



REPORT OF  
THE COMMISSIONER FOR  
THE SPECIAL AREAS  
IN ENGLAND AND WALES  
FOR THE YEAR ENDED  
30th SEPTEMBER  
1937

*Presented by the Minister of Labour to Parliament  
by Command of His Majesty  
November, 1937*

LONDON

PRINTED AND PUBLISHED BY HIS MAJESTY'S STATIONERY OFFICE

To be purchased directly from H.M. STATIONERY OFFICE at the following addresses:

Admiral House, Kingway, London, W.C.2; 120 George Street, Edinburgh 2;

26 York Street, Manchester 3; 1 St. Andrew's Crescent, Cardiff;

80 Chichester Street, Belfast;

or through any bookseller

1937

Price 3s. 6d. net

Cmd. 5595

Commissioner for the Special Areas  
(England and Wales),  
Broadway Buildings,  
Broadway,  
London, S.W.1.  
29th October, 1937.

MY DEAR MINISTER OF LABOUR,

1. Sir Malcolm Stewart, who was the first Commissioner for the Special Areas of England and Wales, rendered three Reports on his work. The last of these three, covering the nine months ended 30th September, 1936, was submitted on 27th October, 1936, and published as Command Paper No. 5303. In the covering letter to that Report Sir Malcolm indicated the reasons which had led him to ask to be relieved of his duties. His resignation actually took place on 14th November, 1936, on which date he had held the post of Commissioner for exactly two years. I had in the meantime been honoured by an invitation from you to succeed him, and I took up the position of Commissioner on 15th November, 1936.

2. This is the first formal Report which has been rendered on the operation of the Special Areas Acts in England and Wales since Sir Malcolm Stewart resigned and, in order to maintain continuity with his published Reports, I have in this Report covered the period of 12 months ended 30th September, 1937.

3. Sir Malcolm Stewart when he resigned intimated his willingness to give his successor any help he could with regard to matters of which he possessed special knowledge and experience. I have availed myself of this offer on several occasions, and should like to take this opportunity of expressing my appreciation of the readiness Sir Malcolm has always shown to give any advice or assistance sought. My requests for such assistance would have been much more frequent had it not been that during his period of office he had built up such an efficient organisation and established the main principles of the work on such a sound basis.

4. In this Report I thought it would be of general interest to include separate chapters by each of my three District Commissioners on the general position in their respective Areas. Two of these District Commissioners have held their appointments since the beginning of the Special Areas organisation and indeed were acquainted with the Areas long before the Act of 1934 was passed. I asked them to give their unvarnished opinions about their Areas and their Reports are contained in Parts IV, V and VI.

5. I have taken every opportunity of visiting the Areas myself since I assumed office, in order to acquaint myself at first-hand with the conditions prevailing and the problems arising in each locality. I have, during the ten to eleven months, visited the North Eastern Area on seven occasions, the Welsh Area on six and the Cumberland Area on four.

Yours sincerely,

GEORGE M. GILLETT.

The Rt. Hon. Ernest Brown, M.C., M.P.,  
Minister of Labour,  
Montagu House,  
Whitehall, S.W.1.

THE REPORT OF THE  
COMMISSIONER FOR THE  
SPECIAL AREAS  
(ENGLAND AND WALES)

FOR THE TWELVE MONTHS ENDED  
30TH SEPTEMBER, 1937

TABLE OF CONTENTS.

- PART I.—INTRODUCTION.  
PART II.—GENERAL.  
PART III.—ECONOMIC SURVEY OF THE SPECIAL AREAS.  
PART IV.—SURVEY AND PROSPECTS OF THE POSITION IN  
THE DURHAM AND TYNESIDE SPECIAL AREA.  
PART V.—SURVEY AND PROSPECTS OF THE POSITION IN  
THE SOUTH WALES AND MONMOUTHSHIRE  
SPECIAL AREA.  
PART VI.—SURVEY AND PROSPECTS OF THE POSITION IN  
THE WEST CUMBERLAND SPECIAL AREA.  
PART VII.—INDUSTRIAL POLICY.  
PART VIII.—FACILITIES FOR INDUSTRIAL DEVELOPMENT.  
PART IX.—THE PROBLEM OF THE OLDER MEN.  
PART X.—SUB-ECONOMIC EMPLOYMENT.  
PART XI.—LOCAL AUTHORITIES.  
PART XII.—HEALTH.  
PART XIII.—HOUSING.  
PART XIV.—AGRICULTURE.  
PART XV.—SOCIAL IMPROVEMENT.  
PART XVI.—MISCELLANEOUS.  
PART XVII.—FINANCE.  
APPENDICES I to XIII.

## TABLE OF CONTENTS

	<i>Paragraph</i>
<b>PART I.—INTRODUCTION</b> ... ..	<b>1</b>
Foreword ... ..	1
The effect of the removal of heavy industries ... ..	3
Government Action ... ..	6
Industrial Ruins ... ..	12
The Social Work ... ..	14
The Future ... ..	21
 <b>PART II.—GENERAL</b> ... ..	 <b>25</b>
Administration ... ..	25
Regional Organisation ... ..	33
General Improvement ... ..	35
Location of Industry ... ..	40
Royal Commission on distribution of industrial population ... ..	41
Report on the Iron and Steel Industry ... ..	43
Restoration of disused sites ... ..	46
Calcium Carbide ... ..	50
Oil from Coal ... ..	54
Special Areas (Amendment) Act, 1937 ... ..	58
Government Defence Programme ... ..	61
Factories ... ..	62
Armament Orders ... ..	65
Railway development contracts ... ..	66
 <b>PART III.—ECONOMIC SURVEY OF THE SPECIAL AREAS</b> ... ..	 <b>67</b>
Changes in Population ... ..	67
Unemployment ... ..	72
Local Variations in Unemployment during the year ... ..	81
Age distribution of Unemployed Men ... ..	88
Duration of Unemployment ... ..	97
Industrial distribution of Unemployed ... ..	103
Special Enquiry into age and industrial qualification of Unemployed Men ... ..	109
Transference ... ..	116
Board of Trade Survey of Industrial Development, 1936 ... ..	122
Industrial Situation in the Heavy Industries ... ..	125
Coal ... ..	126
Iron and Steel ... ..	131
Shipbuilding ... ..	137
General Conclusion ... ..	142
 <b>PART IV.—SURVEY AND PROSPECTS OF THE POSITION IN THE DURHAM AND TYNESIDE SPECIAL AREA</b> (Contributed by Mr. Colin Forbes Adam, C.S.I., District Commissioner for the Durham and Tyneside Special Area) ... ..	 <b>143</b>

	<i>Paragraph</i>
<b>PART XI.—LOCAL AUTHORITIES</b> ... ..	437
<b>PART XII.—HEALTH</b> ... ..	444
Provision of Health Services ... ..	444
Standard of Health ... ..	446
Physical Training and Recreation ... ..	449
Hospitals ... ..	452
Hospitals and Institutions provided and maintained by local authorities ... ..	453
Poole Joint Sanatorium Committee ... ..	456
Lanchester Joint Hospital Board ... ..	457
Glamorgan County Council ... ..	458
Cumberland County Council... ..	459
Voluntary Hospitals ... ..	460
Whitehaven and West Cumberland Hospital ... ..	465
Sunderland Royal Infirmary ... ..	466
Maternity and Child Welfare Centres ... ..	467
Open Air Nurseries ... ..	472
National Birthday Trust Fund ... ..	478
Swimming Baths ... ..	484
District Nursing ... ..	485
Schemes for the Supply of Cheap Milk ... ..	488
Order of the Hospital of St. John of Jerusalem: Priory for Wales ... ..	493
Physical Training ... ..	497
Courses in simple cookery and food values ... ..	505
Sanitary Services ... ..	508
Water Supply ... ..	509
Sewerage and Sewage Disposal ... ..	510
Tyneside Sewerage ... ..	513
Mid-Glamorgan Scheme ... ..	517
Eastern Valleys (Monmouthshire) Joint Sewerage Scheme Merthyr Tydfil County Borough ... ..	521
Bishop Auckland Urban District: New High Level Sewer and extension of Sewage Disposal Works ... ..	523
Closet Conversion ... ..	524
Culverting Rivers and River Bank Improvements ... ..	526
Public Street Works ... ..	527
Private Street Works ... ..	531
<b>Part XIII.—HOUSING</b> ... ..	534
North Eastern Housing Association, Limited ... ..	534
Durham and Tyneside ... ..	534
West Cumberland ... ..	542
Durham Aged Mineworkers' Homes Association ... ..	544
Northumberland Aged Mineworkers' Homes Association ... ..	546
Church Army Housing, Limited ... ..	549
<b>PART XIV.—AGRICULTURE</b> ... ..	552
Land Settlement ... ..	552
Appointment of Inspecting Officer ... ..	564
Land Settlement Association ... ..	565
Land Settlement in Northumberland ... ..	572
Four-bedroom houses ... ..	574
Technical Advisers ... ..	575
Appointment of Woman Supervisor ... ..	577
Control over Settlers' finances ... ..	578
Progress towards independence ... ..	579
Some initial difficulties ... ..	581
Personal aspects of Land Settlement ... ..	585

	<i>Paragraph</i>
South Wales and Monmouthshire Trading Estates, Limited	304
Treforest Estate	306
Development of other industrial sites	322
West Cumberland Industrial Development Company...	324
South West Durham Improvement Association, Limited	329
Acquisition and Clearance of Sites for Industrial Development	334
East Gateshead Waterfront Clearance and Development Scheme	335
South Shields: Clearance of Derelict Sites	336
Jarrow	338
Pallion	339
Improvement of Site between Hebburn and Jarrow	340
Albert Edward Dock clearance	341
Further site clearance on the Banks of the River Tyne...	342
Merthyr Tydfil: Old Dowlais Steel Works	343
Cyfarthfa	344
Other Schemes	345
Improvement of Shipping Facilities	347
Deep Water quays on the South Bank of the River Tyne	348
Improvement of navigation on the River Tyne	349
Sunderland Fish Quay	350
Coast protection to the South of Sunderland Docks	351
Whitehaven Harbour	352
Maryport Harbour	353
Communications	355
Severn Bridge	355
West Cumberland	357
Encouragement of Tourist Traffic	359
South Shields: Frenchman's Bay and Marsden Bay	364
Boldon: Improvement Scheme at Bents, Whitburn	365
Hartlepool: Headland Protection Scheme	366
Tynemouth: Improvements to Open-Air Bathing Pool...	367
Maryport: The Brows	368
Welsh National Park	369
<b>PART IX.—THE PROBLEM OF THE OLDER MEN</b>	<b>370</b>
Methods of Solution	377
<b>PART X.—SUB-ECONOMIC EMPLOYMENT</b>	<b>382</b>
Subsistence Production Society of the Eastern Valley of Monmouthshire	389
Voluntary (Local Amenities) Schemes	404
Group Holdings	410
Cottage Homesteads	420
Allotments	424
Sunderland	428
South Shields	430
Newcastle-on-Tyne	431
Gateshead	433
Scheme of House Decoration, Sunderland	434

	<i>Paragraph</i>
West Cumberland Area ... ..	678
Adolescent Welfare ... ..	678
Women's Work ... ..	679
School Camps ... ..	680
Maryport Settlement ... ..	681
Educational Activities ... ..	682
South Wales Area ... ..	683
Adolescent Welfare ... ..	683
Women's Work ... ..	686
School Camps ... ..	691
Educational Activities ... ..	692
Social and Educational Settlements ... ..	695
<b>PART XVI.—MISCELLANEOUS</b> ... ..	<b>705</b>
Youth Hostels Association ... ..	705
Fairbridge Farm Schools ... ..	709
Brynmawr and Clydach Valley Industries, Limited ... ..	713
Northern Industries Workrooms... ..	714
Lady Headlam's United Service Employment Scheme ... ..	717
Bedford Rotary Club Scheme ... ..	720
Aylesbury Scheme ... ..	722
Summer Camps for military training ... ..	724
<b>PART XVII.—FINANCE</b> ... ..	<b>727</b>
Summary of Estimated Commitments including Expenditure to 30th September, 1937 ... ..	729
 <b>APPENDIX I.—The Number of Insured Persons and the Total Registered Unemployed in the Employment Exchange Areas which include any part of the Special Areas (England and Wales) during the period from October, 1936, to September, 1937, with comparative figures for Eng- land and Wales and for Great Britain.</b>	
 <b>APPENDIX II.—The Number of Registered Wholly Unemployed Persons in the Employment Exchange Areas which serve any part of the Special Areas (England and Wales), distinguishing between Men, Women and juveniles, during the period from October, 1936, to September, 1937.</b>	
 <b>APPENDIX III.—The Number of Insured Persons and the Total Registered Unemployed in the Employment Exchange Areas which are wholly or mainly within the Special Areas (England and Wales), during the period from October, 1936, to September, 1937, with comparative figures for England and Wales and for Great Britain.</b>	
 <b>APPENDIX IV.—The Number of Registered Wholly Unemployed Persons in the Employment Exchange Areas which are wholly or mainly within the Special Areas (England and Wales) distinguishing between Men, Women and Juveniles, during the period from October, 1936, to September, 1937.</b>	
 <b>APPENDIX V.—Analysis according to the length of their last spell of registered Unemployment of Wholly Unemployed Men (aged 18 to 64) applying for Insurance Benefit or Unemployment Allowances, who were on the Registers of Employment Exchanges serving any part of the Special Areas (England and Wales) at 20th July, 1937.</b>	
 <b>APPENDIX VI.—Transference from the Special Areas (England and Wales) during the 12 months from September, 1936, to August, 1937.</b>	



	<i>Paragraph</i>
Land Settlement in Durham ... ..	588
Wooley Terrace ... ..	589
Bishop Auckland (Escombe Section) ... ..	590
Bishop Auckland (Toronto Section) ... ..	591
Greenfield Farm, Etherley ... ..	592
Pelton House Farm ... ..	593
Moor House Farm, Eaglescliffe ... ..	594
Moor Farm, Spennymoor ... ..	595
Manor Farm, Hart: Hutton Henry: Low Greenfield, Etherley ... ..	596
Middridge Farm, Middridge ... ..	597
General Observations ... ..	598
Land Settlement in Wales ... ..	607
Welsh Land Settlement Society, Limited ... ..	607
Council of Management ... ..	607
Programme ... ..	608
Boverton Co-operative Farming Scheme ... ..	609
Housing Development ... ..	610
Cultivations ... ..	611
Formation of Co-operative Society ... ..	612
Crops ... ..	615
Glass-houses and indoor crops ... ..	617
Live-stock ... ..	619
Subsidiary employment ... ..	620
Community and social life of the new village ... ..	621
Co-operative Farm at Sealand, Flintshire ... ..	623
Scope of Scheme ... ..	625
Court House Farm, Llanfair Discoed, Monmouthshire ... ..	628
Small Holdings Scheme: Jordanstown and Paradise Farms, Llanstadwell, Pembs. ... ..	630
Small Holdings Scheme: Leechpool Farm, Portakswett, Mon. ... ..	633
Glamorgan County Council ... ..	636
New Barn Land Settlement Scheme ... ..	636
Afforestation ... ..	639
Acquisition of Land ... ..	640
Planting and Nursery Programme ... ..	641
Forest Workers' Holdings ... ..	642
Land Drainage ... ..	644
Field Drainage ... ..	648
<b>PART XV.—SOCIAL IMPROVEMENT</b> ... ..	<b>651</b>
Social Service ... ..	651
National Council of Social Service ... ..	653
General ... ..	658
Adolescent Welfare ... ..	658
School Camps ... ..	662
Men and Women ... ..	663
The Beeches Educational Centre ... ..	664
North Eastern Area ... ..	665
Adolescent Welfare ... ..	665
Women's Work ... ..	667
School Camps ... ..	672
Educational Activities ... ..	673
Social Settlements ... ..	676

**APPENDIX VII.**—Voluntary (Local Amenities) Schemes approved for Grant during the year ended 30th September, 1937.

**APPENDIX VIII.**—List of Group Holdings Centres established in each County in the Special Areas (England and Wales) during the year ended 30th September, 1937, with the number of Men at each Centre.

**APPENDIX IX.**—Works of Public Utility undertaken by Local Authorities in the Special Areas (England and Wales) towards the cost of which Grants from the Special Areas Fund have been approved during the year ended 30th September, 1937.

**APPENDIX X.**—Hospital and similar works undertaken by Voluntary Organisations in the Special Areas (England and Wales) towards the cost of which Grants from the Special Areas Fund have been approved during the year ended 30th September, 1937.

**APPENDIX XI.**—Physical Training Classes: List of Special Areas in England and Wales in which Classes were held by the Ministry of Labour at the expense of the Special Areas Fund and the number of enrolments for the year ended 30th September, 1937.

**APPENDIX XII.**—Housing Schemes approved up to 30th September, 1937.

**APPENDIX XIII.**—Statement showing Properties acquired for the Settlement of Men in or from the Special Areas (England and Wales) up to 30th September, 1937, and the Progress made to that date in each case.

## PART I.—INTRODUCTION.

### Foreword.

1. In the following pages will be found an account of the work carried on during the last 12 months by the Department of the Commissioner for the Special Areas of England and Wales. I cannot help feeling that the problems of the Special Areas are of wider interest than the subject might seem to suggest, as in these relatively small districts are to be found conditions that present, in an acute form, problems that are awaiting solution in all parts of the Country.

2. During the last 30 years important measures of social reform have been passed, whilst at the same time the whole of the old Poor Law system has gone into the melting pot, and a social conscience has been aroused which demands a fuller life for the worker and a greater measure of security for his old age. There has been, too, an enormous growth in large industries, so that the removal of a factory exercises a profound influence on the economic and social life of the district in which it was situated. All these factors have brought into being a number of new problems, as well as new methods for dealing with them; in some cases the problem itself is not new, but its very magnitude creates the problem we have to face to-day. As an example of this, we have always had the "Older Unemployed Man", but never has his group seemed so large and so difficult to tackle as it now is.

### The effect of the removal of heavy industries.

3. The effect on the industrial population of what may be termed "The Location and Removal of Industry" is again no new subject. In the past it raised no acute problem and so was ignored, but in the highly industrialised age in which we live it compels attention, as in a town like Merthyr Tydfil, by the suffering it inflicts on large communities of people.

4. Industries have died out or been removed in the past—the Cornish mines are a good illustration of this fact; but in those days, the numbers concerned were not large, whilst the relief given to the unemployed man was of such a character that he had either to starve or leave the district. Such treatment would not be tolerated to-day; but it must be remembered there is a reverse side of the picture. In a limited number of cases men are to be found quite content to live on the measure of relief they receive. In certain villages, work is never likely to be available on the scale it was in the past, and the man can safely settle down as an "Unemployed Pensioner". His number may not be large, but he is there and has to be considered.

5. With the return of prosperity to the Country, the unfortunate condition of the Special Areas (though they have to some extent shared in that return) has become more painfully apparent and a number of questions have presented themselves, to some of which I have referred above. Here we have districts dependent largely on coal, but with some iron and steel works, and, in the North East, certain shipping interests. The depression led to a great reduction in these trades, and the figures of unemployment mounted, yet in spite of a substantial decrease in unemployment in the Country as a whole during the past three years, there are still some 200,000 unemployed men and women in the three Areas, amongst whom are about 80,000 men of 45 years of age and upwards, a number of them suffering from diseases contracted through working in the coal mines. These men can never work again at their trade, and they are not yet eligible for an Old Age Pension. How they can be helped is a matter now claiming the attention not only of my Department, as this Report will show, but also that of the Minister of Labour.

