

TUESDAY FEBRUARY

RECRUITING FOR DEFENCE

ANOTHER TERRITORIAL ARMY RECORD

The returns for Territorial Army recruiting for January, constitute another record. During the month 4,492 persons joined, this being the greatest number for any January since the Great War.

There is a time lag of about two weeks between the first enrolment of a recruit and the completed statistics, so that the figures now published do not show the effect of the national service campaign. They cover the quiet period of the Christmas and New Year holidays. The net gain for the month was 1,258.

The strength of the Territorial Army is now 205,267 all ranks, compared with the establishment of 225,463 all ranks. During last month 1,764 women joined the Auxiliary Territorial Service and the strength of this (all ranks) is now 6,259, compared with the establishment of 20,863. The position of the 18 divisions of the Territorial Army at the end of January was as follows:—

	Peace Estab.	Strength	Per cent. of Estab.
The London ..	5,648	6,142	108.7
55th (West Lancashire) ..	5,504	5,954	106.4
51st (Highland) ..	8,521	8,849	103.8
4th South Midland ..	8,484	8,450	99.6
6th Northumbrian ..	5,644	5,544	98.2
4th East Lancashire ..	8,484	8,290	97.7
49th (West Riding) ..	8,485	8,222	96.9
52nd (Lowland) ..	8,497	8,085	95.2
43rd (Wessex) ..	8,341	7,903	94.7
54th (East Anglian) ..	8,483	7,948	93.7
44th (Home Counties) ..	8,483	7,848	92.5
53rd (Welsh) ..	8,484	7,846	92.5
The Mobile ..	6,990	5,476	78.3
TOTAL (excluding A.A.)	100,048	96,457	96.4
1st Anti-Aircraft ..	17,671	18,081	102.3
2nd Anti-Aircraft ..	20,668	15,087	72.9
3rd Anti-Aircraft ..	15,256	10,202	66.9
4th Anti-Aircraft ..	17,553	12,955	73.8
5th Anti-Aircraft ..	17,764	15,103	85.0
TOTAL (1st A.A. Corps)	88,912	71,428	80.3
TOTAL (T.A. Divisions)	188,960	167,885	88.8

The Air Ministry announces that 842 recruits joined the Royal Air Force during the past week, compared with 284 in the corresponding period of last year. This brings the total acceptance of pilots, observers, airmen and boys since April 1, 1938, to 28,631, compared with 13,497 for the corresponding period last year. The 842 acceptances were made up of 57 pilots and observers, and 785 airmen.

CIVIL AIR GUARD FULL

The Civil Air Guard Commissioners announce that because of the continued response to the appeal for volunteers, not only have all the immediate vacancies in all classes of Civil Air Guard now been filled, but a waiting list has been compiled sufficient to cover all the vacancies likely to occur for some considerable time ahead. It has therefore been decided that until further notice entry into the Civil Air Guard is to be closed except to applicants who have had previous experience as aircraft pilots.

DEFENCE AND FINANCE

10.2.39.

TO THE EDITOR OF THE TIMES

Sir,—While there is so much controversy as to where the Government should spend money and so much anxiety as to whether the country can afford it, it might clarify the situation a little if attention were drawn to certain aspects of the subject of finance.

In the first place it is all-important to lay the bogey of the so-called "burden" of paying interest on Government debt. To anyone who thinks about it at all it must be obvious that all interest payments on Government loans represent money collected from the tax-paying class and paid over to the bondholding class, and make no difference at all to the total incomes in the hands of the public. The Treasury is not a drain into which taxed money is poured only to disappear. In so far as the tax-paying class and the bondholding class are identical the interest payments represent merely an adjustment of incomes within a limited class of the population and have no adverse influence on the country's prosperity; indeed as the debt itself represents a store of wealth to the holders and makes them feel more secure and willing to spend more of their current incomes there will be a tendency to increased prosperity. We need not fear, then, the crippling effect on industry of huge new loans.

