there has been, by persons in a highly responsible position, a deliberate breach of the rules. It seems to be desirable in such cases that an election might be held again, and a penalty inflicted for a deliberate or corrupt breach.

We must consider, even, that there ought to be a re-running of the election, notwithstanding that a tribunal might think that the particular breach has not altered the result of the elections. It is, in my belief, important in such cases not merely that substantial justice should be done but that it should be beyond question apparent that substantial justice is done in these matters and that elections are run in accordance with the rules. I would like to know why the Under-Secretary has used this precise turn of phrase and what meaning exactly he attaches to it.

*Mr. Pritt*: I agree very largely with what the hon. Member for Oxford (*Mr. Hogg*) has said. One will see that these words really cover what he wants because there are two requirements. The first is that there shall be no substantial miscarriage of the conduct of the election and the next is that the result is not affected. All the things he has described with characteristic indignation would, I should think, appeal to a tribunal as a substantial miscarriage. In that case, this saving Clause would not save anybody or anything. I should have thought that the hon. Member would already have got what he wanted. . . .

*The Attorney-General (Sir Hartley Shawcross)*: I do not know whether I can provide any assistance. I confess that it seems reasonably clear to me. The source of the provision is the Ballot Act of 1872 and it really imports no new principle whatever into our electoral law. . . .

. . . In view of the questions raised about this point, I intend to look into it between now and Report stage. If necessary, we will make it abundantly clear that what is contemplated by this Subsection, as I have said, is breaches

by the returning officer and his officers and breaches of duties imposed upon electors under the various rules set out in the two Schedules. If there is any doubt, we will make it quite clear that is what the Subsection contemplates.

I looked at it as soon as the Committee drew attention to it. The actual words in the original Statute have not been used, but we have given exactly the same meaning. Section 13 of that Act says:

"No election shall be declared invalid by reason of non-compliance with the rules contained in the First Schedule of the Act or any mistake in the use of the forms in the Second Schedule, if it appears to the tribunal, having cognisance of the question that the election was conducted in accordance with the principles laid down in the body of the Act, and such non-compliance and mistake did not affect the result of the election."

That is what my hon. Friend had in mind when he translated the phrase we have used as meaning something which did not in substance affect the result of the election. The tribunal will have to look at the facts of each case. This Clause is not dealing with corrupt practices. These arise under subsequent Clauses which we will have to consider. It deals with breaches of rules of procedure—how to fold ballot papers and so on—contained in the Schedules. . . .

Amendment, agreed to.

Motion made, and Question proposed, "That the Clause, as amended, stand part of the Bill."

*House of Commons: March 25, 1948.*

### Overseas Visitors

#### (Travel Association Poster)

*Sir Jocelyn Lucas* asked the Minister of Fuel and Power (1) if his attention has been called to the poster "Come to Britain for Motoring" issued by the Travel Association; and if he will publicise the facilities available for foreign or overseas visitors, both as to purchase of petrol and the use of hire-cars, and what restrictions are enforced;

(2) if his attention has been called to the Travel Association's poster "Come to Britain for Yachting"; if he will state the petrol allowance available for motor boats, boats with outboard motors, and motor yachts respectively; and whether special allowances are made for overseas visitors;

(3) if, in view of the Government-sponsored Travel Association's posters "Come to Britain" for motoring, yachting, etc., and to help the tourist industry generally, he will make petrol freely available to all overseas visitors who pay for this with dollars or other hard currencies; and whether he will issue special coupons for this purpose.

*Mr. Roberts*: I have not seen the posters to which he refers. My right hon. Friend the President of the Board of Trade, in reply to a Question on March 23, has explained the facilities which are to be made available to overseas visitors who bring cars with them, or who purchase cars in this country for export. I regret to say that these facilities cannot be extended to foreign visitors who borrow cars or purchase second-hand cars in this country. My right hon. Friend also explained the special arrangements which are being made to enable overseas visitors to travel freely in hire cars. An allowance of petrol is granted for motor vessels which are let out on hire, and these will be available to overseas visitors if they wish to hire them. . . .

(continued on page 6.)