#### **Government Action.**

6. To all students of social problems some of the methods adopted by the Government for grappling with the situation are both novel and interesting. Never before has a Government granted powers such as those given to the Special Areas Commissioners in order to induce industry to establish itself in certain definite localities. How considerable these inducements are, in the way of remission of rent, rates, income tax and the Defence Tax, I am convinced many business men are not aware.

7. In addition there are the two large Trading Estates, one at Team Valley, Gateshead, and the other at Treforest, South Wales, managed on behalf of the Government by boards of business men who voluntarily render this public service. Already their success has exceeded anticipation, and we can see them bringing light industries into areas where the heavy industries have for long reigned supreme.

8. Then it is a new thing for a Government to buy sites and build factories, in order to induce industry to go into an area where the percentage of unemployment is very high; yet already, at Merthyr, Sunderland and elsewhere, a beginning is being made. It should be noted, moreover, that financial assistance is available in certain cases to other districts outside the Special Areas under the powers granted to the Treasury and the Minister of Labour under Section 5 of the amending Act.

9. Another new feature already starting on a very small scale is the "Cottage Homestead". It is proposed to build a number of small houses, provide each one with a plot of land, and let it to one of the older unemployed men, preferably

a man with a family. The houses would be built near some large centres of industry, where there is a dearth of labour. The idea behind the scheme is that, even if the father of the household did not find work, but remained dependent on his allowance from the Unemployment Assistance Board, he would have the advantage of the land to cultivate, whilst his young people would have opportunities of finding employment in nearby industries. In this connection it has recently been suggested to me that, if more Cottage Homesteads are built, then sites near the new Trading Estates might be considered, thus meeting to a small extent the criticism that we are draining the Areas of some of their best young life.

10. Cottage Homesteads are being built on a large scale in Germany, where the original idea has been expanded, the houses now being built for men already in work. The German Government consider that, if a trade depression comes with its resultant unemployment, men so housed will still have their land to fall back upon.

11. In South West Durham, which has its own special problem, a new method has been started for dealing with an area where the coal mines are largely worked out. The plan was first proposed to Sir Malcolm Stewart in the report he received from Sir Alexander Gibb & Partners on their survey of this area. An Improvement Association has been started whose objects are, as indicated in its title, to improve the amenities of the area including, as one part of its functions, the development of sites to a stage at which they will be suitable for industrial purposes. At this stage the other inducements laid down in the amending Act would come into operation. If industry will take advantage of this plan in South West Durham, it is hoped that the unemployed in the scattered mining communities in that area will eventually be provided with opportunities not, it is true, in their normal occupation, but in regular work not so susceptible as the coal industry to the upheavals which, as we know to our cost, a depression can bring about in a heavy industry. It is planning an area, on lines that have sometimes been discussed, but never before attempted by a Government in this country.

### **Industrial Ruins.**

12. It may be that many of those who read these pages know as little about the Areas from a personal aspect as I did before I undertook this work. I well remember the depressing effect the great slag heaps and the ruins of dismal factories had upon me on my first visit, and even some measure of familiarity has not removed that feeling. It is no easy task to persuade industries to come to some of these places, and makes me ask myself the question whether it is right that whole

districts should be ruined without industry being held liable for some of the ruin they have created. I am now asked to clear up, on behalf of the Government, these unsightly ruins of concerns that in former days no doubt paid their shareholders handsome dividends. I have visited areas of desolation still bearing traces of the earlier industrial activity belonging to industries still powerful and prosperous, business reasons alone having induced them to vacate the sites. We have begun to clear the land in two or three of the worst examples of this industrial desolation, as under present circumstances this is all that can be done.

13. Before closing this side of our problem in the Special Areas, I should like to say again that the policy on which the Commissioner's Department is based is that of bringing work to the workless. That is for most of the Areas the only real cure, but it all takes time, and methods of alleviation must be used as well. This is our justification for transference, as it is impossible to refuse help to people, living in these Areas, to enable them to go where labour is badly required. No other course is open to any Government, so long as there are thousands of unemployed seeking work, and employers elsewhere seeking labour.

### **The Social Work.**

14. Since I became Commissioner I have been especially interested in that side of the Department's activities which deals with the "social" work in the Areas. I am not one of those who consider this work should not have Government support in a time of difficulty; I hold quite the contrary view and have been glad to help it in any way I personally could. I do not look upon it as a cure for the problem, any more than I know those who undertake the work do, but it is vital that the moral strength of the community should be upheld.

15. It is probably hardly realised how great the strain on a community is when the majority of the workers are unemployed, as it is not alone the straitened circumstances of the home, that have to be remembered. The local authorities, with reduced incomes and increased liabilities, are compelled to let some services suffer. My Department has to some extent made these good, but in many directions the want still remains or has only been met by increased rates.

16. Similarly, the work of the Churches (around which, in particular in South Wales, so much of the community life is centred) is robbed of much of its power and effectiveness by the poverty of its members through prolonged unemployment. These religious and social centres in Wales are, with few exceptions, overburdened with debt (the Church of Wales is not, of course, quite in the same position as other religious bodies in that

Area) and for that reason they have been unable to carry on their work in the social life of the community as satisfactorily as they did in the past.

17. The work among the young people, such as Scouts, Guides, Boys' Clubs, etc., was heavily handicapped till Sir Malcolm Stewart was able to assist them. All these things have compelled the community to adopt the frame of mind of looking outside for financial help. The municipality looks to the Government; the churches to their co-religionists outside, and the social workers to the Commissioner and the National Council of Social Service.

18. This is a depressing picture, but I feel that the Social Services must have helped the people to stand up to their misfortunes in the splendid way they have; already I am glad to think brighter days have come to many thousands of them in their return to regular work.

19. Amongst the Social Agencies at work I have been especially interested in the "Settlements" and the "Unemployed Clubs". These Settlements, most of which are established in the Welsh Area, have started and are carrying on excellent educational work. Assisted by the local authorities, the Workers' Educational Association and similar organisations, they have organised classes of all kinds, many of them being held in the Unemployed Clubs. In Durham, under the Community Service Council, similar work is being done, the attendances of men and women running into tens of thousands. This work has been greatly helped by an increasing number of organisations, many of them connected with Government Departments, who have "adopted" some town or village.

20. The Physical Training classes for the younger unemployed men that I have visited seemed to be doing excellent work, whilst the growth of "Keep Fit" classes for women has been very remarkable. It has all helped to prepare the way for the new "Physical Fitness Campaign" recently inaugurated by the Prime Minister.

### **The Future.**

21. For the next twelve months the main work I have to undertake is to make use of the powers granted me last May to induce new industries to come to the Areas. In this I can count on the assistance of the Nuffield Trust, the Special Areas Reconstruction Association and the Treasury Fund. The last three years have seen a number of organisations started by this Department. Each Area has its own Development Council, considering its special work, whilst in South West Durham there is the new Improvement Association. In Durham and Wales there are the Trading Estates ready to carry out any building

schemes for factories I require, and the West Cumberland Industrial Development Company will carry out that work in West Cumberland. For housing purposes in the North I have the assistance of the North Eastern Housing Association, whose activities have been extended to include Cumberland.

22. For the work of Land Settlement, Group Holdings and Allotments I have the Land Settlement Association and the Welsh Land Settlement Society, as well as the County Councils, to help me, while in the Social Service work I have the invaluable assistance of the National Council of Social Service.

23. It is not now so much new organisations that are required, but twelve months of steady work in order to see if it is possible, with the powers already granted, to make an impression on the considerable numbers of unemployed still left in these districts. In this endeavour I am convinced I can count on the wholehearted support of the many men and women already helping in the various organisations I have mentioned. At the same time I shall hope to press forward with those other sides of the work of the Department. It is imperative that the standard of municipal services should be kept up, and the amenities of the districts improved, both by the removal of hideous eyesores and by help rendered to the many social agencies working amongst the men, women and children.

24. Above all, it is my firm intention to press forward with the development of new industries in the Areas. It is my hope that by taking full advantage of the special powers granted by Parliament to the Commissioners to encourage this development, we shall be able to persuade potential industrialists that, since the depression, the social life and public works have been cared for, that the people in the Areas are far from being depressed, but have an urgent desire and need to take up work which has for long been denied them, and that there is an ample supply of labour. Finally, a unique opportunity presents itself to business men for commercial and industrial expansion, of which I suggest they should be the first to take advantage.

## **PART II.—GENERAL.**

### **Administration.**

25. When I assumed office as Commissioner for the Special Areas of England and Wales on the 15th November, 1936, I reviewed the general principles which had been formulated by Sir Malcolm Stewart in regard to the administration of the Special Areas (Development and Improvement) Act, 1934, and decided to follow the general lines of his policy as set out in the three Reports which he had rendered on his work. In particular it seemed to me wise to continue his policy of operating in the main through existing organisations.



26. In addition to co-operation with such established national bodies as the Land Settlement Association and the National Council of Social Service Sir Malcolm had already brought into existence several corporate regional bodies, directed by local persons of standing and financed from the Special Areas Fund, to assist him in the execution of his functions and to enable the long-term policy inherent in the wording of the Special Areas (Development and Improvement) Act, 1934, to be carried on after the post of Commissioner is due to be terminated. The most important of these were the two Trading Estates Companies, the North Eastern Housing Association and the Welsh Land Settlement Society. All of these have been very active during the last 12 months and an account of their work is given below. In pursuance of the same policy I have established two other bodies of the same type—the South West Durham Improvement Association and the West Cumberland Industrial Development Company.

27. In regard to health, housing, agriculture and measures of social improvement there have been no fundamental changes in policy during the last 12 months. There has, however, been a radical change in the Commissioners' industrial policy following the acceptance by the Government of Sir Malcolm Stewart's recommendation for the provision of what he termed "State-provided inducements" and the passage into law of the Special Areas (Amendment) Act, 1937. In this sphere of activity, while I have endeavoured to make the maximum use of local bodies such as the Trading Estates Companies and the Development Councils, it has been necessary to carry out a considerable portion of the work from my own Headquarters organisation. This organisation has been strengthened for the purpose by the appointment of two Industrial Officers and I have had the invaluable help of Lord Portal and other voluntary Industrial Advisers, as mentioned in paragraph 217 below.

28. I have been in close touch with the Commissioner for the Special Areas in Scotland, especially in regard to the industrial side of our work, where co-operation was essential. Sir David Allan Hay, who was Commissioner in Scotland up to the end of August, worked very closely with me in establishing the basis of a joint industrial policy, and I should like to express my thanks to him for his ready appreciation of the need for a common policy and for his great assistance in settling its details, and putting into operation joint machinery which should prevent the danger of competition or unfair discrimination between our respective Areas. Sir David resigned from the post of Commissioner in Scotland at the end of August, and since then I have had the pleasure of meeting Lord Nigel Douglas-Hamilton, his successor, and discussing with him our common problems.

29. Close contact has been maintained throughout the year with most of the Government Departments concerned in Home Affairs and special thanks are due to the Ministry of Labour, the Ministry of Health, the Welsh Board of Health, the Board of Trade, the Ministry of Agriculture and Fisheries, the Unemployment Assistance Board, the Ministry of Transport, the Mines Department and the Office of the Chief Valuer for their constant help and co-operation. The administration of the Special Areas Acts necessarily impinges on the work of many other Departments, and would be rendered very much more difficult if any inter-departmental jealousies or differences of opinion were allowed to stand in the way of co-ordination of effort. It is satisfactory to report that there has been an entire absence of any such difficulties. Reference to paragraphs 61 to 65 will show that the Minister for the Co-ordination of Defence and the three Service Departments have also assisted within their power in securing the maximum assistance to the Special Areas from the Government's Defence Programme.

30. When I first took office I found that there were sometimes considerable delays in getting decisions on matters of policy on which it was necessary to secure agreement with other Departments—delays not, of course, due to any deliberate obstruction but rather to the normal processes of consideration and consultation which are properly inherent in what is generally accepted as orthodox Government administration. It appeared to me, however, that in administering the Special Areas Acts it was desirable to adopt less orthodox methods and to create a machine which, while securing that each proposal should receive proper consideration, would enable decisions to be reached with the absolute minimum of delay. I am glad to report that, as a result of representations I made on the subject to the Minister of Labour, there was established in January of this year a Special Areas Inter-Departmental Committee which has normally met once a week and is attended by representatives of the different Departments concerned. As a result of the appointment of this Committee the settlement of the many questions that arise in the day-to-day administration of the Special Areas Acts has been greatly expedited and, while the system may hardly be applicable for normal Government administration owing to the constant calls it makes on the time of a number of senior officials, I am satisfied that it has fully justified itself in the special circumstances connected with the administration of the Special Areas Acts.

31. I have endeavoured during the year to keep the administrative expenses of my organisation as low as possible, but the passage of the Special Areas (Amendment) Act, 1937, necessitated the appointment of one or two additional officers on my Headquarter staff in addition to the two Industrial Officers

referred to above. There has been no change in the local staff except that, in February, Mr. St. Clare Grondona asked to be transferred from his post as District Commissioner for the West Cumberland Special Area and in his place I appointed Mr. E. G. Sarsfield-Hall, C.M.G., who had recently retired from a distinguished career in the Sudan Political Service. The administrative expenses of the whole of my Department, both at Headquarters and in the Areas, amounted during the 12 months under review to about £31,500. During this period the expenditure from the Special Areas Fund on schemes I have assisted amounted to about £3,000,000, and commitments amounting to about £5,700,000 were incurred.

32. The main object of the Special Areas Acts is to assist the economic recovery of the Areas. This is clearly a long-term policy quite different from that of the old Unemployment Grants Committee, whose primary object was the provision of employment. This essential difference is still not fully understood. The provision of employment in the Areas is not mentioned anywhere in the Special Areas Acts and, while over a period of years the success or failure of the whole experiment must be judged largely by the extent to which unemployment in the Areas has fallen, it would be as misleading as it would be impracticable to assess the value of the results achieved by any estimate of the numbers of persons directly employed. All public works naturally involve a certain amount of employment and as such are welcome palliatives, which have some value from the point of view of social improvement; but their value in regard to economic development lies in the use that will be made of them and the consequent increase of trade and commerce, of production and distribution in the Areas.

#### **Regional Organisation.**

33. The administration of the Special Areas Acts has been noted as affording an interesting example of the attempt now being made in various spheres of public activity to deal with the problems of certain regions otherwise than through the stereotyped mechanism of small-scale local government, without the centralisation involved in direct administration from London. While in certain spheres of activity, particularly those concerned with health and sanitation, it has been necessary to use the recognised machinery of local government, other services have been provided on a wider regional basis. At the same time my predecessor and I have avoided so far as possible, having regard to the proper control of the large sums of Exchequer monies involved, direct administration from Headquarters. In this we have been helped by the fact that under the original Act the Special Areas of England and Wales were divided into three fairly homogeneous regions, and it was possible to appoint local administrators for each region under the title of District Commissioners.

34. In pursuance of this policy of regional administration my predecessor had been successful in enlisting the interest and service of many public-spirited persons in the Areas who had agreed to serve without remuneration on the various regional bodies he had brought into existence. By these means it had been possible to obtain local knowledge and experience over a wider field than that of any individual local authority's area. Examples of such bodies have already been mentioned in paragraph 26. In particular, it should be emphasised that the two Trading Estates Companies are regional bodies intended to serve the whole of their Areas and not interested solely in the two estates at Team Valley and Treforest. Further, in pursuance of the same policy, he had co-operated with various regional bodies already in existence at the time of his appointment such as the North East Development Board, the National Industrial Development Council of Wales and Monmouthshire and certain local statutory bodies. Following the same general policy, I have in the last 12 months brought into existence the South West Durham Improvement Association and the West Cumberland Industrial Development Company, particulars of both of which will be found later in this Report.

#### **General Improvement.**

35. As this Report shows, the twelve months under review have witnessed a great improvement in the economic position in all the Special Areas. During the twelve months unemployment has fallen in the Areas by 25.6 per cent., of which only a comparatively small part was due to transference out of the Areas. The corresponding reduction, starting of course from a lower percentage figure, for the rest of England and Wales was 12.0 per cent. The greater part of the improvement is no doubt due to national and international causes, but it is encouraging to find that the Special Areas have participated in no small measure in the general economic recovery of Great Britain. Two years ago it was not uncommon to hear people refer to the Special Areas as black spots without prospect or hope of recovery. All is not yet well with the Areas and there are still too many spots which have hardly been touched by the returning tide of prosperity, but hope has returned and the Areas generally have proved themselves capable of recovery.

36. While it is impossible to assess in precise figures the effects of the various measures initiated by my predecessor under the Special Areas Act, 1934, for the economic development of the Areas it is, I think, equally impossible to deny that those measures are facilitating and contributing materially to the improvement in the Areas. Sir Malcolm Stewart continually pointed out that the words "economic development"

used in the Act imply a long term policy, the fruits of which could not be immediately apparent. I am confident that the policy which he initiated and which I have been able to develop, especially during the last five months by the additional powers conferred on the Commissioner under the Amendment Act of this year, will in the coming years show ever increasing results.

37. The Government's Armament programme has undoubtedly contributed to the recovery of the Special Areas, largely through the increased demand for coal, iron and steel generally and considerable warship building in the North East. I am able to give in paragraphs 61 to 65 below some particulars of the ways in which the Special Areas have benefited. In all contracts given by the Defence Services, as by all Government Departments, preference is of course given, other things being equal, to firms in the depressed areas.

38. Nevertheless, so far as I have been able to ascertain, the greater part of the recovery in the Special Areas with certain exceptions, has been independent of armament work. Indeed, to some extent the Defence Programme has retarded development in the Areas by creating such a demand for constructional materials that the erection of new factories has been delayed and their tenants have found difficulty in getting delivery of machinery and raw materials.

39. The fact that the recovery in the Special Areas has so largely been independent of the Defence Programme is an encouraging feature for, if the improvement had been mainly due to re-armament, unemployment would return as soon as the Government orders ceased. My industrial policy has aimed at broadening the basis of the economic life of the Areas. One of the main causes of the exceptional depression in the Areas was the fact that they depended to so large an extent on two or three industries, and these the heavy industries which are especially liable to feel the effects of a slump. These heavy industries further provide little employment for women or girls, and the household income is therefore dependent in the main on the wages of men and boys employed in a few industries. My efforts have, therefore, been especially directed towards the introduction of a variety of lighter industries which will give employment to women as well as to men and are not so liable to violent fluctuations in a time of slump. These efforts have already met with considerable success, especially on the Team Valley Trading Estate.

#### **Location of Industry.**

40. Sir Malcolm Stewart constantly drew attention in his published Reports to the all-important question of the location of industry and to the need for considering the social as well

as the economic effects of the transference of industries from one part of the Country to another. This is a question which lies very near the root of the problem of the Special Areas. The Government cannot, in my view, especially since the introduction of tariffs and quotas, evade all responsibility for the location of industry. In many foreign countries Governments are assuming growing control of industrial location and it seems clear that social and strategic as well as purely economic causes will drive the Government of this country also to abandon the laissez-faire attitude which was the prevailing doctrine up to a recent date. During the last twelve months there have been two events which show the growing realisation of the importance of this subject.

### **Royal Commission on distribution of industrial population.**

41. One of these events was the appointment early in July of a Royal Commission under the Chairmanship of Sir Montague Barlow, Bart., with the following terms of reference:—

To enquire into the causes which have influenced the present geographical distribution of the industrial population of Great Britain and the probable direction of any change in that distribution in the future; to consider what social, economic or strategical disadvantages arise from the concentration of industries or of the industrial population in large towns or in particular areas of the country; and to report what remedial measures if any should be taken in the national interest.

