

3rd
March,
1942.

POST WAR PLANNING.

The problem of post war planning is particularly difficult because of two opposing characteristics viz:-

- a) Plans should be ready for putting into operation immediately the war is over in order to turn over production to peacetime use and absorb the demobilised Services and war production labour as rapidly as possible.
- b) On the other hand, it is almost impossible to make adequate plans until the nature of the victory and the economic status of this and other countries are known. In fact some of the post war planning activities at the moment are in the nature of deciding on the wallpaper before it is known whether there will be enough money to build a house at all.

It is important therefore, that any plans for dealing with the operation of a particular industry, should be sufficiently flexible to allow for modification at short notice, depending on the political and economic conditions governing the formulation of general plans for the country as a whole.

The general framework of planning activities can be classified as follows:-

1) International.

Sir Frederick Leith-Ross has been deputed to establish a bureau to serve the Allied governments in framing estimates of their post war requirements, and acts as Chairman of a committee of Allied representatives assisted by various technical committees, and will presumably draw upon the investigations made on post war reconstruction by the International Labour Office.

In the first place the post war activities of this organisation would be in the nature of relief rather than reconstruction.

2) Governmental organisation.

Until the recent Cabinet changes reconstruction was under consideration by :-

Mr. Greenwood, Minister without Portfolio, who was to deal with the general policy of post war reconstruction.

Lord Reith, Minister of Works and Buildings, who was to deal with the physical side of reconstruction and whose Ministry was to be renamed the Ministry of Works and Planning.

The position subsequent to the Cabinet changes and the resignations of both Mr. Greenwood and Lord Reith, has not yet been defined, but it seems that certain aspects of reconstruction will be dealt with by Sir John Anderson's committee, while the

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physical side of reconstruction will be dealt with by Lord Portal, Minister of Works and Buildings.

At the moment the economic side of reconstruction appears to be under the Board of Trade for whom Professor Henry Clay, Economic Adviser, in association with Sir Charles Innes, has started an economic reconstruction scheme.

It is obvious that the physical side of reconstruction will be a major problem, as probably 2,000,000 new houses will be required besides the rebuilding of non-domestic buildings, damaged by enemy action, and the construction of new roads, public works etc.

Development plans had been made before the war by various local and county authorities under the terms of various Town and Country Planning Acts administered by the Ministry of Health, and further plans have been made as a consequence of the damage by enemy action e.g. Coventry.

The ground work of reconstruction will be helped by the work of the Royal Commission appointed in July, 1937 which reported in December, 1939 viz:

Barlow Commission.

Chairman Sir Montague Barlow

In brief, the purpose of the Commission was to enquire into the distribution of the industrial population from the social, economic and strategic aspects and to consider the direction of future changes.

The principal recommendation made by the Commission was the setting up of a Central Planning Authority, distinct from any (then) existing Government Dept., to control the development of urban and rural areas and the decentralisation of industry.

Two committees were appointed by Sir John Reith to consider different aspects of post war reconstruction viz:-

Uthwatt Committee on Compensation and Betterment, under the Chairmanship of Mr. Justice Uthwatt.

An interim report was presented in July 1941 recommending that the datum line for the calculation of claims for compensation or betterment of land should not be higher than the pre-war value (31st March, 1939) and that early legislation should provide for the immediate control of development by the Central Planning Authority.

Scott Committee on the Development of Country Areas under the Chairmanship of Lord Justice Scott.

The Committee is going into the whole question with great thoroughness and is still hearing evidence.

3) Non-Governmental Organisations.

No doubt the majority of industries and professional institutions and also voluntary organisations are considering some aspects of post war planning as it affects their particular activities.

The position as it affects the electricity supply industry is that two committees have been formed viz:-

a) Institution of Electrical Engineers Post War Planning Committee with Sub-Committees is considering the various technical aspects of electrical manufacture and supply coming within the purview of the Institution.

- 1) Education, training and personnel.
- 2) Fundamental, and applied research.
- 3) Electricity supply, distribution and installation.
- 4) Production, manufacture and employment.
- 5) Telecommunications, reconstruction and development.
- 6) General policy of the Institution.
- 7) Problems of standardisation of material and design.

It is most unlikely that any recommendations will be made bearing on the organisation of the electricity supply industry.

b) E.L.M.A. Committee referred to as the Co-ordinating Committee of the Electricity Industry.

The Committee consists of representatives of B.E.A.M.A. and C.M.A., contractors, wholesalers, fitting manufacturers and others including I.M.E.A.

Mr. Kennedy, Electricity Commission and Mr. Bernard E.D.A., attended the first meeting, though not as members of the Committee.

The I.A.E.P.C. were invited to nominate a representative, but apparently they have not done so.

It is intended that all technical recommendations will be submitted to the I.E.E. post war planning committee but the E.L.M.A. committee retains right of sending direct to the Government non-technical matters concerning the various interests represented.

Post war activities are also being scheduled by the British Standards Institution and the Electrical Research Association.