## 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.

SUBSCRIPTION RATES: *Home and abroad, post free:*

One year 30/-; Six months 15/-; Three months 7s. 6d.

Offices: (Business) 7, VICTORIA STREET, LIVERPOOL, 2, Telephone: Central 8509; (Editorial) 49, PRINCE ALFRED ROAD, LIVERPOOL, 15, Telephone: Sefton Park 435.

Vol. 20. No. 8.

Saturday, April 24, 1948.

### Outwitting the Doctors

The dispositions have now been made for the defeat of the doctors. The Government's move on Wednesday, April 7 which consisted of using Mr. Bevan as a knight traversing the board obliquely, has placed the B.M.A. in a difficult position as is evident from the milk and watery lead given by the Council in their comments on the Minister's answers to the written questions presented to him last week.

Observers close to the scene have all along predicted that it would be possible for every concession short of the retention of the ownership of goodwill to be made to the doctors without affecting the ultimate result.

It must be borne in mind that the intention is to reduce every individual in the community to a proletarian status and that the destruction of individual property rights in whatever form they occur is the first objective.

The Medical Policy Association has stressed this point from the very beginning of its campaign of enlightenment, and it is to be hoped that its various Bulletins have been kept, and will be read again before votes are recorded in the plebiscite.

The offer of an Amending Act to make it impossible for the Minister to impose a whole time salaried service by regulation is, of course, quite illusory, because as Dr. Stephen Taylor, Parliamentary Private Secretary to Mr. Herbert Morrison, pointed out in an unguarded moment, this would only cause a small delay to a Government determined to institute such a service.

Unhappily, this "climb-down" by Mr. Anuerin Bevan has been hailed by many doctors who, it is to be hoped, have a better clinical sense than a political one, as a victory for the B.M.A. which has, they fancy, forced a powerful Government to eat its words. This is a dangerous delusion. Mr. Bevan appears, according to taste, as a reasonable man only too anxious to help on the institution of a "comprehensive health service free to all," or as a defeated demagogue compelled to recognise the enormous power of organised Medicine. This places him favourably for attack or defence.

The B.M.A. representatives faced the Minister across the table last week, and it was later announced that the Council had decided to hold a plebiscite of the whole profession within a few days on the issue of whether or not to join the Service in the light of the Ministers proposals for amending legislation.

It must be borne in mind that no draft Bill is being circulated to the Profession; only the questions put to the Minister, the answers to them and a commentary by the Council.

It is to be feared that non-politically educated doctors

who form the great majority of the profession will be lost in the tangle of verbiage in which is concealed, in the answer to question 9, the only real issue.

This question deals with "distribution" i.e. the number of practitioners in defined areas and the method of arranging movement between areas.

The Act vetoes entry into public practice in "over-doctored areas," and the B.M.A. wanted this veto withdrawn or suspended for a period.

The reply opens with these words "The Minister cannot agree to this further alteration of the Act, which would in any case be administratively difficult at a time when the settlement of succession to practises by sale and purchase is ceasing."

After that the answers to question 11, relating to the ownership of goodwill, mean nothing at all.

If goodwill goes all will go in time. The hospital monopoly will have all staffs, consultants and specialists in its grip and there will be no sphere of free practice to enter owing to the penal taxation of those able formerly to afford private treatment.

The only consolation the profession will have is that in the coming Police State doctors will be able to exact privileges in return for compliance with regulations. Patients will, of course, have lost the protection of the independent doctor.

Weak though it is, through force of circumstances, its past record and the demoralization of the profession since 1911, the B.M.A. Council has nevertheless given a lead by stating at the end of its comments that the Minister's replies to their questions do not provide sufficient safeguards of the freedom of the profession.

It now lies with individual doctors exercising individual judgment to defeat the plan for the enslavement, not only of themselves and their profession, but of every individual in the Country.

The documents are obscure but the issue is clear. We know that economic considerations will weigh heavily with many and it is not proper for us to advise any man on matters which concern his own conscience but as technicians in the sphere of social dynamics we can say that the surrender of goodwill in return for monetary compensation, the abdication of ownership in return for a promise that full enslavement shall be delayed, will not save freedom.