42. It is, I think, no secret that the appointment of this Royal Commission was largely due to the recommendation which Sir Malcolm Stewart made in his Third Report, namely that "the further expansion of industry in Greater London should be controlled to secure a more evenly distributed production in which it is hoped that the Special Areas would share". I have arranged to give the Commission all the assistance in my power and to supply such evidence as may be useful to them as the result of the investigations of this problem made by my predecessor and myself. All who have the problem of the Special Areas at heart will follow with great interest the deliberations of this Commission and will hope that as a result of its findings there will be produced a policy which will prove of lasting benefit alike to the Special Areas and to the Country as a whole.

### **Report on the Iron and Steel Industry.**

43. The other event was the publication, also in July, of the long-awaited Report of the Import Duties Advisory Committee on the present position and future development of the Iron and Steel Industry. The Report gives a detailed and informative account of the negotiations regarding a steel works at Jarrow

to which Sir Malcolm Stewart referred in paragraphs 191 to 195 of his Third Report. I will not refer here to the past history of this scheme, but the Report contains two recommendations not unconnected therewith which are of vital interest to the Special Areas.

44. The first recommendation is that the conclusions of the British Iron and Steel Federation in regard to all schemes of development of the industry should, whether favourable or not, be reported, in continuation of the existing practice, to an independent body looking to the general public interest. "That body should not normally undertake the detailed investigations of any scheme in its technical or financial aspects, but in the review of any scheme and especially of one involving the transference or closing of works to any substantial extent, or displacement of labour by the introduction of new methods, it should have regard not only to the relation of the scheme to the general plan of the industry but also to possible social consequences, including the probable effects upon labour and the local government authorities."

45. The President of the Board of Trade has announced that the independent body is to be the Import Duties Advisory Committee itself and I hope that that Committee will prove itself a suitable body to exercise an independent judgment in the national interests of all schemes submitted to it. The recognition of the need of such consideration by an independent body marks in my view a great advance; it has at last been conceded that matters which concern the welfare of many thousands of our fellow citizens are properly to be considered in relation to their social and broad economic consequences as well as in relation to the profit and loss account of the individual concern. If this principle had been recognised 15 years earlier much suffering might have been avoided and the Special Areas might not have presented so acute a problem as that which they provided in 1931. I hope that similar recognition of the need for considering major industrial changes from a social and national angle will be extended to other large industries in the near future.

#### **Restoration of disused sites.**

46. The other recommendation of the Import Duties Advisory Committee's Report to which I would call attention is that: "In view of the serious risk of the creation of extensive areas of broken and barren land by the quarrying of ironstone over large new areas, the problem of restoration needs to be dealt with more systematically and on a comprehensive scale: it should therefore be examined thoroughly by all the interests concerned (landowners, mineral leaseholders, local authorities and the State) with a view to the elaboration of a detailed scheme

and some equitable distribution of the cost". This recommendation also touches one of the vital problems of the Special Areas and should in my view be extended to apply to all industries, such as the coal, chemical and brick industries, which are liable to leave scars on the landscape. Indeed the principle might well apply to any site which is deserted by industry and left in a state which repels new undertakings both by the aspect of dereliction and by the cost of clearing. There are numerous examples in the Special Areas. As the present Report will show, I am endeavouring to deal with some of the most notable instances at Dowlais, Cyfarthfa, East Gateshead, Jarrow and other sites on both banks of the Tyne. Similar work is also being planned for West Cumberland and South West Durham. In this work of clearance there is generally an uneconomic element; the value of the land, when cleared, does not exceed the value, when uncleared, by the cost of the clearance. Hence the sites are liable to remain uncleared for an indefinite time and to exercise a deterrent effect on new industries.

47. It is thus frequently more profitable for new industries to occupy virgin land than land which has been previously used for industrial purposes. Time and nature are said to be great healers, but it takes generations for a site like that at Dowlais to assume a normal appearance. Bodmin Moor in Cornwall is still scarred by old tin mines though work at these ceased long years ago. Where, as at East Gateshead, the ground is covered by chemical refuse, nature may never succeed. In the meantime new industries occupy good agricultural land, which can ill be spared. A firm which deserts old industrial sites is frequently bankrupt and cannot itself clear the site before it leaves, but I trust that a repetition of such tragic relics may be avoided, either by a system of compulsory insurance or by putting responsibility for clearance on the industry as a whole.

48. The ideal solution is for new industries to be established on sites which have already been scarred and spoilt for any but industrial purposes. A notable example is provided by the largest industrial development now taking place in the whole of the Special Areas, namely, the erection by Richard Thomas & Company of the huge new steel works on the site of the old works at Ebbw Vale. Another example will be the erection of new steel works on the site of the old works at Palmer's Yard in Jarrow, while smaller industries are being established with my assistance on some of the other sites referred to in paragraph 46.

49. Tip heaps of coal and iron slag are of course to be found all over the Special Areas. They present a special problem. They cannot generally be cleared away except at prohibitive cost and there is frequently nowhere to put the slag except to take it out to sea at great expense. It would put an impossible



burden on the heavy industries to demand such action, and in most cases the only reasonable course is to try to make the heap as presentable as possible. When fires are still burning this is impossible, but for burnt-out heaps I believe something can be done in the way of planting trees or shrubs or grass. I have asked the newly formed South West Durham Improvement Association to make a careful study of this problem, and I hope that further research may in time provide an alternative solution by finding some economic use to which the material in these tip heaps can be put.

#### **Calcium Carbide.**

50. It will be remembered that Sir Malcolm Stewart in his Third Report recommended that consideration should be given to the installation of a factory in South Wales for the production of calcium carbide, and though no decision has yet been reached on this subject it has received much thought and public attention during the 12 months under review.

51. In the early part of the year the British Oxygen Company promoted for the second time a private Bill before Parliament designed to give them power to proceed with their proposals for the installation of a hydro-electric plant in the North of Scotland for the production of calcium carbide. This Bill met the same fate as its predecessor and was rejected by Parliament. During the course of the debate many Members urged the desirability of production in South Wales.

52. Last April the Minister for the Co-ordination of Defence appointed a small Committee "to consider and report as to the relative advantages of any schemes which might be submitted to them for the production of calcium carbide and allied products in the United Kingdom". The National Industrial Development Council of Wales and Monmouthshire gave evidence before this Committee and urged the claims of South Wales.

53. It is understood that the Committee has now submitted its report and the Government's decision is anxiously awaited. From the evidence which has been submitted to me on the subject I am convinced that a strong case can be made for the installation of a factory in South Wales, which has an abundance of anthracite, limestone and coal-generated electricity. A factory would give much employment, both direct and indirect, and would contribute materially to the economic recovery of the Area. I hope therefore that the decision, when reached, may prove favourable to the claims of South Wales.

#### **Oil from Coal.**

54. Much attention has been given during the 12 months under review to the complicated question which is summarised in the three short words "oil from coal." My predecessor in

his last Report recommended that the Government should assist financially the erection of plants for extraction of oil from coal in the Special Areas, and this recommendation has been accepted in part by the offer of financial assistance from the Treasury Fund, supplemented by assistance from the Nuffield Trustees, for the erection of a large low temperature carbonisation plant in South Wales. This project is now well in hand and should, when completed, give considerable employment.

55. Several other schemes for extracting oil from coal have been submitted to me during the course of the year, but so many technical considerations are involved that I have had to refer them to the Mines Department for examination by the Fuel Research Board.

56. Early in the year I received a request to assist in the establishment in South Wales of a major scheme, not of low temperature carbonisation but of hydrogenation on lines similar to those which are being developed on a large scale in Germany and other foreign Countries. In this case there were major considerations involved, not solely of a technical nature, and I recommended that these should be examined by an independent committee of experts.

57. In the summer of this year the Minister for the Co-ordination of Defence appointed a small Committee under the Chairmanship of Lord Falmouth to examine the whole question. This Committee has not yet reported. In the meantime, as reported in paragraph 264 below, the Coal Research Committee of the National Industrial Development Council of Wales and Monmouthshire is, with assistance from the Special Areas Fund, continuing to examine the question with special reference to Welsh coals.

#### **Special Areas (Amendment) Act, 1937.**

58. The most important event of the year, so far as the Special Areas are concerned, was the passage into law of the Special Areas (Amendment) Act, which received Royal Assent on the 6th May. The most fundamental—one might almost say revolutionary—change effected by this Act was the grant of power to the Commissioners to give financial assistance to private enterprise. When the original Bill was debated in Parliament in the late Autumn of 1934 there were many differences of opinion as to the powers and duties to be entrusted to the Commissioners, but on one point all parties were unanimous—namely, that the Commissioners should not be enabled to give financial assistance to undertakings carried on for the purpose of gain—and this principle was explicitly stated in Section 1 (5) of the 1934 Act. It is surprising and most significant that within the short period of two and a half years public opinion, both inside and outside Parliament, should have undergone such a

remarkable change that, when the Amendment Bill came up for discussion this year, there was practically no opposition to the proposal of the Government to accept Sir Malcolm Stewart's recommendation and, within certain limits which are rightly defined in the Act, to give the Commissioners power to offer inducements designed to persuade industrialists to establish undertakings in the Special Areas. Sir Malcolm made his recommendations on this point after experiencing great disappointment and almost complete failure in his intensive efforts to persuade industry to go to the Areas, and he had therefore been forced to the conclusion that further powers of an unconventional nature were required. The proposal he made was obviously unlikely in theory to commend itself to two large sections of public opinion—those who object to State interference in the location of industry and those who object to State assistance to private enterprise. Nevertheless, the force of his arguments, based on the practical necessities of the situation, was such that they commanded the ready acceptance of the nation and led Parliament with hardly a dissentient voice to accept a doctrine which had been rejected with equal unanimity less than three years before.

59. If, as is not improbable, the State comes in the years ahead to assume an increasing responsibility for the location of industry, whether on strategic or economic or social grounds, will not historians point to Sir Malcolm Stewart's Third Report and the Special Areas (Amendment) Act, 1937, as marking the first definite step in this direction?

60. The exact powers conferred on the Commissioners by the Act for the inducement of industry to the Special Areas are described in Part VII of this Report. When the Bill was introduced the Government took the opportunity to review the whole of the Commissioners' powers under the 1934 Act and to extend those powers in two other minor directions in which experience had shown that an extension was desirable. One new power related to field drainage and is described in paragraphs 648 to 650 below; the other related to certain types of road improvement and is described in paragraphs 527 to 530 below. The Act further extended the operation of the original Act to 31st March, 1939.

### **Government Defence Programme.**

61. Since the initiation of the Government's Defence programme it has been recognised that, so far as might be consistent with the requirements of the Service Departments, every effort should be made to secure that the areas of heavy unemployment received the maximum benefit by the establishment of new factories and also by the application of the general

Government policy regarding contracts for Government work that, other things being equal, preference should be given to tenders from firms in such areas.

### **Factories.**

62. The assistance which has been afforded to the Special Areas by the establishment therein of factories required in connection with the Defence programme includes both Government establishments and factories managed by commercial firms as agents of the Government.

63. Three Government establishments in the South Wales Special Area are in course of erection, together with an agency establishment for the manufacture of oil tanks and petrol tins. In addition there is an Admiralty depot and, situated on the borders of the Area, though just outside it, there are two agency factories for the manufacture of bomb bodies and cartridge cases respectively. The question of establishing two further Government factories in this Area is under consideration. In the North Eastern Special Area a Government munitions factory has been re-opened, and Messrs. Armstrong Whitworth's factory at Scotswood is in process of being re-equipped for the manufacture of munitions for the Admiralty, War Office and Air Ministry.

64. The cost of the Government factories and agency factories which have been erected or are in course of erection in the Special Areas of England and Wales is approximately £14,500,000 and £1,036,000 respectively. In addition to these sums, Government contributions towards extensions of existing factories and Government-owned plant installed in some of them have cost £1,750,000. It is unfortunately not possible to give an estimate of the cost of erection of the factories which are at present under consideration.

### **Armament Orders.**

65. The Special Areas have also benefited by the greatly increased volume of Government armament orders and have the advantage of being included in the schedule of Depressed Areas to which preference is given, other things being equal, in the allocation of Government contracts (not only those for armaments). Between 1st April, 1936, and the end of August, 1937, orders to the value of £32,870,000 were placed in the Special Areas of England and Wales by the Service Departments.

### **Railway development contracts.**

66. In addition to the orders placed in the Special Areas under the Government's Defence Programme and the general preference with due regard to price and quality given in all

Government orders to the Depressed Areas, it will be remembered that in 1935 the Government, in agreeing to facilitate the financing of railway electrification and other works in London and other parts of the Country, made it a condition that the Railway Companies should in placing their orders give a preference, other things being equal, to firms in the Special Areas. In these cases the preference is definitely for the Special Areas and not for the wider field of Depressed Areas.

### PART III.—ECONOMIC SURVEY OF THE SPECIAL AREAS.

#### Changes in Population.

67. In his Third Report (paragraphs 51 to 61 and Appendices I, II, III and IV) my predecessor referred at some length to population changes now taking place in the Special Areas and in England and Wales generally. These changes are of considerable economic importance and their extent may be judged from the fact that, in the two years from mid-1934 to mid-1936, the population of the County of Glamorgan fell by over 24,000, while on the other hand that of the County of Middlesex increased by 130,000. In both cases these changes were in the main the result of migration out of or into the County in question.

68. It was pointed out last year that the population of the Special Areas in England and Wales was steadily declining and that the decline was increasing each year. This movement has continued during the period now under review, the total population of the Areas having fallen by approximately 37,900 in the 12 months, as compared with a fall of 23,500 in the previous year. The following figures illustrate the changes that have taken place in the last two years in the three Special Areas and in the other parts of England and Wales:—

	Estimated Population at mid-1936.	Increase or Decrease in 1936 on 1935.	Increase or Decrease in 1935 on 1934.
West Cumberland ... ..	148,429	— 1,203	— 1,268
Durham and Tyneside ... ..	1,719,125	— 18,055	— 9,960
South Wales ... ..	942,217	— 18,671	— 12,232
Total Special Areas in England and Wales.	2,809,771	— 37,929	— 23,460
England and Wales less the Special Areas.	38,029,230	+ 231,930	+ 201,460

69. Increased transference accounts for a large part of this movement out of the Special Areas, but the changes are not entirely due to migration. There has been a significant decline in the number of births in the Special Areas in the last few years, while the decline in the number of deaths is comparatively small.

70. In the seven Counties which include the Special Areas of England and Wales, viz., Cumberland, Durham, Northumberland, Glamorgan, Monmouth, Brecknock and Pembroke, there has been a steady decline in the number of births from 78,098 in 1931 to 68,324 in 1936, or of 12·5 per cent, while deaths fell only from 54,963 to 52,431, or by 4·6 per cent., in the same period. There was thus a drop in the natural increase of the population by births over deaths from 23,135 in 1931 to 15,893 in 1936, or of 31·3 per cent. In the same five-year period the natural increase in the remainder of England and Wales showed a decline of only 20·2 per cent.

71. Thus, although the number of births still considerably exceeds the number of deaths in the Special Areas, it is by a steadily decreasing margin, and the decline in that margin during the years 1931 to 1936 has been half as heavy again as it has been in the corresponding margin in the other parts of England and Wales. In other words, the Special Areas are rapidly losing the high rate of natural increase in population hitherto characteristic of them and are gradually approaching the average rate for the whole Country.

### Unemployment.

72. During the year ended 30th September, 1937, there was a substantial fall in unemployment in the Special Areas. This fall was more or less continuous in all three Areas, though there were occasional temporary setbacks. Statistics relating to the variations in the unemployment situation in the Special Areas from October, 1936, to September, 1937, will be found in Appendices I and II which are on a basis comparable to the figures published in the various Appendices to Sir Malcolm Stewart's three Reports.

73. The fact that the Special Areas are not co-terminous with the Areas covered by particular local offices of the Ministry of Labour has given rise to some difficulty in the preparation of these statistics. Certain of the unemployed in the Special Areas register at offices which are situated outside those Areas, and it is not possible for the Ministry of Labour, without excessive labour, to ascertain each month the numbers of such persons. It was accordingly decided at the outset to include in the figures, as indicated in the note to the relative Appendices in the earlier Reports, the numbers of unemployed registered at offices of the Ministry of Labour whose areas included any part of the Special

Areas. It was recognised that this involved the inclusion in the South Wales figures of the unemployed at, for instance, Cardiff, Swansea and Newport, but it was felt that this would not detract from the value of the figures as indicating the general trend of unemployment in the South Wales Special Area.

74. For the purposes of comparison statistics are now shown in Appendices III and IV confined to the unemployed registered at local offices of the Ministry of Labour whose areas are wholly or mainly within the Special Areas. These figures are an under-estimate of the true position, because they do not reflect employment changes in relation to persons who live within the Special Areas but are registered at local offices outside them. It is impossible to indicate from either set of figures the precise extent of the improvement in the employment position in the South Wales Special Area, but it lies somewhere between the positions revealed by the two sets of figures now presented.

75. During the 12 months under review the percentage of unemployment in the Special Areas of England and Wales fell from 29·5 to 21·9, the fall being fairly steady up to July, since when, in common with the rest of England and Wales, there has been a very slight increase. The improvement has been shared by all the Areas, though in differing degrees, as will be seen from the following table:—

Area.	Persons registered as unemployed.		Decrease during period.	
	21st Sept., 1936.	13th Sept., 1937.	Numbers.	Percentage.
West Cumberland ... ..	12,460	9,431	3,029	24·3
Durham ... ..	63,728	47,933	15,795	24·8
Tyneside ... ..	64,993	54,664	10,329	15·9
South Wales ... ..	141,771	98,580	43,191	30·5
Total Special Areas ... ..	282,952	210,608	72,344	25·6
Great Britain ... ..	1,624,339	1,388,600	235,739	14·5

The largest proportionate improvement has taken place in South Wales. The North East, however, still has lower percentages of unemployment than the other Areas. In the North East, the improvement in Durham has been more marked than on Tyneside.

76. The above figures and those contained in Appendices I and II are on a comparable basis to those published in Appendices V and VI of Sir Malcolm Stewart's Third Report and do not include the changes introduced by the Ministry of Labour in the national returns for September.

69. Increased transference accounts for a large part of this movement out of the Special Areas, but the changes are now entirely due to migration. There has been a significant decline in the number of births in the Special Areas in the last few years while the decline in the number of deaths is comparatively small.

70. In the seven Counties which include the Special Areas of England and Wales, viz., Cumberland, Durham, Northumberland, Glamorgan, Monmouth, Brecknock and Pembrokeshire there has been a steady decline in the number of births from 78,098 in 1931 to 68,324 in 1936, or of 12.5 per cent, while deaths fell only from 54,963 to 52,431, or by 4.6 per cent., in the same period. There was thus a drop in the natural increase of the population by births over deaths from 23,135 in 1931 to 15,893 in 1936, or of 31.3 per cent. In the same five-year period the natural increase in the remainder of England and Wales showed a decline of only 20.2 per cent.

71. Thus, although the number of births still considerably exceeds the number of deaths in the Special Areas, it is by a steadily decreasing margin, and the decline in that margin during the years 1931 to 1936 has been half as heavy again as it has been in the corresponding margin in the other parts of England and Wales. In other words, the Special Areas are rapidly losing the high rate of natural increase in population hitherto characteristic of them and are gradually approaching the average rate for the whole Country.

### Unemployment.

72. During the year ended 30th September, 1937, there was a substantial fall in unemployment in the Special Areas. This fall was more or less continuous in all three Areas, though there were occasional temporary setbacks. Statistics relating to the variations in the unemployment situation in the Special Areas from October, 1936, to September, 1937, will be found in Appendices I and II which are on a basis comparable to the figures published in the various Appendices to Sir Malcolm Stewart's three Reports.