In the second place, fears regarding the ability of the Government to raise new loans are very misplaced, given a suitable expansionist monetary policy, as must be seen clearly from the experience in such different countries as Germany and America, in each of which the national debt has been more than doubled in a few years, to the accompaniment of lower rates of interest.

The fact is that when money is borrowed for building Government works, or any other works, it goes out in incomes; a part of these incomes is spent, increases employment on consumable goods, and becomes incomes in fresh hands, part only of which is again spent; the process of increasing employment continues until the whole of that money which was borrowed has been retained by various people as savings; in other words, the amount of the loan is always available—subject to a time-lag which can be allowed for by the banking system by temporarily increasing the supply of money. Hence, as long as we have an unemployment problem and as long as the interest on loans is not regarded as a burden, there is no cause for any fears regarding deficit financing. A rise in prices—inflation—only occurs when demand exceeds supply, a contingency which need not happen as long as there is unemployment.

We are a rich country, a Robinson Crusoe that has built most of the capital goods he requires and has time on his hands, but besought by enemies. Through not using our resources we are being outclassed by our enemies who understand this secret of huge new loans.

Let us not worry, then, over the question of expense. The borrowing limit, with the present saving habits of the people and the present lack of private borrowing, is about £500,000,000 a year; at that point unemployment should vanish; if we want to spend more than that we can still tax for it. But if we do not make what we need we cannot be strong.

I am yours, &c.,

R. V. GODFRAY.

The Stock Exchange, E.C.2

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T. 19.1.39.

A.R.P. IN GOVERNMENT DEPARTMENTS

CAPTAIN EUAN WALLACE'S EXPLANATION

Captain Euan Wallace, Financial Secretary to the Treasury, in reply to a deputation from the Staff Side of the National Whitley Council, outlines the steps to be taken to provide protection for Government staffs in connexion with air raid precautions. The reply, which is published in *The Post*, the organ of the Union of Post Office Workers, is contained in a letter sent to Mr. Llewellyn, chairman of the National Staff Side.

"The Government proposes," writes Captain Wallace, "to provide for its own staffs (within the limits frequently prescribed by the actual buildings themselves) protection against blast and splinter effect and from falling debris. The Office of Works is surveying as rapidly as possible the buildings in their charge, with a view first to selecting the accommodation which gives the greatest measure of natural protection, and, secondly, to supplementing that natural protection by the best means practicable."

"Where they exist, basements and semi-basements are in general most suitable, and the Office of Works has already made a start with strutting and strengthening. Arrangements are also being made to brick up unnecessary openings, &c. In a few cases where land is available, it will probably be found that the best form of protection will be by way of trenches."

In conclusion Captain Wallace says:—"As regards the evacuation of Government staffs from Whitehall and other centres in London, I am afraid I can say no more at the moment than that the original plans are being reviewed."

£9 A HEAD SHELTERS

Finsbury Borough Council have drawn up a scheme, which will be submitted to the Home Office, for the provision of bomb-proof shelters for the entire population of the borough at an estimated cost of £9 per head.

In collaboration with the borough engineer (Mr. A. L. Downay) and Mr. O. Arup, consulting engineer, and the consulting architects, Messrs. Tecton, a report has been prepared, and designs for shelters will form the subject of an A.R.P. exhibition to be held next month by the Finsbury Borough Council.

In Finsbury little space is available for trenches, and it is believed that by the expenditure of four times the money spent on the present measures complete protection against bombs can be provided. The proposed shelters, to be used normally as car parks, would be multi-storey constructions with top and side protection against one-ton bombs. They would be constructed in the form of a continuous spiral ramp without steps. Thirty or 40 persons per second could pass through the entrances, which meant that in three minutes the 7,000 who could be accommodated could enter the shelter.

A leaflet on "The transfer of population in War Time—What the Householder is asked to do," signed by the Secretary of State for Scotland (Mr. Colville), has been issued in Scotland.