NOW READY

### THE REALISTIC POSITION OF THE CHURCH OF ENGLAND

By

C. H. DOUGLAS

PRICE EIGHTPENCE.

(Postage 1d.)

K.R.P. PUBLICATIONS, LIMITED, LIVERPOOL.



## Reorientation in Canada

THE "PURPOSE AND POLICY OF THE CANADIAN MOVEMENT" IS DEFINED IN A PRESS STATEMENT, RELEASED SIMULTANEOUSLY IN QUEBEC, ONTARIO, MANITOBA, SASKATCHEWAN, ALBERTA AND BRITISH COLUMBIA, WHICH APPEARS IN VOLUME 1, NUMBER 1 OF *THE SOCIAL CREDIT CHALLENGE* PUBLISHED AT EDMONTON, ALBERTA, ON APRIL 8:—

Edmonton, March 19.

"A press statement released simultaneously in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia outlined to Canadians the purpose and policy of the Douglas Social Credit movement of Canada which is now mobilizing for effective action on a full national scale.

It was made abundantly clear that the Social Crediters will NOT enter the party-political field—but it was emphasized that they will work to establish Social Credit action groups in every electoral division, on the Union of Electors pattern, to restore sovereign, democratic power to the people of Canada.

"Because of its importance, particularly at this time, we are reprinting the official press statement in full, herewith. This statement was endorsed by the Social Credit Secretariat of Great Britain, the recognized authoritative channel through which the advice of Major C. H. Douglas is made available to all sections of the Social Credit movement throughout the world:—

"We have been warned that the international situation is appallingly grave—more critical than in 1939.

"War, revolution, and economic chaos threaten the very existence of our civilization.

"Communism and other subversive forces are seeking the destruction of all democratic constitutions in favour of a ruthless tyranny patterned on the U.S.S.R.

"Human freedom is in deadly peril on every hand. Step by step centralized power vested in governments, monopolies and institutions have imposed increasing controls and regimentation upon the individual citizen.

"The dominant policy in the world today is anti-Christian and has as its objective the enslavement of the individual to centralized power.

### Christian Policy

"Social Credit is a policy, fundamentally Christian,

## AN INTRODUCTION TO SOCIAL CREDIT

by

BRYAN W. MONAHAN.

PRICE 5/-.

TIDAL PUBLICATIONS (SYDNEY).

K.R.P. PUBLICATIONS LTD., LIVERPOOL.

having as its objective the freedom of the individual within a genuine democracy.

"In the economic sphere the policy of Social Credit would be advanced by reforms of the economic system which would render the individual secure and independent of domination by any group.

"Such an economic democracy can be attained only by *action* in the political sphere which will result in a genuine political democracy—*i.e.*, government in obedience to the need of the people.

"Therefore, Social Credit policy in the political sphere involves *action* which will bring the political institutions of the country—Parliament, Legislative Assemblies and local councils—under the effective and continuous control of their respective electorates.

### Official Sanction

"Major C. H. Douglas is recognized by the world-wide Social Credit Movement as the authoritative exponent of Social Credit in all its aspects; and the Social Credit Secretariat is the recognized channel through which his advice is made available to the Movement.

"Accordingly Social Crediters of practically all Provinces in Canada, in faithful adherence to the principles of Social Credit as enunciated by Major C. H. Douglas, are working together to oppose, expose and defeat the subversive forces threatening our nation by taking *non-party action* in the political field, (both federal and provincial) on the following lines:

(a) Establishment of Social Credit Action Groups, completely divorced from any political party, in every electoral division.

(b) Social Credit Action Groups will assume responsibility for:

1. Enlightening electors about the subversive forces of which they are victims, and will expose, oppose and mobilize action against these forces;

2. Assisting electors to give expression to their common desires;

3. Assisting electors, irrespective of any partisan considerations, to organize themselves as a Union of Electors; guiding them to voice their demands for results on which they are agreed and which they are entitled to expect from their various governments.