73. The fact that the Special Areas are not co-terminous with the Areas covered by particular local offices of the Ministry of Labour has given rise to some difficulty in the preparation of these statistics. Certain of the unemployed in the Special Areas register at offices which are situated outside those Areas, and it is not possible for the Ministry of Labour, without excessive labour, to ascertain each month the numbers of such persons. It was accordingly decided at the outset to include in the figures, as indicated in the note to the relative Appendices in the earlier Reports, the numbers of unemployed registered at offices of the Ministry of Labour whose areas included any part of the Special



Areas. It was recognised that this involved the inclusion in the South Wales figures of the unemployed at, for instance, Cardiff, Swansea and Newport, but it was felt that this would not detract from the value of the figures as indicating the general trend of unemployment in the South Wales Special Area.

74. For the purposes of comparison statistics are now shown in Appendices III and IV confined to the unemployed registered at local offices of the Ministry of Labour whose areas are wholly or mainly within the Special Areas. These figures are an under-estimate of the true position, because they do not reflect employment changes in relation to persons who live within the Special Areas but are registered at local offices outside them. It is impossible to indicate from either set of figures the precise extent of the improvement in the employment position in the South Wales Special Area, but it lies somewhere between the positions revealed by the two sets of figures now presented.

75. During the 12 months under review the percentage of unemployment in the Special Areas of England and Wales fell from 29·5 to 21·9, the fall being fairly steady up to July, since when, in common with the rest of England and Wales, there has been a very slight increase. The improvement has been shared by all the Areas, though in differing degrees, as will be seen from the following table:—

Area.	Persons registered as unemployed.		Decrease during period.	
	21st Sept., 1936.	13th Sept., 1937.	Numbers.	Percentage.
West Cumberland ... ..	12,460	9,431	3,029	24·3
Durham ... ..	63,728	47,933	15,795	24·8
Tyneside ... ..	64,993	54,664	10,329	15·9
South Wales ... ..	141,771	98,580	43,191	30·5
<b>Total Special Areas ...</b>	<b>282,952</b>	<b>210,608</b>	<b>72,344</b>	<b>25·6</b>
<b>Great Britain ... ..</b>	<b>1,624,339</b>	<b>1,388,600</b>	<b>235,739</b>	<b>14·5</b>

The largest proportionate improvement has taken place in South Wales. The North East, however, still has lower percentages of unemployment than the other Areas. In the North East, the improvement in Durham has been more marked than on Tyneside.

76. The above figures and those contained in Appendices I and II are on a comparable basis to those published in Appendices V and VI of Sir Malcolm Stewart's Third Report and do not include the changes introduced by the Ministry of Labour in the national returns for September.

77. Since the Special Areas organisation was established the number of unemployed in the Special Areas has fallen from 347,566, or 35·3 per cent. of the insured population, to 210,608, or 21·9 per cent. The latter figure is only five points above the figure for the whole of Great Britain in November, 1934.

78. Appendix III shows that, if the figures are confined to those registering at Employment Exchanges whose areas are wholly or mainly within the Special Areas, they are naturally lower than those given in Appendix I, but the general tendency has been the same and the only material difference in volume is in South Wales. The percentage reduction in the Welsh figures during the year on this basis is 34·1 per cent. as compared with 30·5 per cent. on the basis of Appendix I, showing that there has been a greater proportionate improvement during the year in the mining valleys than in the sea-port towns.

79. Appendix II gives figures for the wholly unemployed only, but is split between men, women and juveniles, and can be compared with Appendix VI of Sir Malcolm Stewart's Third Report. The Appendix contains separate figures for South West Durham where it is encouraging to find that the wholly unemployed have fallen from 11,462 during the year to 9,078, or by 20·8 per cent. The number of women registered for employment in this Area is negligible, but no doubt if new light industries can be attracted to the Area many women, who do not now take the trouble to register for employment, will readily seize the opportunity of industrial employment in their own locality.

80. Appendix IV gives figures similar to those in Appendix II but confined to persons registering at Employment Exchanges whose areas are wholly or mainly within the Special Areas. Here again there is no marked difference except a substantial reduction in the figures in South Wales.

### **Local Variations in Unemployment during the Year.**

81. Without a single exception the unemployment index figure for every place in the Special Areas was lower in September, 1937, than in the previous September. In the Local Unemployment Index published by the Ministry of Labour, percentage figures of unemployment are given for 76 places in the Areas. In September, 1936, there were 18 places with percentages over 40, and 6 over 50, while the number over 30 amounted to 39. In September, 1937, when the figures were prepared on a slightly different basis, there were 14 places with percentages over 30, 5 over 40 and none over 43·5. The most startling reductions in unemployment during the 12 months in places with over 5,000 insured persons have been at Whitehaven in Cumberland, at Crook and Stanley in Durham, at Aberdare, Ferndale, Maesteg, Merthyr Tydfil, Mountain Ash, Port Talbot, Tonypany and Treorchy in Glamorganshire, and at Abertillery, Ebbw Vale and

Tredegar in Monmouthshire. At all these places the unemployment percentage is at least 10 points lower than a year before. At some places in the Areas the unemployment percentage is now actually below 5 per cent., namely, Consett, Horden and Sedgfield in Durham and at Resolven in Glamorganshire. At five places in Durham the percentage is below the national figure.

82. Although these figures indicate the marked improvement which has taken place during the 12 months, the improvement has not been evenly distributed.

83. In Cumberland there has been a great reduction of unemployment at Whitehaven where the percentage figure has fallen by over 20 points owing to the re-opening of the Collieries, made possible by assistance from the Nuffield Trust and the Special Areas Reconstruction Association. But the figures for Cleator Moor (34.9 per cent.) and Maryport (38.9 per cent.) remain very high.

84. In Durham and Tyneside there have not been such startling reductions as at Whitehaven or at several places in South Wales, but the improvement has been general. The highest figures in Durham are, as was to be expected, in the South West portion of the County, where Bishop Auckland records a figure of 33.4 per cent. and Shildon 31.7 per cent. These figures are, however, lower than the figures for the previous September by 6.1 and 7.1 respectively—an indication of the improvement which is gradually taking place even in this area. On Tyneside the highest figures are for Willington Quay (32.2 per cent.), North Shields (28.5 per cent.) and Jarrow and Hebburn (also 28.5 per cent.).

85. In South Wales the most striking improvement has been at Maesteg, where the figure has fallen in the course of the year from 67.1 per cent. to 28.4 per cent. The figures have fallen by more than 20 points at Merthyr Tydfil and Brynmawr, though these places still record the exceptionally high figures of 35.7 per cent. and 41.3 per cent. respectively. Ferndale, Pontlottyn, Pontypridd and Pembroke Dock also record figures of over 40 per cent. At the last named two places there has unfortunately been little improvement during the year, but the employment to be given on the Treforest Estate ought to effect a reduction in the Pontypridd figures during the next 12 months. Although the figures for the Rhondda remain high they have fallen by some 15 points during the year, a considerable part of this reduction being probably due to transference out of the area.

86. The improvement in Monmouthshire has been greater and more evenly distributed than in Glamorganshire. There has been a fall of over 15 points at Abertillery and Blaina, both of

which places used to be regarded as exceptionally "black" spots, and a fall of over 18 points at Risca. Ebbw Vale, where Richard Thomas & Company are establishing their new steel works, has already reduced its figure to 14.1 per cent. and there should be a still further reduction when the works begin production.

87. The following table gives, for the five Counties which contain substantial portions of the Special Areas and for the County Boroughs within the Areas, the number of insured persons unemployed on 13th September, 1937, expressed as a percentage of the total number of insured aged 16 to 64 years.

<i>County or County Borough.</i>	<i>Percentage of Unemployment.</i>	<i>Decrease as compared with 21st Sept., 1936.</i>
Cumberland ... ..	18.5	6.3
Durham County ... ..	17.5	5.3
Northumberland ... ..	14.1	3.3
Glamorganshire ... ..	21.2	9.0
Monmouthshire ... ..	18.4	9.4
Gateshead ... ..	26.4	5.4
Newcastle-on-Tyne ... ..	13.2	2.4
South Shields ... ..	26.1	7.1
Sunderland ... ..	23.8	4.4
Tynemouth ... ..	28.5	3.2
West Hartlepool ... ..	17.6	4.4
Merthyr Tydfil ... ..	35.7	22.2

(The corresponding figures for Great Britain were 9.7 and 1.8.)

### Age Distribution of Unemployed Men.

88. An analysis of the live register by age was carried out by the Ministry of Labour on 3rd May, 1937, and some interesting aspects of the decline in the unemployed in the Special Areas are revealed by comparisons of this analysis with those carried out in May, 1936, and May, 1935.

89. In May, 1937, the total number of men on the live registers of the Employment Exchanges and Employment Offices serving any part of the Special Areas of England and Wales was 197,722, a decrease of 67,576 as compared with the previous year. In May, 1936, the decrease on the year before was only 28,315 so that the fall in the 12-month interval was more than twice as great in May, 1937, as it was in May, 1936. This was largely due to the improvement in South Wales and Monmouthshire, where there was a drop of 37,727 men between May, 1936, and May, 1937, as compared with one of 2,617 in the previous year.

90. If the total number of men is divided into three age groups their distribution was as follows:—

	18 to 34 years.	35 to 54 years.	55 and over.	Total.
At 3rd May, 1937.	71,250	84,266	42,206	197,722
Decrease on May, 1936.	} Number 37,756	} 24,798	} 5,022	} 67,576
Decrease in May, 1936, on May, 1935.	} Number 21,666	} 5,395	} 1,254	} 28,315

It will be seen that the greatest decrease took place among the younger men aged 18 to 34 years, the number of whom fell by over one-third in the twelve months, while the smallest decrease was among the elderly men over 55 years of age, the number of whom fell by approximately one-tenth.

91. In actual numbers these decreases all compared very favourably with corresponding decreases in the previous year, being nearly twice as great in the case of the young men (18-34) and roughly five times as great in the case of the two other groups. There has thus been a marked acceleration in the rate of decline, which, though greatest in the case of the middle-aged and elderly, is nevertheless very marked even among the younger men.

92. If the figures are more fully subdivided according to age, the following table shows the distribution of the men for all three Areas combined:—

<i>Men Aged.</i>	<i>Unemployed at 3rd May, 1937.</i>	<i>Percentage Decrease on May, 1936.</i>
18-20 ... ..	6,517	41·9
21-24 ... ..	18,293	36·9
25-34 ... ..	46,440	32·5
35-44 ... ..	43,076	24·9
45-54 ... ..	41,190	20·3
55-59 ... ..	21,869	15·2
60-64 ... ..	20,007	5·1
65 and over ... ..	330	5·4
Total ... ..	197,722	25·5

It will be seen that there is a steady fall in the percentage decrease from 42 per cent. in the case of the youngest group (youths aged 18 to 20 years) to 5 per cent. in the case of those aged 60 years and over. Although this progressive decline represents very fairly the demand for workers at the various ages, it does not follow that that demand is exercised within

the Special Areas themselves, as part of the greater decrease among the younger men is due to transference out of the Special Areas.

93. The total decrease on last year in the number of men included in this analysis was distributed among the three Special Areas in England and Wales as follows:—West Cumberland with 9,613 had a decrease of 1,363, or 12·4 per cent., on 1936; Durham and Tyneside with 94,045 had a decrease of 28,486, or 23·2 per cent., on 1936; and South Wales with 94,064 had a decrease of 37,727, or 28·6 per cent., on 1936. Corresponding changes in May, 1936, compared with May, 1935, were:—West Cumberland an increase of 446; Durham and Tyneside a decrease of 26,144; and South Wales a decrease of 2,617; making a total decrease of 28,315 men.

94. In the case of Cumberland the decrease in 1937 compared with 1936 was mainly among the younger men, 68 per cent. being in the group aged 18 to 34 years, while only 6·5 per cent. was among men aged 55 years and over.

95. In Durham and Tyneside and South Wales, 55 per cent. of the decrease took place in the 18 to 34 years group, while 8·7 per cent. in Durham and Tyneside and 6·5 per cent. in South Wales was among men aged 55 years and over. Thus, in Durham and Tyneside, although the total number of men did not decrease to quite the same extent as it did in South Wales, a slightly higher proportion was among the older men.

96. As a result of these differential rates of decrease in the age groups, the age constitution of the unemployed in the Special Areas is changing, and the problem of their employment is becoming more difficult on account of the increasing proportion of older men among them. In May, 1936, 58·9 per cent. of the total number of men included in the age analysis were over 35 years and 17·8 per cent. were over 55 years, but in May, 1937, 64 per cent. were over 35 years and 21·4 per cent. were over 55 years. In South Wales this was especially noticeable, 60·2 per cent. being over 35 years in May, 1936, but 66·7 per cent. in May, 1937, while men over 55 years had increased from 17·9 in 1936 to 22·5 per cent. in 1937.

#### **Duration of Unemployment.**

97. In Appendix III of Sir Malcolm Stewart's First Report and Appendix VIII of his Third Report, statistical tables were given analysing, according to the length of their last spell of registered unemployment, the number of wholly unemployed men, aged 18 to 64 years, applying for insurance benefit or unemployment allowances, who were on the register of Employment Exchanges serving any part of the Special Areas in England and Wales on 15th April, 1935, on 22nd July, 1935, and 20th July, 1936. A similar analysis was carried out at

26th July, 1937, and the results are shown in Appendix V together with figures indicating the increase or decrease as compared with July, 1936. The continuity of this series of comparisons has been affected to some extent by the inclusion this year of unemployed men who were on 1st April, 1937, admitted as applicants for allowances under the arrangements for the second appointed day for unemployment assistance. Another new factor was the inclusion of a small number of claimants for agricultural benefit.

98. For the purposes of comparison, the number of these new entrants into the category of claimants and applicants is shown separately in the Appendix. Allowing for the increase due to the inclusion of the new classes, the total number of men in the Special Areas who had been unemployed for a year or longer decreased in the year under review by some 31,000, i.e., by 24,975 plus 5,923. It will be seen that during the 12 months the numbers declined substantially in each group, except that of "five years or more" in which there was a small increase of 150 which is probably more than set off by the increase due to the inclusion in the figures of the additional applicants above mentioned, many of whom have undoubtedly been unemployed for prolonged periods. The exceptional nature of this "five years or more" group was explained in paragraph 72 of Sir Malcolm Stewart's Third Report and the movement in it may be regarded as satisfactory. All the other groupings show satisfactory decreases.

99. Out of a total decrease of 45,773 men, 24,975 (or 54.6 per cent.) had been unemployed for a year or more and of this latter number 7,250 had been on the register for four years or more, 11,932 for three years or more and 17,679 for two years or more.

100. If the number of new entrants referred to above is taken into consideration, it will be seen that during the 12 months from July, 1936, to July, 1937, the live register in the Special Areas was reduced by over 55,000 men applying for insurance benefit or unemployment allowances. Of that number some 30,000, or 55 per cent., had been unemployed for a year or more.

101. On the same basis (i.e., taking into consideration the second appointed day and agriculture claimants and applicants) the proportion of the total decrease in each Area which the "one year or more" men represented was as follows:—West Cumberland 13.7 per cent.; Durham and Tyneside 62 per cent.; and South Wales 53.6 per cent. As the figures stood at 26th July, 1937, the proportion of men unemployed for a year or more was as follows:—West Cumberland 57.5 per cent.; Durham and Tyneside 50.6 per cent.; and South Wales 54.7 per cent.

102. It will be seen that while the percentage of long term unemployment is much the same in all three Special Areas, it is highest in Cumberland and lowest in the Durham and Tyne-side Area.

### Industrial distribution of Unemployed.

103. The Ministry of Labour have recently provided me with sets of figures showing the numbers of insured persons in the principal industries in the Special Areas, and the numbers of those persons unemployed at certain dates during the past three years. Particulars for the largest industrial groups, in each of which there were in August, 1934, more than 10,000 unemployed, are given in the following table:—

Industry Group.	Insured Persons July, 1936.	Increase or Decrease on July, 1935.	Recorded Unemployed at August, 1934.	Increase or Decrease on previous year at :			Total Decrease August, 1934 to August, 1937.	
				August, 1935.	July, 1936.	August, 1937.	Persons.	Per cent.
Coal Mining...	298,150	- 18,800	106,107	- 4,266	- 12,309	- 49,394	- 65,969	- 62.2
Distributive Trades.	128,290	- 640	23,101	+ 1,727	- 3,068	- 3,910	- 5,251	- 22.7
Transport and Communications.	75,490	- 2,930	26,883	- 1,285	- 3,703	- 5,138	- 10,126	- 37.7
Public Works	54,430	+ 2,580	35,940	+ 3,031	+ 1,555	- 5,098	- 512	- 1.4
Building ...	50,650	+ 1,180	14,909	+ 39	- 1,980	- 1,751	- 3,692	- 24.8
Engineering...	47,250	+ 3,840	14,800	- 2,498	- 5,425	- 1,803	- 9,726	- 65.7
Shipbuilding	34,850	- 260	25,712	- 3,503	- 7,130	- 2,875	- 13,508	- 52.5
Iron and Steel	30,840	+ 730	11,470	- 3,355	- 757	- 2,245	- 6,357	- 55.4
All Industries and Services.	959,810	- 12,270	319,015	- 7,395	- 40,226	- 81,540	- 129,161	- 40.9

104. The largest numerical decreases over the three years in the numbers unemployed took place in coal mining, shipbuilding transport and communications and engineering, but engineering showed the largest percentage decrease (65.7 per cent.) followed by coal mining (62.2 per cent.), iron and steel (55.4 per cent.) and shipbuilding (52.5 per cent.). These figures show, in general, a very substantial improvement in the industrial position especially as the greatest reductions are mainly in the all-important basic industries which are dependent to so great a degree upon international trade.

105. It should be noted, however, that decreases in unemployment as shown for any industry are not a precise indication of improvement in the industry within the Special Areas themselves, owing to the effect of transference to other parts of the Country and to other industries.

106. It is frequently argued that the effect of changes in population is to give an impression of improvement in an industry due to falling unemployment, when in fact little may



exist, but the converse is overlooked that the industry in which employment has been found will, as the workers are not registered in it, show no corresponding decline in unemployment. Whilst the figures relating to the coal mining industry show a decrease in the numbers employed in the industry as between July, 1935, and July, 1936, as a result of the migration of miners into such industries as building, public works contracting, etc., it is satisfactory to note that there were increases in the figures in other heavy industries during the same period.

107. Moreover, now that there is once more a demand for skilled miners, many of these men are returning to their former occupations, but the resulting fall in unemployment is frequently registered in their alternative industrial occupation and not in coal mining where the recovery has actually taken place.

108. Despite limiting considerations like these, the figures shown in this table are a useful guide to the incidence of industrial unemployment and to the improvement that has recently taken place.

#### Special Enquiry into age and industrial qualification of Unemployed Men.

109. On 15th of March, 1937, the Ministry of Labour carried out a special enquiry into the age and industrial qualification of all men (aged 18-64) registering at Employment Exchanges and their attached offices lying within the Special Areas. Men living within the Special Areas but registering at offices outside the Special Areas boundaries were omitted.

110. As it was desired that only cases of prolonged unemployment should be covered in the detailed analysis, the enquiry was further restricted to men who had been unemployed for at least three months—a group numbering 120,756, or 64 per cent. of the total number of unemployed men in the Areas covered. In the three Special Areas the percentage included varied considerably from the average, being as high as 78 per cent. in South Wales and 67 per cent. in West Cumberland, but only 56 per cent. in Durham and Tyneside.