As far as I am aware no trade organisation is considering the organisation of the electricity supply industry although no doubt organisations such as P.E.P. and Fabian Research people, will issue reports in continuation of the many suggestions made before the war on the reorganisation of the electricity supply industry.

The Gas industry has appointed a post war planning committee

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to work under the British Gas Federation. Probably this committee will amplify the suggestion already made by Sir David Milne-Watson that there should be a Ministry of Fuel, one of whose functions would be to determine the appropriate field of use of the different fuels - no doubt with the intention of securing the lighting and motive power field to the electricity supply industry, and the heating (cooking, water heating, and space heating and industrial heating) to the Gas industry. (The paragraph in the Daily Telegraph, 3rd March, 1942, reports the Government's intention to set up a Fuel Dept., linked with the Board of Trade).

The problems of post war planning confronting the electricity supply industry in general, as far as these problems bear on the Edmundsons Group, may be classified as follows:-

a) National Economic Problem.

What economic standard of living can the country maintain and hence what is the probable market for electricity and electrical appliances?

One important feature affecting Edmundsons is the probability that, owing to the post war reduced economic status of the country a larger amount of foodstuffs must be grown here than pre-war and this implies a "square deal" to the farmers with good possibilities of development in rural electrification. It may well be however that such a condition will be accompanied by strong pressure for reducing prices for rural supplies, and possibly for the availability of electricity at the same price throughout the country on the lines of the Post Office charges.

In making long term plans for post war construction the electricity industry even more than other industries will have to safeguard against too optimistic a forecast based on the artificial boom during the first few years of peace, while the most urgent deficiencies caused by the war are being made good in both capital goods and consumers goods. (This is a point to which we must have regard when negotiating the values of electric lines covered by the "pay-back" arrangement).

b) Town and country planning problems.

Until there is an official announcement of the Government policy on the decentralisation of industry and the spread out of the population in order to improve the present congested urban areas, it will not be possible to plan the most economic layout of electricity supply systems. Inevitably there will be very diverse views on whatever is proposed as although a large urban centre may give lip-service to the policy of limiting the size of a town or city, it would only be satisfied with the solution which provides a satellite town under its own rating authority and control. On the other hand, there will inevitably be the struggle of small towns and villages to retain their independence and probably the only solution to the organisation problem of town and country planning is the setting up of regional bodies which would control and to some degree supersede the development and planning functions of present local authorities. The technical

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problems of this matter, as distinct from organisation, should not be difficult particularly to the electricity supply industry, but the first problem is to get a decision on what is the aim from the sociological standpoint of Town and Country Planning.

This problem is not just one of garden suburbs and already some planning authorities have made very far reaching suggestions for the development of county areas, e.g. setting up of a number of satellite towns, enlargement of present villages up to a minimum allowable size, and the demolition of the poorer hamlets in order that all centres of population may have the amenities of urbanisation. Whether or not plans of this nature could be realised is doubtful, but whatever is achieved along these lines, should be to the benefit of the Edmundsons Group in providing increased markets and relatively lower distribution costs, which of course would have to be accompanied by relatively lower prices due not only to political necessity but to the probable increased competition of gas and solid fuel, which would be greater in towns and villages of the size contemplated, than in many localities now supplied.

c) Fuel problems.

Apart from any political dicta on the respective uses of electricity, gas, oil and solid fuel, the electrical industry will have to compete more strongly with the gas and oil interests who, during the war will have had time to appreciate the seriousness of the loss of their business to electricity in the years immediately preceding the war.

A great deal of this competition can be met by propaganda and salesmanship, but it is essential that better appliances should be manufactured for domestic use. This problem however, is more fundamental, than merely inducing manufacturers to improve the appearance and details of appliances, as there is a need for more research into electric heating of buildings, as for example by reversed refrigeration. The whole question of electrical equipment in the home must be more intimately linked with building methods, and tariff policy must be framed to enable ordered development to take place without the recurrent alarms of cold spell liability.

d) Political

Included in this category are :-

1) The Central Electricity Board.

The desirability of modifying the 1926 Act particularly in regard to method of charging.

ii) The future organisations of distribution.

The large body of opinion in favour of a National Distribution Board on the lines of the C.E.B., B.B.C., and L.P.T.B., indicates that to avoid this the industry will have to show itself more capable of getting together and agreeing on a common policy than has hitherto been the case.

If it were decided to socialise the industry it seems undesirable that this should be done by the extension of municipalisation and the local authority undertakings would seem to stand as bad a chance of being absorbed as the company undertakings.

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Undoubtedly the present position of legislation, organisation, voltages and tariffs is unsatisfactory and as a preliminary to post war planning it seems desirable to examine those features of the industry which have been subjected to criticism in the past with a view to the correction of those matters on which criticism could be justified.

The next stage would seem to be to throw into relief the difficulties under which the industry has operated, e.g. tenure and wayleaves, and to draft legislation to correct these and to enable post war developments to proceed satisfactorily. It is not proposed to go into further detail on the political problem in this memorandum, as it is strongly felt that the first criterion of continued autonomy of electricity undertakings is to achieve a closer solidarity than now exists and the present indications are that this will be a matter of some difficulty.

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