"(c) As the Union of Electors grows in strength in each constituency, steps to be taken to bring the elected representative under the effective control of the electors. If he refuses to carry out the clearly expressed wishes of his constituents, the Union of Electors of the constituency may nominate a non-party candidate pledged to serve as the obedient representative of his constituents.

"(d) The education, training and direction necessary to organize action groups, and to assist them in carrying out the responsibilities outlined in (b) above, to be promoted by a national council comprised of two sections: an English-speaking section (The Institute for Political Action) and a French-speaking section (*L'Institut d'Action Politique*), both to work together in close collaboration, but each to assume its own responsibilities and to preserve its full autonomy.

"(e) The Union of Electors is served by two official

organs adhering strictly to the *non-party principles* of Social Credit as *enunciated by Major C. H. Douglas*: "*Voice of the Electors*" for the English-speaking members throughout Canada, and "*Vers Demain*" for French-speaking members throughout Canada.

### Canadian Signers

"Signed for the Provisional Co-ordinating Council—

"For the French-speaking Section:

"QUEBEC: Louis Even, Montreal. Gilberte Cote-Mercier, Montreal. Roland Corbeil, Grandby.

"For the English-speaking Section:

"ONTARIO: Ron Gostick, Walters Falls, E. Paul Williams, Toronto.

"MANITOBA: N. G. Carey, Winnipeg. J. Baldwin, Winnipeg. Salome Halldorson, Transcona. John H. Belows, Winnipeg.

"BRITISH COLUMBIA: J. Vans Macdonald, Vancouver. Arthur V. McNeill, Vancouver.

"ALBERTA: (Signed for the Douglas Social Credit Council): A. V. Bourcier, Edmonton, (Chairman). John Patrick Gillese, Edmonton, (Vice-chairman). R. E. Ansley, Edmonton."

PARLIAMENT—continued from page 3.

### Seditious and Subversive Activities (Offences)

*Mr. Swingler* asked the Secretary of State for the Home Department the numbers of persons who have been charged with offences relating to seditious or subversive activities during the years 1945, 1946 and 1947, respectively.

*Mr. Ede*: Three persons were charged with high treason before the criminal courts in England and Wales in 1945 and one in 1946; one person was charged with seditious libel in 1947; and three persons were charged with offences under Defence Regulations 2A in 1945, ten in 1946 and two in 1947. If my hon. Friend has any other category of case in mind perhaps he will get into touch with me.

### Discussions

*Sir E. Graham-Little* asked the Minister of Health on how many occasions up to date he has had discussions upon the Health Act collectively or individually with the President of the Royal College of Physicians of London, the President of the Royal College of Surgeons of England and the President of the Royal College of Obstetricians and Gynaecologists; and on what dates were these respective meetings held.

*Mr. Bevan*: I am afraid I do not attempt to keep complete records of all the many discussions about the National Health Service Act which I and my officers have with all who are interested, including the eminent gentlemen to whom the hon. Member refers.

### Palestine: Jewish Population

*Mr. Lambert* asked the Secretary of State for the Colonies what was the number of Jews in Palestine at the commencement of the Mandate; what was the number in 1938; and what is the number now.

*Mr. Rees-Williams*: A census of the population of Palestine has been taken on only two occasions, in 1922 and in 1931. The estimated figures for the Jewish population on the dates mentioned by the hon. Member are as follows: 1923—89,000; 1938—411,000; 1948—640,000.

House of Commons; April 6, 1948.

### Financial and Economic Statement

*The Chancellor of the Exchequer (Sir Stafford Cripps)*:

#### SPECIAL CONTRIBUTION

... Various attractive suggestions have been forward for a capital levy, but from the administrative point of view, a capital levy—in the ordinary sense of those words—is impracticable at the present time. It would be impossible to effect the valuation of all the capital assets in the country without a very large increase in the staff of valuers; and that staff is already very short for the jobs that it has got to do. Moreover, the assessments and collection would take years, and could be of no immediate value to the Revenue.