111. The total number of 120,756 was distributed as follows among the three Areas:—West Cumberland, 7,354; Durham and Tyneside, 60,665; and South Wales, 52,737; and these totals were distributed by age groups as follows:—

Aged.	West Cumberland.		Durham and Tyneside.		South Wales.		Total.	
	No.	Per cent.	No.	Per cent.	No.	Per cent.	No.	Per cent.
18-34 ...	2,600	35·4	21,117	34·8	14,404	27·3	38,121	31·6
35-44 ...	1,649	22·4	13,348	22·0	11,916	22·6	26,913	22·3
45-54 ...	1,594	21·7	12,464	20·6	12,671	24·0	26,729	22·1
55-64 ...	1,511	20·5	13,736	22·6	13,746	26·1	28,993	24·0
Total ...	7,354	100·0	60,665	100·0	52,737	100·0	120,756	100·0

112. Thus in West Cumberland 42·2 per cent., or 3,105 men, were over 45 years of age; in Durham and Tyneside the proportion was 43·2 per cent., or 26,200 men; and in South Wales it was 50·1 per cent., or 26,417 men. The particularly high proportion of elderly men in South Wales is even more noticeable in the sub-group aged 55 to 64 years given in the table above, where the proportion included was as high as 26·1 per cent., whereas in West Cumberland it was only 20·5 per cent, and in Durham and Tyneside 22·6 per cent.

113. Out of 57,113 men in this analysis registered in the four main industries, coal mining, shipbuilding, engineering and building, no fewer than 21,336 men, or 37·4 per cent., were classed as skilled. Their distribution among the four industries was as follows:—

Aged.	—	Coal mining.	Ship-building.	Engineering.	Building.	Total of 4 industries.
18-34 years	Skilled ...	3,591	567	547	872	5,577
	Unskilled	8,381	1,004	643	1,968	11,996
35-54 years	Skilled ...	7,461	892	464	717	9,534
	Unskilled	12,050	1,293	632	2,028	16,003
55-64 years	Skilled ...	4,681	678	488	378	6,225
	Unskilled	5,723	761	355	939	7,778
18-64 years	Skilled ...	15,733	2,137	1,499	1,967	21,336
	Unskilled	26,154	3,058	1,630	4,935	35,777

114. Of the total of 120,756 men included in the analysis there were 41,887, or 34·7 per cent., in the coal mining industry distributed as follows: 2,185 in West Cumberland (where it formed 38·3 per cent. of the total in that Area), 14,325 in Durham and Tyneside (23·6 per cent.) and 24,747 in South Wales (46·9 per cent.).

115. The position of South Wales is thus the worst of all three Areas in two respects; first, it includes a higher percentage of elderly men and, secondly, its dependence on a single industry (in this case coal mining) is highest.

#### Transference.

116. In Appendix VI there is given a table showing the number of persons transferred out of the Special Areas in the 12 months ended 31st August, 1937, under schemes directed or assisted by the Ministry of Labour or myself, and the number of other men from the Special Areas who are known to have found work for themselves during the 12 months ended 30th June, 1937. There is no precise information as to how many of these persons returned again to the Areas, but there is reason to believe that, with the return of prosperity to many parts of the Areas, the proportion who go back home after a period of employment in the Midlands or South of England is growing.

117. It will be seen from this Appendix that some 43,000 persons are known to have left the Areas during the 12 months in order to obtain employment elsewhere. This figure excludes dependants who did not go into employment. Of this total some 21,500 went from South Wales and 19,300 from the North East. While one must regret the need for this large scale transference of population out of the Areas, it is enabling thousands every month to obtain employment which few of them could have hoped to get if they had remained in their own districts.

118. There are several features of interest in Appendix VI, which for the first time gives complete figures of transference out of the Special Areas for a whole year. The number of men transferred under the Ministry of Labour's schemes is about three times the number of women, but there is not the same difference between boys and girls. Nearly as many girls were in fact transferred as women. The monthly average number of persons transferred under the official schemes remained fairly constant at about 2,400 during the first 10 months, but the figure fell to under 2,190 during the last two months. The fall was mainly accounted for by the large reduction in the case of boys, where the monthly average fell from 444 to 272.

119. Wales and West Cumberland continue to send away many more boys than girls, but the North East during the second half of the year sent more girls than boys. It is also to be noted that a higher proportion of Welshmen than Northerners find work for themselves; of the men who are known to have left the Areas, some 60 per cent. of the Welshmen, but only about 42 per cent. of men from Durham and Tyneside, found work for themselves.

120. A comparison with the figures for the first eight months of 1936 given in Appendix IX of Sir Malcolm Stewart's Third Report affords some interesting facts. The monthly average number of persons transferred under official schemes fell from 2,714 to 2,349, the fall in the number of men being from 1,272 to 1,192, and in women from 542 to 389. The boys' average fell from 488 to 416 and the girls' average from 412 to 352. The average monthly number of men who found work on their own account fell from 1,373 to 1,232. From these figures it looks as if the peak of transference activity has been passed, a conclusion which few, I imagine, will regret. But it must never be forgotten that transference has played a great part in relieving the position of the Areas since the depression of 1931. Even in the period of under three years since the Special Areas Act was passed some 75,000 persons have left the Areas under official transference schemes; no doubt many of these have returned, but if the transference scheme had not been in operation the unemployment figures in the Special Areas would have been

much higher than they are and tens of thousands would have missed the opportunity of becoming independent, self-supporting members of the community.

121. Transference must be continued for some time yet! There are places in the Special Areas which will never, so far as one can judge, be able to absorb all their unemployed locally. But I look forward to a steadily improving position in the Areas as a whole with a diminishing need for transference. In the meantime it is satisfactory to know that so many young persons from the Areas are learning trades in other parts of the Country and establishing a reservoir of skilled labour on which new industries in the Areas will be able to call if they find local supplies insufficient for their needs.

#### **Board of Trade Survey of Industrial Development, 1936.**

122. According to the Board of Trade survey, of 551 new factories established in Great Britain in 1936, eight were in the Special Areas. Of these all but one new enterprise at Cocker-mouth in Cumberland and one at Cwmbran in Monmouthshire were in the North Eastern Area, five being on the Tyne and one at West Hartlepool. Of 201 factory extensions, there were only three in the Special Areas, all on the Tyne. During the year, six factories were closed in the Areas, five in the North East and one in Cumberland.

123. These dismal figures speak for themselves, and amply justify the conclusion reached by Sir Malcolm Stewart after two years' operation of the original Special Areas Act that the powers conferred on the Commissioner under that Act, apart from the power to establish Trading Estates, were insufficient to enable him to attract new industries to the more depressed parts of the Special Areas. The new factories on the Trading Estates had not been established in time for inclusion in the 1936 Survey. Fortunately, with the aid of the Nuffield Trust and the new powers conferred by the Amendment Act of this year, coupled with the establishment of the Trading Estates in Team Valley and at Treforest, much greater success has been achieved since the end of 1936 and the Board of Trade's surveys for 1937 and 1938 should show an appreciable number of new factories in the Special Areas.

124. The most hopeful section in the Board of Trade survey is that which analyses the reasons given by 413 of the new undertakings as the chief factors which had operated in deciding the location of the new factories. In 54 per cent., or 222 cases, "convenience of premises" was quoted as the chief reason, while the next largest number (57, or 13.8 per cent.) gave "suitability of labour". No premises can be more suitable than the modern well-designed factories now being erected on my behalf by the Trading Estates Companies, while the Special

Areas are some of the few parts of the Country which can still claim to have an abundant supply of labour available for new concerns. It is interesting to note that in only 23 cases, or about 5½ per cent., was the chief reason given as "cheap land, low rent or low rates". This tends to corroborate the opinion I have formed that the comparatively high rates in some of the Special Areas are not a serious factor in discouraging the establishment of new industries which, of course, have the advantage of the Derating Act.

### Industrial Situation in the Heavy Industries.

125. In his Second and Third Reports Sir Malcolm Stewart called attention to certain factors in the general industrial situation which might militate against any material increase of employment in the staple industries of the Special Areas and illustrated these factors by reference to the position in the coal, iron and steel and shipbuilding industries. In view of the great importance of these industries to the Special Areas and of the fact that all have shown very substantial improvement during the last 12 months, it will be of interest to give a brief account of their recent development.

#### Coal.

126. In Sir Malcolm Stewart's Third Report (paragraphs 81 to 87) an account was given of some recent changes in the coal-mining industry and I have thought it desirable to bring that information up to date. The following is a table similar to that printed in the Third Report but showing the position up to the end of 1936:—

*Disposal of Coal in Special Areas and Great Britain.  
In million tons.*

—	—	1929.	1932.	1935.	1936.
Northumberland and Durham.	Output ... ..	53·55	39·97	44·30	45·80
	Shipped abroad ...	23·99	15·66	15·28	14·19
	Available for Home consumption ...	29·56	24·31	29·02	31·61
South Wales ...	Output ... ..	48·15	34·87	35·03	33·89
	Shipped abroad ...	28·80	19·72	18·39	15·88
	Available for Home consumption.	19·35	15·15	16·64	18·01
Great Britain ...	Output ... ..	257·91	208·73	222·25	228·45
	Shipped abroad ...	82·15	57·15	55·54	50·34
	Available for Home consumption.	173·50	149·50	164·47	175·90

It will be seen that in the North Eastern Area the output in 1936 was 1½ million tons greater than in the previous year and the amount shipped abroad rather over 1 million tons less;

the amount available for home consumption was, however, substantially greater even than in 1929. In South Wales, on the other hand, the output was rather over a million tons less; the amount shipped abroad was  $2\frac{1}{2}$  million tons less than in the previous year and the amount available for home consumption, while greater than in 1935, was still substantially less than in 1929. The figures for the Country as a whole show that, while the output was some 6 million tons greater than in 1935, the amount exported was rather more than 5 million tons less. The amount available for home consumption was about  $11\frac{1}{2}$  million tons greater than in 1935 and 2.4 million tons greater than in 1929.

127. Fortunately, however, the position of the Special Areas has improved appreciably during the present year. The following table shows the output of saleable coal during the first nine months of 1936 and 1937 and the amounts shipped abroad during the first eight months of these two years:—

	Saleable output 1st nine months.		Exports shipped abroad 1st eight months.	
	1936.	1937.	1936.	1937.
Northumberland and Durham	33.98	35.47	9.40	9.87
South Wales ... ..	24.78	28.38	10.18	12.46
Great Britain ... ..	168.63	178.47	30.17	33.92

It will be seen from this table that both in Northumberland and Durham, and in South Wales, the output and shipments abroad have increased, the increase in exports from South Wales being the very substantial amount of 2.28 million tons. If this progress continues, the position in both areas will be greatly improved but they will still be a long way behind the figures of 1929 and, indeed, unless the rate of increase improves substantially during the rest of the year, exports will not greatly exceed those of 1935.

128. There has been an appreciable recovery in employment in the coalmining industry. For Great Britain as a whole the average number of wage earners on the books for the first nine months increased from 756,000 in 1936 to 774,700 for 1937, an increase of 18,700; for Northumberland and Durham the average figures are 151,100 for 1936 and 158,700 for 1937, an increase of 7,600; and for South Wales 126,000 for 1936 and 131,800 for 1937, an increase of 5,800.

129. In Cumberland the re-opening of the Whitehaven Collieries in April last, already reported, was the most important development. The average number of wage earners in the area

has increased from 5,000 in the first eight months of 1936 to 5,800 in the corresponding period of 1937 and it is confidently expected that this number will be substantially increased as the Whitehaven Collieries get into full working order.

130. While the improvements above described are very welcome, it is still evident that no likely increase in the coalmining industry will absorb more than a small part of the unemployed labour in the Areas and so far as the industry itself is concerned it is to be hoped that the possibility of finding new methods of treating coal will be actively pursued. During the year the Government appointed a Special Committee to consider the production of oil from coal and it is understood that its report will be available before very long.

### Iron and Steel.

131. Certain figures relating to the output of pig iron in the United Kingdom were given in paragraph 89 of Sir Malcolm Stewart's Third Report. The output has steadily increased since the date of that Report and in 1936 averaged 640,000 tons per month, an output exceeding that of 1929, which was 632,400 tons.

132. There are no exact figures of output per man-shift, but an attempt has been made to estimate the output per person employed in the industry and the result is shown in the table below, which gives comparative figures for the first eight months of the years 1929, 1932, 1935, 1936 and 1937. The figure of insured persons is the number at July in each year, except in the case of 1937, for which that figure is not yet available. The second column gives the average of the number of persons shown on the register as unemployed during each of the eight months and the third column is the difference between those two figures.

*Pig Iron Production and Employment in the United Kingdom in first eight months of 1937 with comparative figures for earlier years.*

*Monthly averages.*

—	Insured.	Unemployed.	Employed.	Output.	Output per person employed.
1937 (1936) ...	16,070	1,714	14,356	681,600	47·5
1936 ...	16,070	2,472	13,598	631,300	46·4
1935 ...	16,130	3,607	12,763	532,960	41·7
1932 ...	18,080	8,156	9,924	310,600	31·3
1929 ...	22,070	2,802	19,268	618,970	32·1

133. If the assumptions involved in this table are reasonably correct, it will be seen that since 1929 there has been an increase

of almost 50 per cent. in the output per person employed. It is evident, therefore, that there has been a very great increase in the output per man in this industry even within the past five years, and that, in the absence of an exceptional increase in output, the industry is not likely to give much increased employment.

134. The output of steel ingots and castings in 1936 was 11,785,200 tons and exceeded the 1935 output by nearly 2,000,000 tons, or about 17 per cent. The output for the first eight months of 1937 averaged 1,048,100 tons and showed a substantial increase over the average for the corresponding period of 1936. The highest output in the first half-year was 1,109,500 in March and this was not exceeded until September with an output of 1,163,000. It is understood that output has been limited to some extent by a shortage of raw materials but that this is being overcome. The opening of the new Ebbw Vale works, which should not now be long delayed, will also make an important contribution to output.

135. In the absence of employment figures for the crude steel industry, it is not possible to give a comparison of employment to output exactly similar to that given above for pig iron. The Ministry of Labour employment statistics for iron and steel production include also persons employed in iron and steel rolling, etc. As, however, the output of crude steel determines to some extent the employment provided in the other parts of the industry, the following table has been prepared for the industry as a whole, on similar lines to that for pig iron above:—

*Steel Production and Employment in the United Kingdom in the first eight months of 1937 with comparative figures for earlier years.*

*Monthly averages.*

—	Insured persons.	Unemployed.	Employed.	Output of Crude Steel tons.	Proportion of tons output to employed persons.
1937 (1936)	169,960	19,695	150,265	1,048,100	7·0
1936 ...	169,960	26,090	143,870	948,775	6·6
1935 ...	161,870	38,344	123,526	795,555	6·4
1932 ...	167,760	81,467	86,293	434,512	5·0
1929 ...	178,720	34,246	144,474	806,100	5·6

136. This table shows that the average number in employment during the first eight months of the year was some 4 per cent. greater than in 1929, though the number of insured persons was substantially less. The average unemployment percentage is in excess of 10 per cent., notwithstanding the fact that the industry



appears to be working to a high degree of capacity. This would suggest either that improvements in methods have made it impracticable to employ more men on the present plants or that some proportion at least of those unemployed are not, for one reason or another, capable of being re-absorbed in the industry.

### Shipbuilding.

137. The improvement in shipbuilding referred to in the Third Report has continued. The merchant tonnage under construction in the United Kingdom on 30th September, 1936, was 928,571 tons and this had increased by June, 1937, to approximately 1,200,000 tons. Most of this increase took place during the first six months of the present year. The tonnage being built on the North East Coast, including the Tees, on 30th June, 1937, was 366,174 tons, or 30·5 per cent. of the total, thus showing a substantial gain both in amount and proportion as compared with the position at 30th September of last year when the figures were 243,923 tons and 26·2 per cent. These figures are exclusive of naval shipbuilding orders, of which a very substantial amount has been placed on the Tyne.

138. The tonnage launched in the United Kingdom in 1936 amounted to 856,000 tons as compared with 499,000 in 1935, and the Wear and the Tyne occupied the second and third places among the shipbuilding centres, with 138,799 tons and 109,441 tons respectively; the Clyde as usual took first place.

139. In attempting a survey of the employment position some difficulty is caused by the fact that the latest figure for the number of insured persons in the shipbuilding and shiprepairing industry at present available is for July, 1936, and a proper comparison of employment figures is not possible until the figure for July, 1937, is available. It may be noted, however, that the number recorded as insured in July, 1935, was 157,230 and in July, 1936, 161,850—an increase of 4,620 persons. The unemployment percentage in August, 1936, was 30·5. The percentage for August, 1937, is 23·5—showing a substantial fall. The numbers of persons on the register on 24th August, 1936, was 49,379, and on 23rd August, 1937, 38,060. There has thus been a fall in actual numbers of unemployed of over 11,000.

140. An attempted estimate of the recent increase in the employment value of the industry may be made by taking the figures of tonnage under construction on 30th June in each of the three years 1935, 1936 and 1937, which were 560,321 tons, 848,732 tons and 1,199,973 tons, and comparing these with the numbers in employment at these dates. The year 1936 shows an increase in tonnage of 51 per cent. on June, 1935, and June, 1937, an increase of 41 per cent. on June, 1936. At July, 1935, the number of insured persons was 157,230 and in August, 1935, the unemployment percentage was 41·3. The corresponding

figures for July, 1936, were 161,850 and 30.5 per cent. and an approximate calculation based on these figures shows for this period an increase in numbers employed of 22 per cent. as compared with the increase in tonnage under construction, during approximately the same period, of 51 per cent. A similar estimate cannot be made for 1937 in the absence of the figure for the number of insured persons at July, 1937, but it is evident that the increase in employment is not nearly in proportion to the increase in tonnage. It has further to be remembered that these figures do not include warship construction, the increase in which has been considerable during the past year. Though exact figures are lacking, increased efficiency in construction appears to be operating in this as in other industries.

141. There was a very rapid increase in the merchant shipbuilding programme during the first nine months of the period under review and also a large increase in the Chamber of Shipping index of freight rates which increased from 116.7 (on the basis of 1930=100) for the July-September quarter of 1936 to nearly 200 in August, 1937. There has, however, recently been a slowing down in the shipbuilding programme as evidenced by the fact that the tonnage under construction on 30th September was some 15,000 tons less than on 30th June of this year and it is understood that new orders are not coming in so rapidly as earlier in the year. There are also some indications recently of a slight falling off in the demand for shipping. It seems quite possible, therefore, that there will be little further increase in the shipbuilding programme in the near future, and little, if any, increase in the employment afforded. This check in the expansion of the industry may, however, not be altogether undesirable if it tends to a more even spread of employment.

#### **General Conclusion.**

142. The preceding paragraphs show that there has been during the past 12 months a greater expansion in the three basic industries than could perhaps have been anticipated a year ago, but that nevertheless the increase in employment resulting from this activity has not been in proportion to the increase in output and that all three still show substantial percentages of unemployment. The unemployment position in the Special Areas has certainly shown very substantial improvement during the past year and the fall in the number of unemployed has undoubtedly been due in part to the improvement in the heavy industries and to the effect of the rearmament programme. These, however, have affected only certain parts of the Special Areas and there are still many places which have not so far benefited. The importance, therefore, of pressing on with the development of the Trading Estates and with the policy of attracting new, and especially light, industries by means of the powers contained in the Special Areas (Amendment) Act, is very apparent.

#### **PART IV.—SURVEY AND PROSPECTS OF THE POSITION IN THE DURHAM AND TYNESIDE SPECIAL AREA.**

(Contributed by Mr. COLIN FORBES ADAM, C.S.I., District Commissioner for the Durham and Tyneside Special Area.)

143. In the Special Areas of Durham and Tyneside, there have been really two separate industrial problems.

The first, that of the recuperation of a region of heavy industries, the second, that of the measures necessary to assist the population of an ageing coalfield where seams of coal were worked out, or so nearly worked out that to win coal from them was no longer an economic proposition.

144. With regard to the first problem, the solution which suggested itself was to secure at once a development of locally available employment, and a better balance of local industries, by offering substantial inducements to new light and light-heavy industries to establish themselves in the Area; and at the same time, by promoting works of public utility having economic or social value, to give indirect stimulus to such development.

145. Before 1936 the limitation of the Commissioner's powers referred to in Sir Malcolm Stewart's First Report debarred him from taking any steps directly to promote the establishment of new industries in the Area. Action was therefore confined to negotiating for financial assistance towards the construction of a deep water quay near the mouth of the River Tyne; the provisional approval of grants towards the cost of clearance of three derelict sites, and the improvement of two other sites. Secondary schemes with a view to assisting the economic development of the Area, but not directly related to industry, included small grants for the improvement of the Tyne banks and the navigation of the river; and several promenade, sea wall, and foreshore drainage works.

146. The supplementary policy of public utility schemes has been restricted to works urgently necessary on the grounds of public health—mainly improvements of hospital facilities and methods of sewage disposal—while the North East Housing Association has, since its formation in December, 1935, assisted substantially in the rebuilding programme which was essential to the Area's recovery.

147. The first clearly recognisable steps towards the practical adoption of a direct policy of industrial development were taken in the beginning of 1936 when a beginning was made with the establishment of a Trading Estate in the Area; and when a special organisation (Special Areas Reconstruction Association) was set up for the purpose of financing small industries which

required additional capital for their operation or extension. The policy of recuperation was further developed when the Nuffield Trust was established, and extended when Sir Malcolm Stewart's recommendation that definite inducements should be offered to industries to establish themselves was accepted and embodied in the Special Areas Amendment Act of 1937.

148. With the passing of that Act, the work of the Commissioner's department has been given a stimulus towards concentration upon local recovery which it never previously possessed; and, although only a few months have since elapsed, there is already evidence that the Commissioner's new powers have aroused substantial interest, which should increase as they become more widely known. Meanwhile, from 1936 onwards, the general recovery in trade has been making itself felt in the Area, and shipbuilding, steelmaking and coal mining have been able to offer increased opportunities of employment. The results during the last six months have been readily apparent on the Tyne and Wear and over the greater part of the Coalfield.

149. The Government's decision to rearm has, of course, enhanced the pace and volume of the recovery, and this should increase the chances of success open to the policy of introducing new industries of which the Trading Estate at Team Valley was the first step.

150. The Trading Estate has made an excellent start, but such initial success can hardly yet be used as an argument for attempting at once to multiply experiments in this direction, although comparison with the economic atmosphere before its establishment inspires considerable confidence in the present venture.

151. The problem of the oldest part of the Coalfield—mainly in South West Durham—has recently received more of the attention which its seriousness undoubtedly deserves. Although improvements of health services gave some temporary relief, and grants from the Special Areas Fund enabled considerable development to be made in the field of social service, the only permanent treatment which was applied was that of settlement on the land. The Durham County Council, before the appointment of the Commissioner, had been for some time active in experiment in this field, and with assistance from the Special Areas Fund, from 1935 onwards there has been a steady and satisfactory development of their work.

152. It is, therefore, true to say of the Durham and Tyneside Special Area that—while steps had been taken to improve the means of sewage disposal and other Health services, and satisfactory beginnings had been made with the work of local settlement on the land and the task of assisting re-housing—schemes for the removal of industrial dereliction, or in other fields where

conditions badly needed improvement, had made slow progress by the end of 1936, and a definite policy for promoting industrial recovery did not emerge until the beginning of the present year.

153. The present position may be summed up as follows: The Area is provided, in the North East Development Board, with a local organisation for propaganda, for the collection of economic information, and for the collation and expression of the needs of the Area as a whole, which has already done much valuable work. The Board works in close liaison with the North East Trading Estate Company, another local organisation designed to secure the local development of new light and light-heavy industries. A third local organisation, the North East Housing Association, is promoting the rapid development of new housing for the wage earning population. The Land Settlement Association and the Durham County Council are carrying out important experiments both in whole-time and part-time settlement of unemployed men upon the land.

154. Thus a very substantial part of the work necessary for the industrial recuperation of the Area is in the hands of bodies locally administered and having a lease of life which is independent of "special area" legislation.

155. For the mining area of South West Durham, the South West Durham Improvement Association has been set up with the object of taking special measures to promote recovery. It is just commencing operations, in respect of one of the most difficult and crippling problems in the Area, and it will require the wholehearted co-operation of all departments and local organisations in order to achieve a substantial measure of success.

156. Now that local organisations are getting energetically to work for the recuperation of their own Area, the field of action which demands a special machinery such as that set up by the Special Areas Act is becoming much more restricted. In the matter of grants to local or other public authorities, or to the voluntary organisations affiliated to the National Council of Social Service, the machinery of the District Commissioner has never acted as much more than a post office.

157. The work of training and transference of unemployed men has remained, rightly, entirely in the hands of the Ministry of Labour, and a new Division of this Ministry has now been created with its Headquarters in Newcastle.

158. In matters relating to the welfare of the unemployed population, the Unemployment Assistance Board has its local organisation already well established, possessing the advantages of detailed information and personal contact, and, therefore, equipped in every respect to foster and supervise the work which the Commissioner has started in this field. The Unemployment

Assistance Board is also competent to deal with the special problem of those categories of the unemployed who are the least likely to secure a return to full industrial employment, a problem which with recovering prosperity now much more readily admits accurate measurement of its dimensions and gravity.

159. From the point of view of Durham and Tyneside, the work of the Special Areas machinery may, not unjustifiably, be regarded as an experiment which, originally of slow growth has, if South West Durham is excepted, lately developed to such an extent that its further stages should be taken over and operated by the permanent Government Departments as part of the normal functions of government.

160. In this connection not the least interesting of the results of the experiment will be found perhaps to lie in the method of administration, and to relate to the benefits which might accrue from decentralisation of the administrative machine. The experiment has not gone far in this direction, but it might reasonably be claimed that, as far as it has gone, success has accompanied it. The method is, of course, analogous to that followed by the Ministry of Labour and later by the Unemployment Assistance Board. But in the experiment undertaken by the Commissioner's department, there has been this important difference—that the field of operation has not been that of one Government Department only. The work of District Commissioners has covered part at least of the spheres of several important Government Departments; and it might reasonably be said that the District Commissioners have been able to judge the Area as a whole, so that deductions from the experiment are not inapplicable to the machinery of government as a whole.

161. The question how far the volume of unemployment can be further reduced will depend upon the success of the measures now being adopted to induce new industries to establish themselves: upon the degree to which these measures are further developed: and upon the policy adopted by the Royal Commission recently set up.

162. It cannot be gainsaid that the best cure for all the evils which result from a local economic disaster is to bring economic activity back to the locality to the fullest extent possible.

163. The alternative is steady local decline, with emigration of the young and active members of the community, and a constant deterioration in the level of the resources, services, and prospects available to the great number who must inevitably remain. Such a state of affairs must appear intolerable to anybody who has intimate first-hand experience of the results.

164. It follows surely that the effort to restore and increase local economic activity should be energetically continued and expanded. The importance of other measures of assistance must

lie, primarily, in the contribution which they may make to the success of this effort; and resort to the provision of "sub-industrial" or "substitute" activities must never be allowed to obscure the urgent need for the prosecution of this main purpose by every available means.

COLIN FORBES ADAM.

## **PART V.—SURVEY AND PROSPECTS OF THE POSITION IN THE SOUTH WALES AND MONMOUTHSHIRE SPECIAL AREA.**

(Contributed by Captain GEOFFREY CRAWSHAY, D.L., District Commissioner for the South Wales Special Area.)

165. The Commissioner for the Special Areas has afforded me the privilege of expressing briefly my own views on the present position and future prospects of the Special Areas of South Wales.

It is unnecessary to attempt a survey of all the activities, economic and social, in the Area since the Special Areas (Development and Improvement) Act received Royal Assent in December, 1934, as those interested may refer to the relevant paragraphs in this and previous Reports of the Commissioner. For the same reason it is not my purpose to review in detail the nature and effect of the powers conferred upon the Commissioner by the Special Areas Act, 1934, and the Amendment Act of 1937. What follows must be regarded in the nature of a commentary by one who has been in close touch with the Area and its problems for a number of years and a personal expression of opinion as to their future. In all spheres of my work I have been assisted by the wholehearted co-operation of the Head-quarter staff of the Commissioner and their sympathetic consideration of local difficulties.

166. According to the Census of 1931, the population in the Special Areas of South Wales, as specified in the Act, was then 992,353, and when I took up my appointment, nearly three years ago, the number of persons registered as unemployed in the same Area was in round figures 111,000. In September, 1937, the total number registered was 65,000. The natural improvement in the coal industry and heavy basic trades, the armament programme, schemes initiated by the Commissioner and the transference policy of the Government have all contributed to the satisfactory decrease.

167. The number who have left the Area during the period under review must be considerable as, for every person transferred officially by the Ministry of Labour, it is probable that

one or more transfer without assistance. Dai in the Midlands finds a job for Ianto at home and many such cases are known to me personally. The policy of transference has been, and still is, criticised. In common with many others, one cannot but deplore a policy which has the effect of robbing Wales of her most enterprising sons and daughters as well as creating other vital problems of the future. But the facts must be faced. Every effort is now being made, and with some success, to bring new industries to Wales, but this is inevitably a long-term policy which may never prove successful in absorbing all the working population surplus to existing industrial requirements. The alternative is to condemn to an indefinite period of idleness those who are eager to obtain work which is not at present available for them in South Wales. There is consolation in the thought that those who have left are not necessarily permanently lost to Wales as I am convinced that, given an opportunity of work at home, thousands of the exiles would return. This is an argument which I have used with effect in negotiating new industries.

168. The Area has a share in the Government's armament policy and the developments at Bridgend and St. Athan in Glamorgan, and Glascoed in Monmouthshire, will soon provide temporary work for a very large number and permanent employment for a smaller but substantial number. Fortunately, perhaps, for the future of the Area, few if any of the new industries to be established are connected with armaments. As to the policy of economic development initiated by the Commissioner, I venture to say that, in spite of the many difficulties and disappointments encountered, the public-spirited individuals and organisations who are co-operating with him are not dissatisfied with the progress which has been made. It is obvious, however, that not less than three years must elapse before the full effect of the industrial policy can be judged. May I here be permitted to pay a personal tribute to the work of the Chairman, Directors and Staff of the South Wales and Monmouthshire Trading Estates, Limited. As the result of their untiring efforts remarkable progress has been made in the development and lay-out of the 165-acre site at Treforest, and already 17 firms have leased factories, three of which are completed and in production and the remainder in course of construction. Sites at Cyfarthfa (Merthyr Tydfil), Dowlais and Llantarnam, which have been acquired by the Commissioner, are also being developed by the Trading Estates Company, and modern factories will shortly be erected for substantial industrial concerns with whom agreements have been concluded.

169. The National Industrial Development Council of Wales and Monmouthshire has afforded me assistance in many directions. The Council has consistently endeavoured to further



the industrial interests of South Wales, but I feel compelled to express the opinion that the prestige and effectiveness of the Council would be enhanced if it received the same measure of support from local authorities and prominent industrialists as is accorded to similar organisations in other parts of the Country.

170. The work of the South Wales Board of the Special Areas Reconstruction Association has resulted in financial assistance being obtained for new and existing industries from the parent body and the Nuffield Fund. The facilities now available to industrialists under the Special Areas (Amendment) Act, 1937, should help materially in the future industrial development of the Area and steps are being taken to ensure that these become fully known.

171. To avoid overlapping on the part of all the organisations operating in the interests of the Special Areas, a Co-ordinating Committee has been established, of which I have been elected Chairman, and of which the following are members:—

Colonel G. T. Bruce, C.B., C.M.G., D.S.O. (Chairman of South Wales and Monmouthshire Trading Estates, Limited).

Mr. A. T. James, K.C. (Chairman of South Wales Board of Special Areas Reconstruction Association, Limited).

Professor H. A. Marquand (Director of Second Industrial Survey of South Wales).

The Lord Portal, M.V.O., D.S.O. (Chief Industrial Adviser to the Commissioner and Chairman of Special Areas Reconstruction Association, Limited, etc.).

Councillor George Williams, J.P. (Chairman of National Industrial Development Council of Wales and Monmouthshire).

172. As a small but helpful contribution to employment I must refer to the work of the Welsh Land Settlement Society, and as Chairman I wish to express my indebtedness to the members of the Council of Management and the officials for their unfailing support and enthusiasm.

173. The Society has to date acquired 2,500 acres which will provide Small Holdings or employment for 260 families. The type of Co-operative Farming enterprise being carried out at Sealand, Flintshire, and Boverton, Glamorgan, is an interesting and new form of land settlement.

174. Though it may be outside the scope of the work of the Society, I would suggest that the present time is opportune for a scheme on a large scale in South Wales for the improvement of grass hill-lands under the "Stapledon" process, with which is linked the planting of shelter belts.

175. In pursuance of his policy of assisting local authorities to provide modern health and other essential services, and to ensure from the standpoint of industry that such services and amenities are available, the Commissioner has approved for grant aid in the Special Areas of South Wales schemes for Sanitary and Water Services involving an expenditure of approximately £1,200,000. For Hospitals and Welfare Clinics, schemes estimated to cost £720,000 have been approved, and 15 Open Air Swimming Baths have been constructed or approved. These schemes involve a total expenditure exceeding £2,100,000.

176. The largest of these schemes necessitate prolonged investigations, and delays are inevitable. As an example, work on the approved Trunk Sewerage Scheme for the Eastern Valley of Monmouthshire, estimated to cost £254,000, will not commence for at least 12 months.

177. Negotiations in respect of all these schemes have brought me into close touch with local authorities in the Area and I wish to thank members and officials for their courtesy, patience and sense of humour in the existing circumstances.

178. Public work schemes of this character afford substantial temporary employment and, in the recruitment of labour, men in the older age groups receive preference.

179. If the maximum hopes of temporary and permanent employment are realised, there is still a problem which remains. Many years of industrial depression and lack of opportunities at home for the younger generation have resulted in an unbalanced population with an abnormally high percentage of older men whose prospects of work for wages compare unfavourably with those in the younger groups. In this respect some employers are assisting by giving an opportunity of work to older men and I would appeal to others to pursue this policy and to exercise the necessary patience in the first weeks of re-employment.

180. Reference to this problem and measures of temporary assistance, such as Allotments, Group Holdings and Subsistence Production, are made elsewhere in this Report.

181. The admirable work, in its many spheres, of the South Wales Council of Social Service and other voluntary organisations, with whom I have worked in the closest harmony, has enabled many of these men and others to utilise to good advantage their enforced leisure.

182. It is appropriate to refer here to the Miners' Pension Scheme now under consideration jointly by the Monmouthshire and South Wales Coalowners' Association and the South Wales Miners' Federation, which I hope will soon materialise.

183. What of the future? Here is an Area with a great industrial past and a present surplus of workers awaiting employment, whose roots are firmly embedded in their native valleys. The Welshman's passion for education has had its result in a highly intelligent and adaptable population. The health and essential services are already, or will be shortly, the equal of similar services in any part of Great Britain. There are coal mines with an inexhaustible reserve of coal, and modern steel and tinplate works conveniently served by a seaboard with well equipped ports. An exhaustive survey of the economic potentialities of the Area has been directed by Professor H. A. Marquand (Second Industrial Survey of South Wales) and a Survey of the Iron Ore Deposits is nearing completion. Substantial inducements of a novel and unorthodox character are now available to prospective industrialists.

184. In one respect the incidence of unemployment is common to the whole Area; for all localities, with the exception of the Borough of Pembroke where the circumstances differ, depend for their prosperity to a greater or less extent on the coal industry. It is coal, allied to iron and steel, to which South Wales, including the seaboard, owes her past prosperity and which is responsible for the mushroom growth of her industrial population. If coal mining is no longer able to support the existing working population the question then arises: To what extent can new industrial development absorb the surplus? In attempting to answer this question it is impossible to generalise in respect of the Area as a whole. Each valley or district represents its own problem and prospects of recovery are dependent on a number of factors which combine to attract or repel new industries. While the future of some districts is full of hope that of others, especially those which owe their growth, and in many cases their birth, to the discovery of coal, is uncertain and difficult to predict.

185. The district whose future perhaps causes the least concern is the lower part of the Eastern Valley of Monmouthshire which has already attracted new and substantial industrial undertakings. This area with its natural resources, proximity to the seaboard, rail access to the North and unspoiled countryside on the East is certain to develop naturally.

186. In the Western Valley the gigantic reconstruction of the old Ebbw Vale Steel Works by Richard Thomas and Co. is perhaps the most important industrial enterprise in South Wales for a generation. It is possible but by no means certain that this development will provide employment for some workers in the neighbouring towns of Brynmawr, Nantyglo and Blaina, where the coal measures to which these towns owe their existence are in the main exhausted.

187. The Districts which cause me most concern are the Rhondda and Pontypridd, with a total population in 1931 of 184,063.

Less than one hundred years ago the Rhondda was a sheep walk, and would have remained as such were it not for the coal underground. In the past these districts supplied coal to the British Navy and Mercantile Marine, which are now largely oil firing. If, as appears to me to be probable, employment in coal mining will be unable to maintain the present population, can new industries be attracted to the Area? In the Rhondda there are no level sites suitable for industries requiring a large acreage, though smaller sites are available, including one of 30 acres at Treorchy. Much more serious factors are distance from the seaboard and markets and bad road communications due to the narrowness of the valleys. Attempts to attract industries have so far failed for one or more of these reasons, although the maximum inducements have been offered. It is no solution to establish an industry where it cannot function economically and efficiently. The Treforest Trading Estate, when fully developed, should find employment for substantial numbers resident in Pontypridd and the lower parts of the valleys, but it can only be expected to absorb a relatively small proportion of those now unemployed, and it is unlikely to benefit the towns higher up. All indications suggest that the fortunes of these districts are in the main irrevocably linked with coal. Every enquiry so far made has reported that coal mining is unlikely again to support the present working population. If these conclusions be accepted and it is found impracticable to introduce new industries to absorb the surplus, then a Commission should be appointed to report on further action to be taken in respect of the future of these districts. Apart from the human problem it will be necessary to review the financial position of the two Councils.

188. The industrial history of the County Borough of Merthyr Tydfil (population 71,108, 1931 Census) is more varied than that of the Rhondda, but the Iron Works ceased to operate in 1900 and the Steel Works have removed to the seaboard. The Borough is probably in a better position to accommodate new industries than the Rhondda and a number of excellent sites are available, to which new industries have already been attracted, but here also the future would appear to be closely associated with the coal industry.

189. There are towns in the Western Valley of Monmouthshire and in Mid-Glamorgan, notably Rhymney and Maesteg, where for the same reason abnormal unemployment persists. Their geographical position and other factors place these districts at a disadvantage in affording alternative avenues of

employment to coalmining, on which they have hitherto mainly existed. The problem here may differ only in degree from that of the Rhondda.

190. At least three years must elapse before the effect of the Commissioner's Industrial policy can be judged. The facilities available to industrialists under the Amendment Act of 1937 have been in existence only a few months. The practical outcome of the Government enquiries into the Location of Industries, Oil from Coal, and the manufacture of Calcium Carbide is not yet known. Future decisions and developments will bring new life to some districts but not to all. Those parts of the Special Areas which have experienced the greatest prosperity in the past, present the most difficult problem at the present time.

GEOFFREY CRAWSHAY.

## **PART VI.—SURVEY AND PROSPECTS OF THE POSITION IN THE WEST CUMBERLAND SPECIAL AREA.**

(Contributed by Mr. E. G. SANSFIELD-HALL, C.M.G., District Commissioner for the West Cumberland Special Area.)