On the other hand, it is undoubtedly right—and I am sure the Committee will agree with me in this—that those who possess large capital assets should make some contribution to help the country in this emergency. Some of them are now spending those assets in a manner that is distinctly inflationary in its effect. It has, of course, long been the practice to tax capital by means of Death Duties, which, together with Surtax and the higher ranges of Income Tax, represent the taxation of wealth following the general principle of fixing taxation in accordance with the ability to pay.

I now propose to make a special once-for-all levy, which will be largely payable out of capital, and will be based on the investment income of individuals for the year 1947-48. Investment income for this purpose will include all rents, dividends, interest, and other such payments. A contribution arrived at in this way avoids all the difficulties of valuation which beset a capital levy. It will cover all forms of income-producing capital, but not other forms. This is essential, if it is to avoid the delay and difficulties of a capital valuation.

The contribution will apply only where the taxpayer's total income from all sources exceeds £2,000, and, in addition, his investment income exceeds £250. Thus, no persons of moderate means will be liable, and no purely earned income will be liable, however large it may be. The scale of duty will appear in full in the Financial Statement, but it will begin at 2s. in the pound on the slice of investment income between £250 and £500, rising to a maximum of 10s. in the pound on investment income exceeding £5,000. Provided that the total income exceeds £2,000, as I have said, a person with an investment income of £500 will pay only £25; with an investment income of £2,000 the charge will be £425; and a person with an investment income of £5,000 will pay £1,625. There will be a marginal relief to ensure that the contribution payable does not exceed the excess of the total income over £2,000. . . .

The contribution is considered to be a charge on capital, and in many cases there will, in fact, be no other way of paying it. Provision will, therefore, be made to enable the contribution charged to be recovered from capital, where the income and capital are in different hands. For example, in the case of trust income, there will be a provision enabling

the contribution to be paid out of the capital of the trust. The full yield of the contribution will be £105 million, of which I have written £50 million into the Estimates for this year . . .

*House of Commons: April 7, 1948.*

*Dr. Dalton (Bishop Auckland):* \* . . . I come now to the Special Contribution. . . . I give it an especially warm welcome. In all practical problems of taxation, as the right hon. and gallant Gentleman knows from his experience at the Treasury, one has always to strike a balance between what may be called theoretical perfection on the one hand and practical administration on the other. One of the things which is very attractive about the Special Contribution is that it is beautifully simple in administration. We need no new valuation, but simply refer to the Income Tax declaration already made. It is perfectly simple and no new officials need be employed largely for valuation.

It is limited. The right hon. and gallant Gentleman spoke as though all the small savers, or a large number of them, were going to be affected by it, but it is of course limited in the first instance to Surtax payers. This is, indeed, a growing army. . . .

. . . A number of things take place on July 5, for which, no doubt, the Opposition will claim all the credit—but the country will not believe it. On July 5 not only is this large scheme of tax remission coming into effect, but also the new social security scheme is coming into effect. I regard it as very good timing indeed, that these tax reliefs, which will operate with cumulative effect as re-P.A.Y.E., on July 5 will coincide with the increase in the insurance contributions. Indeed, in many cases, I hope, these new tax reliefs will more than offset the increased contribution. Were it not that the Government consists of highly scrupulous and high-minded men they might have been tempted, in view of this combination of circumstances, to arrange as part of the national plan a General Election for the summer, with polling day in the first part of July.

*Mr. Piratin (Mile End):* . . . Why is it that the only point in his contribution yesterday when he did something, however slight, along the lines of Labour Party policy—for the capital levy has been Labour Party policy since before the Communist Party was established—was brought forward by the Chancellor so timidly, so nervously, so discreetly? That is a sufficient indication of his attitude to Labour's policy.