191. The prosperity of West Cumberland has, in the past, been linked up on the one side with agriculture and on the other side with coal and iron ore mining, and the manufacture of steel and pig iron. Efforts made to revive the Area must, therefore, be directed towards furthering agricultural development, improving the condition of the mining industries, stimulating the production of iron and steel, and building, upon the available supplies of coal, limestone, iron and steel, a superstructure of new industrial enterprises.

192. During the last few years there has been a sharp decline in the number of wage earners engaged in agriculture, a reduction in the acreage under cultivation, and a falling off in the number of cattle, sheep, and pigs borne on the land. It is, to a large extent, to national action that one must really look for a full measure of improvement, but efforts are being made to introduce the cultivation of commodities which could be processed locally in factories erected specially for the purpose, and every encouragement is being given to schemes for the growing of vegetables for local canning and the breeding of pigs for bacon production. In addition, grants are being offered towards the cost of schemes for arterial and land drainage, with a view to bringing back into productivity land which has gone out of cultivation, owing to lack of drainage. There is no doubt that if these schemes materialise they will play an

important part in stimulating agricultural activity and in providing a larger number of people with a living on and from the land.

193. The efforts of the Land Settlement Association to attract settlers to their estates have proved disappointing, partly perhaps because these estates were sited, on local advice, at a distance from the most depressed localities, and partly because the local inhabitants are, by nature, a cautious people, disinclined to embark upon any enterprise unless or until they are satisfied that it will afford them some very definite and permanent advantages.

There is no doubt that the average Cumbrian would prefer to be engaged as an agricultural settler on a wage paid basis to being called upon to face the risks attendant upon an endeavour to earn a living out of a Small Holding.

194. There appears to be scope for experimenting with land settlement schemes and a possibility of bringing them into relationship with schemes for the growing of industrial crops and the breeding of pigs for bacon production. A scheme of land settlement which offered local settlers a more certain opportunity of earning a living on the land than the existing schemes appear to afford them would undoubtedly make a stronger appeal to the people of this Area.

195. The coal mining industry in West Cumberland has suffered from depression for many years and received a staggering blow when two of the largest pits in the Area, the Haig and William Pits, Whitehaven, were closed down in October, 1935. These pits were fortunately re-opened in March, 1937, with the aid of financial assistance from S.A.R.A. and the Nuffield Trust, and the company operating them has already given employment to 1,700 men and hopes to increase this number ultimately to 3,000. The re-opening of these pits justified expenditure on a scheme for the improvement and deepening of Whitehaven Harbour, and assistance has been provided out of the Special Areas Fund for this scheme, which will, it is hoped, be put in hand early next year.

196. There are, moreover, prospects of increased activity in the coal mining industry as the result of the sinking of a new shaft at Workington, and of the possibility of mining developments taking place in the hinterland of Maryport, provided funds are made available for the reconditioning of Maryport Harbour.

197. Wide-spread and prolonged depression in the iron ore industry has resulted in the closing down of a large number of mines in this Area during the last 17 years. During the year under review, however, the increased demand for iron and steel has brought about a considerable improvement and the iron ore mines now in production are working to capacity, while three new shafts are being sunk.

198. It was represented that an organised scheme for central pumping might render it possible to re-open some of the abandoned mines which were known to contain iron ore in workable quantities, and funds were made available to finance such a survey to determine whether such a pumping scheme was practicable or not. If the result of this survey is found to be favourable, it is hoped that the mining interests will combine in undertaking a scheme for central pumping.

199. The depression in the iron ore mining industry has tended to slow up the work of prospecting for new deposits and financial assistance has accordingly been offered to enable the Cumberland Development Council to undertake an exploratory survey with the object of discovering such deposits. The manner in which this survey is to be undertaken is at present under discussion.

200. There has been no major change in the position of the iron and steel industry since the Commissioner's last Report, but the local companies engaged in it have benefited from the increased demand for their products, and are working to capacity and employing slightly more men than last year. It is unlikely that this industry will provide much more employment in West Cumberland than it does at present unless a decision is taken to process more steel locally.

201. The heavy industries in West Cumberland have had to face alternate periods of prosperity and depression in the past, and, with a view to restricting unemployment in the future, attempts are being made to strengthen the economic stability of the Area by introducing a variety of new industries.

202. The industrial world does not yet appear to be fully aware of the authority to afford substantial material advantages to new industrial enterprises conferred upon the Commissioner under the Special Areas (Amendment) Act of 1937, or of the availability of financial assistance for the establishment of such enterprises in the Special Areas. When it does realise the advantages which can be secured by establishing enterprises in these Areas there should be a much needed stimulus to industrial development in the localities where it is most needed.

203. It is hoped that the Royal Commission recently appointed to report on the Location of Industries will provide an additional stimulus, as far as this Area is concerned, even if only by calling attention to the security and invulnerability of West Cumberland as an industrial zone.

204. With the object of providing sites and factories for the development of new industries, a new Company called the West Cumberland Industrial Development Company has been brought into being. This Company, which is being financed from the Special Areas Fund, is already dealing with applications from industrialists who are anxious to establish new enterprises in West Cumberland.

205. The members of the Cumberland Development Council and the directors of the West Cumberland Industrial Development Company are working in close collaboration with one another and are actively engaged in an effort to revive the economic life of this Area, and to place it upon a sounder and broader basis. It is generally agreed that, as the men on the spot possessing a thorough knowledge of local conditions, they should be given all possible scope and financial backing.

206. West Cumberland can offer to industrialists anxious to establish new enterprises not only a plentiful supply of good labour but electric power, coal, limestone, iron and steel: in fact all the facilities and advantages they are likely to require. Unfortunately it is isolated from the rest of England by a tangle of mountains and is, for this reason, not only out of sight but out of mind as far as the average industrialist is concerned.

207. If it is to attract new industries its advantages as an industrial area will have to be given sustained publicity; its railway services with the Midlands and South of England will have to be improved; the defects in its harbours will have to be remedied; and it will have to be provided with improved facilities for road transport connecting it up in a satisfactory manner with the trunk road systems of the remainder of the Country. In short, the defects of its isolated geographical position will have to be counteracted, if they cannot be entirely overcome.

208. In anticipation of the revival of this Area, and with the object of assisting over-burdened local authorities in making up leeway in connection with the provision of sewerage and sewage disposal schemes and improved water supplies, numerous grants have been made out of the Special Areas Fund. These grants have undoubtedly provided the local inhabitants with greatly improved public health services, and it is probably correct to say that the services now in existence compare favourably with those provided in any other agricultural County, though improved services are still required in certain localities.

209. A scheme, on the lines adopted in the North East Area, was suggested, to relieve a number of local authorities of the cost of undertaking rehousing schemes, in connection with slum clearance and overcrowding, which have been long overdue as the result of the prevailing depression. It was, however, impossible to form a local Housing Association to undertake such schemes, as certain local authorities were unwilling to hand over their building schemes to any independent authority. The North Eastern Housing Association, however, fortunately agreed to extend its operations to West Cumberland and to undertake building schemes on behalf of those local authorities who were willing to co-operate.



210. It is felt that, where rehousing schemes are undertaken, a number of cottage homesteads should be provided on the fringe of new housing estates for the accommodation of elderly unemployed men who have children actually employed or likely to be employed in local industries, and that, with this object in view, the cottage homestead scheme should be extended to the Special Areas.

211. The people of West Cumberland have faced a long period of unemployment with praiseworthy fortitude and equanimity but a stage has now been reached when hearts are growing faint from hopes deferred and, unless further developments providing additional employment take place in the near future, the morale of the unemployed element is likely to deteriorate.

212. The various social service organisations in the Area are doing invaluable work in ameliorating the condition of the workless, and grants have been made to assist them in a wide variety of activities, including the provision of school camps for children, holiday camps for unemployed men, women, boys and girls. The clubs established for the unemployed as an emergency measure show signs of developing into much needed centres of social intercourse and enlightenment, and it is felt that many of them should be established on a more permanent basis, and thrown open to people of all classes.

213. The future of West Cumberland is undoubtedly brighter than it has been for some years past. Future developments will depend, however, on the publicity which can be given to the Area, on the result of the efforts being made to stimulate agricultural activity, on the scope and assistance afforded to the Cumberland Development Council and the West Cumberland Industrial Development Company in their efforts to attract new industries, on the provision of funds for such objects as the reconditioning of Maryport Harbour, and on the establishment of better communications with the outside world.

214. It was originally intended that special treatment should be provided for the unusual problems which the Special Areas presented but there appears to be a danger that this intention may be gradually lost sight of and forgotten.

Opportunities are afforded for trying out ideas and making experiments in the Special Areas which will never present themselves again. It is felt that these opportunities should be boldly seized in the hope that they may lead to discoveries of national importance; that methods which are direct and rapid should continue to be adopted in dealing with the problems which have to be faced—even though they are unusual and perhaps unorthodox; that ideas should be welcomed, and that enterprise and enthusiasm should be given every possible encouragement.

E. G. SARSFIELD-HALL.

## **PART VII.—INDUSTRIAL POLICY.**

### **Steps to attract industry to the Special Areas.**

215. Sir Malcolm Stewart in Part IV of his Third Report gave a full account of the steps he had taken to encourage industrial development in the Special Areas. At that date the two Trading Estates had been established and, as a result of his recommendations, the Special Areas Reconstruction Association had been formed. Many other steps had been taken to encourage industrial development but the results up to that date had not been very promising. He pointed out that, although he had made constant efforts to persuade industrialists to establish undertakings in the Special Areas, he had achieved little by his persuasion. He was not in favour of compulsory location of industry, but he recommended that as a second stage in the Special Area experiment the Government should enable the Commissioners to take more direct action in attracting industries to the Areas, by being able to offer definite inducements at the expense of the State.

216. These recommendations were debated in the House of Commons on the 17th November, 1936, when the present Prime Minister made an important statement of Government policy, in the course of which he said that he subscribed whole-heartedly to the view that preferential treatment, involving unconventional principles, was still required for the Special Areas and that he was prepared to accept in principle Sir Malcolm Stewart's recommendation that the State should provide inducements to persuade new industries "to try their luck in the Special Areas."

### **Appointment of Industrial Advisers.**

217. In view of this promise that the Commissioners were to be given further power and further duties in connection with the attraction of industries to the Special Areas, I had to consider what steps I should take to strengthen the industrial side of my organisation. I felt that it would be very desirable to associate with this work certain leading industrialists, and decided to invite a few gentlemen to assist me as Industrial Advisers. I was fortunate in getting a ready response to my request and was able to announce in December, 1936, that Lord Portal, who had previously accepted the position of Chairman of the Special Areas Reconstruction Association, and had two years earlier been the special investigator of conditions in South Wales, had agreed to act as my chief Industrial Adviser. Mr. Frank Hodges, Sir Frederick Marquis and Mr. Hugh Roberts had also agreed to associate themselves with Lord Portal in this work. Lord Portal and his colleagues were to aim at bringing together and co-ordinating the efforts already being made to encourage

new industrial development in the Special Areas, and would advise me from time to time what further steps might be taken to encourage such new development. It was made clear that they would work in close touch with the Special Areas Reconstruction Association and with the Industrial Development Councils and Trading Estates Companies in the Areas.

218. I should like to take this opportunity of thanking these gentlemen for so generously giving their services in this way. They have been of great assistance to me throughout the last nine months. Lord Portal, as Chief Industrial Adviser, has devoted a very large part of his time to this work, and the success achieved in attracting a number of substantial industries to the Areas is very largely due to his personal efforts and devotion to this task.

#### **Appointment of Industrial Officers.**

219. At the same time, I decided that it was desirable to strengthen my own staff on the industrial side by appointing one or two men with wide industrial experience, who would be able to discuss industrial matters with business interests " in their own language ", and would be able, under the general guidance of the voluntary Industrial Advisers, to carry on the negotiations involved in attracting industries to the Special Areas.

220. It was clearly desirable to avoid anything in the nature of competition between the Special Areas in Scotland and those under my own jurisdiction. I had several conferences on the subject with Sir David Allan Hay, the then Commissioner for the Special Areas in Scotland, and we decided to maintain close co-operation and to establish joint machinery for interchange of information. We further agreed that it would be desirable to appoint the Industrial Officers referred to in the preceding paragraph as joint Officers of the two Commissioners, and accordingly two Officers of wide experience were appointed by us as Industrial Officers in March.

221. On 3rd March, Sir David Allan Hay and I convened a Conference of our Industrial Advisers, representatives of the Special Areas Reconstruction Association, the Chairman of the Trading Estates Companies and representatives of the Board of Trade, in order to consider the general principles to be followed in the campaign for the attraction of industries to the Special Areas, and to secure agreement in regard to co-ordination of effort and interchange of information between the different Areas. A similar Conference was to be held early in October to review the progress of the campaign, and to consider plans for further development.

### Nuffield Trust.

222. On 22nd December last Lord Nuffield announced that he desired to give practical shape to the current expressions of good will towards His Majesty King George VI and at the same time to do anything that he could in support of the National Government and particularly of the then Prime Minister, Mr. (now Earl) Baldwin, for whose unceasing efforts on the Country's behalf he had the most sincere admiration. Realising that, of the many intractable problems confronting the Prime Minister, the case of the Special Areas had always been particularly present in his mind, Lord Nuffield had decided to place at the disposal of Trustees a sum of £2,000,000 for the benefit of these Areas. The Trustees were to be Sir Nigel Campbell, Lord Portal and Mr. Seeböhm Rowntree, and would have full discretion to use the capital of the Trust for the initiation or support of measures likely to give employment to those living in the Areas as well as of measures designed for the social betterment of those Areas.

223. Lord Nuffield added that he appreciated that the Government had done and was doing all that was possible within its legitimate sphere, but he felt that there was still room for a Trust the scope of whose activities would not be subject to those limitations necessarily involved in the expenditure of public money authorised by Parliament.

224. The announcement of this generous gift was universally welcomed and the Trustees immediately set up an organisation to administer the Fund. The Trustees have throughout worked in close association with the Commissioners for the Special Areas and with the Special Areas Reconstruction Association, and have devoted the greater part of their activity to the financing of new industries in the Areas. They have been able to contribute to the ordinary share capital of concerns in a way which would hardly be proper for a fund derived from the Exchequer. The Trust has in this way met a real demand and has been instrumental in attracting a considerable number of substantial concerns to the Areas.

225. I am informed by the Trustees that, apart from their activities in Scotland, they had up to the end of September promised financial assistance to 43 industrial undertakings in the Special Areas of England and Wales to a total extent of £1,346,000.

### Special Areas (Amendment) Act, 1937.

226. To implement the promise made by the present Prime Minister in the previous November, referred to in paragraph 216 above, and to carry out certain further desirable amendments, the Government introduced in March a Special Areas (Amendment) Bill. This was read a second time in the House of

Commons on 6th April and received Royal Assent on 6th May. The Bill contained three main Clauses designed to facilitate the attraction of industries to the Special Areas, namely Clauses 2, 3 and 6.

### **Letting of Factories.**

227. Under Section 2 of the Act the Commissioners may, for the purpose of inducing persons to establish an industrial undertaking in any of the Special Areas, let a factory in any such Area for the purpose of its being occupied by such an undertaking, notwithstanding that the undertaking will be carried on for the purpose of gain. Prior to the passing of the Act there had, of course, been established the two Trading Estate Companies financed from the Special Areas Fund and empowered to erect and let factories on their particular Estates. Section 2 of the Amendment Act, however, gave the Commissioners themselves wider powers and enabled them to let factories to undertakings in any part of the Areas. The factories provided will be of a general service type not designed to meet the requirements of any particular industrial undertaking.

228. In accordance with the general principles already explained, I decided that in the execution of this new power the co-operation of local bodies was desirable. I therefore invited the two Trading Estates Companies, who had acquired considerable experience in the erection and letting of factories, to act as my agents in this matter and undertake, if I purchased sites and let them to those Companies, to erect factories thereon, with my approval or at my request, for new industrial undertakings, the cost being advanced from the Special Areas Fund. Both Companies readily agreed to my request. Although they had, up to that date, limited their activities to the two Estates at Team Valley and Treforest they had powers under their Articles to extend their activities outside those Estates and it had always been the intention that they should serve the whole of the Areas with which they were connected.

229. So far as West Cumberland was concerned, I decided to proceed at once with the establishment of an Industrial Development Company which should be empowered to undertake similar functions in that Area. Details of this new Company are given in Part VIII.

230. Under the powers invested in me by Section 2 of the Amendment Act, arrangements were in process of being made, at the end of September, to lease six factories, of which four were in South Wales, one in the North East, and one in West Cumberland. In one or two instances I may be able to acquire suitable existing factories for the purpose but in most cases it has been

necessary to arrange for the erection of new factories. In addition to these arrangements, tentative negotiations were in progress at the end of September for the provision of a number of other factories under this Section of the Act. These factories are additional to the factories under construction on the Trading Estates at Team Valley and Treforest, where at the end of September 25 factories had been built, and negotiations concluded for 50 more, a number of which were in course of construction (see paragraphs 289 and 316).

### **Contributions.**

231. Section 3 of the Amendment Act gave the Commissioners power, for the purpose of inducing persons to establish industrial undertakings in approved places in the Special Areas, to afford financial assistance by means of contributions towards any sums payable in respect of the undertaking by way of rent, income tax or rates in respect of a period not exceeding five years from the date of the agreement. It will be noted that this Section accepted the principles of Sir Malcolm Stewart's recommendation for the provision of State-provided inducements.

232. All places in the Special Areas are not equally distressed; some are comparatively prosperous and are able to attract new industries without artificial assistance; other places, however, are not naturally so attractive and would not be likely to draw the attention of industrialists seeking new places for industry unless there were some definite inducements provided. I therefore agreed with the Commissioner for the Special Areas in Scotland to adopt a policy of variable inducements and to vary the assistance we were prepared to offer under this Section in accordance with the needs of the Area and to some extent with the type of industry in question.

233. As a normal rule we decided to offer contributions in respect of rent and rates in the first place for a period shorter than the full five years, though in certain cases we would be prepared to review the position at the end of such shorter period in the light of conditions then prevailing.

234. Sir Malcolm Stewart had recommended that contributions in respect of income tax should be related only to income tax on profits which were not distributed by way of dividend. This recommendation received careful consideration by Sir David Allan Hay and myself and, while it had much to recommend it on merits, it was found to be very difficult to administer in practice. We therefore decided to adopt the rule that our offer should not exceed that of a contribution in respect of income tax payable on profits equal to 4 per cent. per annum of the issued share capital of the undertaking. If the undertaking was making profits in excess of that figure, its financial position was clearly such as limited the need for financial assistance from the

Special Areas Fund. It would, however, be a real inducement to an undertaking to know that, during the first few years of its establishment, profits up to an average annual return of 4 per cent. on its capital would be exempt from income tax.

235. The administration of this Section of the Act was clearly one in which difficulties were likely to be encountered. The Section was unorthodox and unconventional and its administration was bound to give rise to various difficulties. I think, however, it may be claimed that, with the assistance of Lord Portal, the major difficulties have been overcome and a satisfactory basis of administration adopted.

236. Up to the end of September I had offered contributions under this Section to 15 undertakings of which five are to go to South Wales, seven to the North East and three to Cumberland. The total capital of these undertakings was over £2,000,000. According to the estimates supplied by the undertakings, employment will be provided by them, when they are fully established, for about 3,000 work-people. Negotiations in regard to the offer of inducements were in progress with other undertakings at the end of the month.

#### **Financial Assistance.**

237. Section 6 of the Act enables the Treasury, in accordance with the recommendations of a Committee to be appointed by them, to provide financial assistance by way of loan to persons carrying on any industrial undertaking established in any Special Area after the passing of the Act and for the purpose of assisting industries going to certain other parts of the Country which might be certified under Section 5 of the Act. A sum of £2,000,000 was made available for the purpose and, although not all of this fund will be available for Special Area activities, it will provide material help for the Areas over and above what is being done in other directions.