*House of Commons: April 8, 1948.*

*Sir Arthur Salter (Oxford University):* . . . the increases in the taxes on alcohol and tobacco . . . are designed to bring in £64½ million of extra revenue this year. These may be criticised from other points of view, as, for example, increasing a burden perhaps already too heavy. It is indeed a very amazing fact that people who drink and smoke, in their capacity as such, and quite apart from the taxation which they share with other citizens, are contributing to the extent

\**Mr. Asterley Jones (Hitchin):* in the course of his speech: "My right hon. Friend the Member for Bishop Auckland (Mr. Dalton), in a remark which I do not think has received sufficient publicity, last year said that there are various ways of paying taxes. One could pay tax in accordance with the amount of beer one drinks, one could pay taxes in accordance with the amount of tobacco one smoked, or one could pay taxes in accordance with the amount of work one did, and that the easiest of the three to give up was work . . ."

of over £1,000 million of revenue; that is to say, nearly one-third of the total revenue of the State, a sum greater than that of the total Revenue of the State 10 years ago, and a sum so great that if they suddenly ceased to drink and smoke, all other taxation would have to be increased by nearly 50 per cent. to compensate for the loss. That is an amazing figure.

. . . I come now to the Special Contribution, as it is called. It is indeed a real capital levy over all capital, with the exclusion of non-earning capital and, of course, with the exclusion also of small holdings of capital. With that exception, it is a full and real capital levy in the triple sense that it is additional to all ordinary taxation, that it is announced as once-for-all and that it will in fact be paid off in the form of capital realisation. That character of the tax is not in any way changed by the fact that, for obvious and indisputable administrative convenience, it will be assessed in relation to investment income and not upon a directly made valuation of capital itself. I do not believe that on balance this tax will be counter-inflationary to any extent whatever. I believe that, as far as counter-inflation is concerned, its effect will be negligible, nil or negative. The Economic Secretary said last night that he believed that on balance it would be counter-inflationary. He spoke with studied and obviously wise restraint, in the choice of his words. I believe, on the contrary, speaking with equal restraint, that on balance it will not be in any degree whatever counter-inflationary. I would like to give my reasons for that.

Of course, it is true, as the hon. Member for Chesterfield said, that an item which contributes to a surplus in the Budget is not necessarily anti-inflationary. It depends upon the effect of the particular charge or relief of taxation on the conduct of the citizens in regard to spending, saving and incentive. This tax is obviously a disincentive, not so much to effort as to enterprise, and enterprise of the most productive and remunerative kind. As regards spending, let us look at the people who are actually affected. It falls on 125,000 people. What will be the typical reaction of a member of that category? At this moment he has an expenditure which is appropriate to his present income, after allowance for taxation and whatever he may be contributing to savings.

He is now faced with a sudden and severe demand which he is told by the Chancellor is once-for-all for this year. In those circumstances, is he going to change his establishment, dismiss his servants and alter the scale of his expenditure, or will he say, "Well, this is a once-for-all levy. I will deal with this year by the obvious method. I must stop my contributions to savings, realise my past savings and sell such capital as I have in order to get over the year"? I do not say that will be the case to the extent of 100 per cent., but that is how the greatest part of the Special Contribution will be met, and to that extent it does nothing whatever to reduce inflation.

Now, instead of looking at the 125,000 actual victims who will pay this tax, let us look at the several millions who are contributing to the savings campaign. What will be the effect upon them? I am afraid that they will have less regard to the present Chancellor's promise that this is a once-for-all contribution than to the former Chancellor's menace as to what will happen later, the menace of a repetition, a continuance, an increase in range and severity. The effect upon the millions whose savings may in future be affected will be serious. I cannot imagine anyone thinking that the total amount of reduction or spending power in this next year on

the part of those who are directly affected by this will be as great as the total effect of the discouragement of savings from all other people. If that is so, then the net effect of this tax is inflationary and not counter-inflationary.

It has, of course, particularly if it is repeated and continued, many other serious results. In the first place, it makes a distinction—and, in view of the overwhelming administrative arguments it is bound to do so—against income-earning capital and in favour of dead, unproductive capital. It therefore adds one more handicap to enterprise which is prepared to risk itself in a productive venture. It handicaps precisely the pioneering, productive and most valuable element in the whole of our system. That is the most serious further disadvantage of this tax. . . .

*Mrs. Castle (Blackburn)*: The interesting feature of this Debate has been the restrictive scale on which the Opposition attack has developed. After all, we are discussing the whole economic and financial situation of this country. We are taking a comprehensive annual survey, more comprehensive than anything we have yet attempted of a similar kind, and yet we have had nothing but minor criticisms advanced against the Budget which has been introduced. I think we can take it as a remarkable tribute to the astonishing internal stability of this country that on this occasion, giving the opportunity it does to hon. Members opposite, the criticisms we have heard today and yesterday have been criticisms of detail . . .

### Mr. Colm Brogan

None of the newspaper accounts we have seen of the "Report from the Committee of Privileges" ordered by the House of Commons to be printed, April 8, 1948, mention the fact that "a certain Mr. Colm Brogan's" broadcast (the chief occasion for the Report) is printed in the Report. The price of the Report is ninepence, *net*, from His Majesty's Stationery Office.

We are interested in the reprinted words as well as in the unusual statement which accompanies them, that "Gaps in this script occur where the words spoken were inaudible." Hasn't the "B" B.C. made audible the heavy tramp of house-flies on ceilings?

For the moment we content ourselves with the following from a newspaper account of the Report:—

The decision of the committee that no further action need be taken was unanimous.

All these statements, they say, "fall into the category of incidents which it would be inconsistent with the dignity of the House and of this committee to consider further."

In their report, published yesterday, they add:—

"The law of Parliamentary privilege should not be administered in a way which would fetter or discourage the free expression of opinion or criticism, however prejudiced or exaggerated such opinions or criticisms may be.

"On the other hand the process of Parliamentary investigation should not be used in a way which would give importance to irresponsible statements."

In his evidence Sir Gilbert Champion said that the directors of the B.B.C. were directly responsible for any breach of privilege in a broadcast which had been censored in advance; otherwise theirs was a merely technical offence.

Mr. Grenfell, a member of the committee, said: The

B.B.C. is an acknowledged Government instrument.

*Mr. Herbert Morrison*: No.

*Mr. Grenfell*: It enjoys the patronage of the Government.

*Mr. Morrison*: It was set up by the Government on the authority of Parliament. That is true.

A motion that the report of the committee be adopted will be brought before the House of Commons shortly.—(*Daily Mail*).

"A certain Mr. Colm Brogan" wrote a top-column, leader-page article in *The Daily Telegraph* on April 13. Uncertain gentlemen are busy just now.

### Women Challenge Lord Citrine

The *Liverpool Daily Post* of April 15, carried some interesting details of the "heckling" of Lord Citrine, Chairman of the British Electricity Authority, when he spoke on electricity charges before the Southport conference of the Electrical Association for Women on the day before:—

There were cries of "Why?" mingled with some laughter when he told the conference, which included a number of women visitors, that at the moment there was no possibility of cheapening the supply owing to the heavy increased charges the industry had to bear.

"In the last six months," he said "there have been increases in the industry, and we are not yet at the end of the story, costing £12,000,000—increased price of coal, increased price of labour, and agreements that have been come to, not by this authority, but by the owners, the effect of which will not be materially felt until we take over.

'After all people cannot go on indefinitely expecting to get electricity cheaper on the average than they were paying before the war.' (cries of "Why?").

*Lord Citrine*: "Well, is it not perfectly evident that if we paid before the war 23s. 3d. for a ton of coal at the power station, and we are now paying 55s. 9d. . . ."

There were further cries of "Why?" which changed to "No!" when Lord Citrine went on: "You must face up to the facts that in every industry prices have risen and not because of nationalisation.

"It would be unfair to expect because an industry has been transferred to national ownership that losses should continue to be made by that industry.

"If we go on for twelve months and then show a loss people will say 'There you are, that's nationalisation. You see what happens.' I do hope you will be tolerant and wait until you get the full benefits before you reach conclusions," he appealed.

Lord Citrine added there was little doubt the new authority would be able to supply electricity at more reasonable charges, and it might soon lower charges in rural areas.

### ELEMENTS OF SOCIAL CREDIT

*An introductory Course of Lectures published with the authority of the Social Credit Secretariat,*

K.R.P. PUBLICATIONS, LTD.

6/- net.

Published by the proprietors K.R.P. Publications Ltd., 7, Victoria Street, Liverpool, 2. Printed by J. Hayes & Co., Woolton, Liverpool.