238. The Treasury appointed as the Statutory Committee to advise them on the administration of this fund Lord Portal, Sir Nigel Campbell and Sir Frederick Marquis, all of whom were already associated in one way or another with my general campaign for the attraction of industries to the Areas. The Treasury have worked very closely with my organisation in the administration of this fund and I am authorised by them to say that up to the end of September they had promised loans to undertakings to be established in the Special Areas amounting to £532,500.

239. This Treasury fund to some extent supplements the facilities already available under the Special Areas Reconstruction Association and the Nuffield Trust for the financing of new industries in the Special Areas. The Association deals mainly

with smaller concerns and the Treasury have combined with the Nuffield Trust in financing a number of large undertakings. The Treasury fund can only make loans and cannot be used, as can the Nuffield Trust, for taking part risk in the equity of undertakings.

#### **Finance Act, 1937.**

240. In the Finance Bill which was introduced at the end of April it was proposed to levy a new tax to be called the "National Defence Contribution" on the profits of industrial concerns. I received strong representations that the imposition of this additional tax would seriously hinder my efforts to attract new industries to the Special Areas. Accordingly, I made urgent representations to the Government at the beginning of May that power should be taken in the Bill to relieve new undertakings in the Areas from the burden of this new tax.

241. It will be within general recollection that the Government, in the light of the discussions arising on their first proposals in regard to this contribution, decided to substitute an alternative form of tax under the same name. When they introduced their modified proposals they accepted the recommendation I had made and it is accordingly provided in Section 19 (7) of the Act, as passed, that if the Commissioners for the Special Areas certify that, for the purpose of inducing any persons to establish an industrial undertaking in any of the Special Areas, it is expedient that those persons, in addition to being provided with financial assistance under Section 3 of the Special Areas (Amendment) Act, 1937, should be given relief in respect of any National Defence Contribution which may become chargeable in respect of the profits of the undertaking, the Treasury may agree to remit the whole or any part of any National Defence Contribution so chargeable.

242. It will be noted that in this case the Commissioners are not empowered to make contributions in respect of the tax but can recommend that the tax itself should not be levied on undertakings which have already been promised contributions under the Special Areas (Amendment) Act for the purpose of inducing their establishment in the Special Areas. This additional power for inducing the establishment of industries in the Special Areas has added materially to the attractions I am able to offer. Up to the end of September I had undertaken to recommend the Treasury to remit the Contribution in respect of eight such undertakings, of which three were to be established in South Wales and five in the North East.

#### **Special Areas Reconstruction Association.**

243. The Special Areas Reconstruction Association was registered on 18th June, 1936, under the chairmanship of Lord Portal, and local Boards were immediately appointed in the



Special Areas. The first Annual General Meeting of the Company was held on 23rd September, 1937, when the Chairman was able to make a very satisfactory report. He pointed out that, during the first few months following the formation of the Company, a flood of applications for loans was received, but a large number of the applicants were under a misapprehension as to the nature of the facilities which the Company was able to offer. Nevertheless, all applications, however trivial, were carefully examined, particularly with a view to discovering whether there was in the businesses proposed the germ of economic success, it being kept in mind that the primary aim of the Company was to provide means to increase employment in the Special Areas. It was early recognised that to finance quite unsuitable or uneconomic enterprises would in no way assist that object, and a very considerable amount of work was done in investigating many applications which resulted in no business.

244. Up to 31st August, 1937, 35 loans had been made to new businesses going to the Special Areas of England and Wales, and 32 to assist existing businesses in those Areas. Of the new businesses, 10 were in South Wales, for which loans of £112,000 were agreed, while 25 were in the Northern Areas, with loans of £140,650. Of the existing businesses assisted, 10 were in South Wales, receiving loans of £43,150, and 22 in the Northern Areas, receiving loans of £107,650.

245. The following table shows the total amount of new capital provided or agreed to be provided from all sources, and also the additional employment estimated by the borrowers to be afforded by the new or existing undertakings:—

No. of Loans.	Area.	Loans agreed by S.A.R.A.	Capital agreed to be provided from other sources.	Estimated additional employment.
20	South Wales ...	£ 155,150	£ 302,750	1,765
40	Durham and Tyne-side.	178,150	210,720	2,271
7	West Cumberland ...	70,150	273,250	2,741
67	Totals ...	403,450	786,720	6,777
		£1,190,170		

246. During the early stages of this Association's activities there was some disposition to complain of delay and unwillingness to accept risks. This was inevitable during the early days of any association established for the purpose of financing concerns which could not obtain finance through normal

channels. The Association has, however, lived down such early misguided criticism and has undoubtedly made a substantial contribution to the establishment or revival of small industries in the Special Areas.

### **Development Councils.**

247. I have throughout the past year continued the policy of giving financial assistance to the Development Councils in the Special Areas, mainly for the purpose of propaganda designed to attract new industries and tourist traffic to their Areas, and for compiling accurate surveys of the natural resources and the public services available in the Areas. Much useful work has been done in both directions and all inquiries regarding the resources, services and communications in the Areas can now be referred to the Councils, with the assurance that accurate and up-to-date information will be supplied. This is, in my view, a better policy than an attempt to centralise this information in my own office, and illustrates once more the general policy of devolution and regional organisation which I have followed.

248. The way in which my grants to these Councils have been used is indicated in the following paragraphs. It will be seen that each Council has adopted the form of propaganda which seemed most suitable for its Area, but in all questions of advertising abroad I have made it a condition of assistance that the Council should work in co-operation with the Travel and Industrial Development Association, whose officers have throughout been willing at all times to give me and the Development Councils all possible help in our efforts to attract new industries to the Special Areas, and have regularly included articles of interest about the Areas in their monthly bulletin, "Industrial Britain", which has a wide circulation in industrial circles abroad.

249. By giving grants for propaganda to each of the Development Councils I have, of course, incurred the risk that the advertisements they issue might to some extent compete with each other. A certain amount of healthy competition between the Areas is not, however, a bad thing, and I am firmly of opinion that an attempt to centralise the propaganda on behalf of all the Special Areas would not have been likely to produce such beneficial results. For similar reasons it was thought desirable to allow each of the Trading Estates Companies to undertake its own advertising and propaganda.

### **North East Development Board.**

250. The North East Development Board, of which Lord Ridley is Chairman, has maintained and extended its activities. During the year a Development Board was formed for the

Hartlepoons and became affiliated to the North East Development Board. This completes the representation of the Special Areas on the central Board. The following paragraphs describe briefly the main activities of the Board.

#### **Propaganda.**

251. Publicity work has been continued and expanded. A special Department has been established for dealing with publicity and a full-time Assistant to the Publicity Officer has been engaged. News items collected by the Publicity Department have been given wide distribution to the press both in this Country and overseas, the latter mainly through "Industrial Britain". Further, by arrangement with the Travel and Industrial Development Association, news items of interest to oversea listeners are submitted to the British Broadcasting Corporation for inclusion in their Empire News Service.

252. During the year the Board issued a travel folder with the object of making known the attractions of the North East to tourists and holiday makers. The folder was published in English, French and German, and approximately 40,000 copies have already been distributed. It is proposed to issue a revised folder this year in conjunction with the Travel and Industrial Development Association. A guide-book to the North East has also been compiled and is due to appear early next year. One of the industrial folders has been brought up to date and published in the revised edition. A booklet setting out the industrial advantages of the Area was prepared for use at the British Industries Fair and other Exhibitions. The display of the industrial posters has been continued.

253. The Board was represented by a stand at the Birmingham Branch of the British Industries Fair in 1937. The results did not, however, reach expectations, owing to certain practical difficulties in connection with the display, and it is proposed to take space in the London section only next year.

#### **Research.**

254. The Technical Advisory Committee set up by the Board to continue the work begun by the "Survey of Industrial Facilities" in 1936 has operated with increasing activity. Its work comprises on the one hand general investigations, on its own initiative, of various natural resources of the Area and on the other hand the consideration of numerous specific inquiries and the furnishing of expert advice to the promoters of various projects. In certain instances inquiries have been found upon examination to disclose a suitable case for application for financial assistance to the proper quarter and in these cases the Committee has assisted the inquirer in preparing his application. Out of six such applications recommended, four have been

successful. The investigations undertaken by the Committee include such varied subjects as clay, sand, coal, lead, barytes, calcium carbide and various engineering propositions. Twenty-three such investigations have been carried out, some of a very comprehensive character. It is proposed in the near future to publish reports of certain major investigations.

#### **Miscellaneous.**

255. The contact established with North Eastern Trading Estates, Limited, and the Special Areas Reconstruction Association has been continued, and a substantial number of inquiries have been dealt with.

256. In June last an offer of the use of three windows in their Fleet Street premises in London for the display of publicity material by the Westminster Press, Limited, free of charge, was accepted. At the Board's invitation, North Eastern Trading Estates, Limited, co-operated in the display, which attracted considerable attention.

257. A Second Northern Exhibition of Inventions was held in Newcastle-upon-Tyne in November and December, 1936. The Board was associated with the organisers of the Exhibition, in addition to being represented by a stand as in the previous year. I made a similar grant to that made in 1935 towards prizes for the best exhibitors from the Special Areas.

#### **National Industrial Development Council of Wales and Monmouthshire.**

258. The National Development Council of Wales and Monmouthshire has maintained its many-sided work throughout the year, under the Chairmanship of Councillor George Williams, and has been able to report substantial progress in many directions. The following paragraphs indicate the main activities assisted by grants from the Special Areas Fund.

#### **Propaganda.**

259. The Council has continued to co-operate with the Travel and Industrial Development Association in respect of foreign propaganda and reports that it has received good publicity through the columns of "Industrial Britain" and through special radio talks and bulletins arranged by the Association. Special propaganda in this Country has been continued and the Council has in course of preparation a further scheme of Press advertising. It has also been able to continue the issue of its Quarterly Magazine and is again co-operating with the Travel and Industrial Development Association in the publication of a tourist brochure. An industrial folder is in preparation and during the year a Handbook on South Wales and Monmouthshire has been issued and widely distributed.

260. The Area was well represented at the British Industries Fair at Birmingham and on this occasion a large number of firms from the Special Areas were able to demonstrate their products.

261. The Fourth Welsh Industries Fair was held from 14th to 24th April, 1937, at Cardiff, when I had the pleasure of performing the opening ceremony. The Fair was again a great success and a number of new industries were represented. The attendance was larger than in previous years and again the Fair was self-supporting. Arrangements have been made to hold the Fifth Welsh Industries Fair from 30th March to 9th April, 1938.

262. The Council has continued to stress the claims of local manufacturers and reports that, while in many instances there have been improvements in the support given, there is yet room for further improvement; it is continuing to use its influence in the matter. It wishes to acknowledge the practical support afforded in connection with various schemes carried out in the Area with my assistance and also by the Trading Estates Company.

### **Industrial Survey.**

263. In the early part of the year the second Industrial Survey of South Wales was completed and published in three volumes by the Welsh University Press. The publication received a very large measure of publicity in the press and is regarded as probably the most comprehensive survey of its type ever undertaken. A large number of sets have been disposed of. The publication has been of the greatest value to me and my officers in our work. Arising out of this work Professor H. A. Marquand, who was Director of the Survey, has consented to act as Hon. Economic Adviser to the National Industrial Development Council, and arrangements have been made whereby the Council is enabled to retain the services of Mr. Terence Young, who was Assistant Director to the Industrial Survey, with the object of keeping up to date the information contained in the Survey and both following up its work and carrying out further investigations into economic problems affecting the Area.

### **Coal Research Committee.**

264. This Committee, under the Chairmanship of Mr. David Roberts, has continued its work and presented during the year a first Interim Report on Hydrogenation. A Second Interim Report is now in course of preparation and this will be followed by a general report on Low Temperature Carbonisation processes, as applicable to South Wales coals.

### **Finance for Industries.**

265. The Council has come to the opinion that, notwithstanding the financial facilities which are now being provided for the establishment of new industries in the Special Areas, there is still a gap, namely the furnishing of capital to enable a project to be started and brought to the point of qualifying for assistance from the channels now existing. A small sub-committee has been set up to draft a scheme and to endeavour to find the capital necessary.

### **Co-ordination Committee.**

266. It may be mentioned here that in order to facilitate closer co-operation throughout the Special Areas, a Co-ordination Committee has been set up under the Chairmanship of Captain Geoffrey Crawshay, my District Commissioner, on which the Development Council, the Trading Estates Company and other local interests are represented.

### **Cumberland Development Council.**

267. The Cumberland Development Council has been very active during the 12 months under review, and its officers have engaged in many negotiations directed to attracting industries to the Area. The Council suffered a great loss through the death in February last of Mr. W. F. Sadler, its first Chairman. Major A. Hibbert, D.S.O., M.C., C.C., was elected to succeed him. The following paragraphs give a brief account of what the Council has done in the way of propaganda and surveys with assistance from the Special Areas Fund.

### **Propaganda.**

268. The booklet, descriptive of the natural attractions of West Cumberland, which was mentioned in the Third Report has been well received and the first edition of 5,000 copies went out of print within eight weeks of publication. A second edition of 10,000 copies has now been issued and is rapidly being disposed of. The Council also produced, in conjunction with the Travel and Industrial Development Association, a folder designed to conform to a general series issued by that organisation, of which 60,000 copies have been distributed abroad. A further edition on the same lines is now in preparation. Designs for an Industrial Poster have now been prepared and the poster is being printed. An Industrial Folder is also in production. Local authorities in the Area are of the opinion that beneficial results are accruing from this publicity and the Council looks forward with confidence to the further development of the district through the attraction both of tourist and of new industries.

### Surveys.

269. During the past year a survey of flooded and abandoned iron ore mines in the Area has been put in hand, with a view to investigating the possibilities of the establishment of a central pumping plant and the re-opening of abandoned mines. An Industrial survey of the Area is also being undertaken on behalf of the Council by the Economics Section of King's College, University of Durham. The question of a further survey and exploration of the iron ore resources of the Area is still under examination, but in the meantime the Geological Survey is bringing up to date its reports on the iron ore field in the district South of Ravensglass, the survey of the area North of that place having been completed a few years ago. Independent developments in Iron Ore Mining which cannot fail to bring considerable benefit to the unemployed in the district are now taking place at Bigrigg, Cleator Moor, Frizington and Egremont.

270. Investigations are also being conducted by the Council with a view to the development of the Hardstone Quarries for road-making material and the Limestone Quarries for agriculture and manufacturing purposes.

### Centralised Propaganda.

271. Up to the present the greater part of the propaganda designed to attract industry and tourists to the Special Areas has been left to the Development Councils and Trading Estates Companies in each Area, who have received substantial grants from the Special Areas Fund for the purpose. It will be remembered, however, that my predecessor arranged an exhibition on behalf of the Special Areas of England and Wales at the Charing Cross Underground Railway Station early in 1936, and the wide publicity given to the debates in Parliament on Sir Malcolm Stewart's Third Report and the Special Areas (Amendment) Bill of this year did much to concentrate public attention on the problem of the Areas and the facilities to be made available for attracting new industries to them.

272. With the passing of the Amendment Act, the Commissioner for the Special Areas in Scotland and I felt that it would be useful to have in a concise but attractive form a summary of the facilities available in the Areas and the extent to which we are able to assist the establishment of new industries therein. Accordingly we had prepared in the late summer, with the assistance of the London Press Exchange, a small book entitled "New Fields for Industry". This gives maps of the Areas and particulars of the labour and methods of training available, of the raw materials, services, communications and amenities in the Areas, of the facilities provided for erection of modern factories with no capital outlay and of the various forms of financial assistance available to new industries. The book is

primarily addressed to the man who contemplates the development of a new industry, but copies will be sent free of charge to anyone who is interested in the problem of the Special Areas. The value of this publication has already been fully proved.

273. I am at present in consultation with the Commissioner for the Special Areas in Scotland and our Industrial Advisers regarding an extension of our efforts to make more generally known the excellent facilities available in the Areas for the establishment of new industries and the extent of the assistance which we are able to offer. It is also of interest that the Travel and Industrial Development Association has decided to open an office in London, in co-operation with the various Development Councils throughout the Country, to supply up-to-date information about the industrial facilities of Great Britain; in order that the Special Areas may be well represented I encouraged the Development Councils in these Areas to co-operate in this experiment and promised to make substantial contributions to the expenditure involved. The Councils in the North-East and in South Wales have agreed to participate.

#### **Aliens: Establishment of businesses of foreign firms in the Areas.**

274. It is well known that in recent years a considerable number of aliens have established industrial undertakings in Great Britain. According to the Board of Trade figures (which relate to factories employing 25 or more workpeople) there were 24 new factories established here in 1936 by or with the assistance of foreign concerns. I have accordingly made special efforts to attract some of these foreign firms to the Special Areas and have had great help from the Home Office, the Board of Trade and the Ministry of Labour, who now in all cases call the attention of aliens to the advantages of the Special Areas and of other areas where there are ample reserves of labour. Copies of the booklet "New Fields for Industry" have been supplied to the Departments concerned and a considerable number have been sent abroad in response to requests arising from interviews.

275. In May last definite arrangements were made for co-operation with these Departments. I now receive from the Home Office a copy of the Questionnaire which has to be completed by any alien who desires to establish a manufacturing business in this country. On receipt of this, the position is discussed with the Ministry of Labour and a decision is reached as to whether the case is one in which efforts should be made to establish the undertaking in one or other of the Special Areas. The general merits of all likely cases are then discussed



with the Board of Trade. In suitable cases arrangements are made for the alien to be interviewed by one of the Industrial Officers who presents the claims of the Areas and explains the assistance which is available.

## **PART VIII.—FACILITIES FOR INDUSTRIAL DEVELOPMENT.**

### **North Eastern Trading Estates, Limited.**

276. Of all the schemes initiated under the Special Areas Acts, that which has created most interest and also has involved the largest expenditure is the Trading Estate at Team Valley. This site was selected by the North Eastern Trading Estates Company, Ltd., after most careful consideration and after taking the best advice obtainable, as the site the development of which would be likely to conduce most successfully to the industrial rehabilitation of the whole of the North Eastern Special Area.

277. I have taken great interest in the progress of this Estate and had the pleasure, together with Colonel Appleyard, the Chairman of the Company, of laying the foundation stones of the administrative block on 29th July last.

278. The 12 months under review have covered a year of hard work, intense activity and great enthusiasm in the creation of an undertaking which promises so much for the district it serves, if it can be continued with the initial success which has so far crowned its efforts and which has exceeded the most optimistic expectations of its sponsors. Special thanks are due to Colonel Appleyard and his fellow Directors, who have given of their time and experience without stint in the prosecution of this great venture, and it is also right that reference should be made to the high standard of efficiency of the staff of the Company and to the help and encouragement they have received from many quarters. I am indebted to the Company for the following account of the development which has taken place on the Estate during the last 12 months.

#### **Site of the Estate.**

279. During the year negotiations for the purchase of the land have been successfully completed, with the helpful assistance of the District Valuer. Every effort has been made to minimise the effects of the disturbance caused to the previous tenants and to lighten the hardship inseparable from a transaction of this description in certain individual cases. Owing to the fact that most of the land in this Area is underlaid by coal, it has been necessary to carry on negotiations with the mineral

lessees affected by the purchase of the surface. In these negotiations particular attention had to be paid to the question of the sterilisation of coal in order that no miners should be thrown out of employment, and it is satisfactory to report that arrangements have been made which are likely to increase, if anything, the employment in connection with the mining operations below the Estate, whilst at the same time giving proper support for the buildings to be erected on the surface. In all of these negotiations concerned with the purchase of the site, the Company has on the whole met with the most friendly and helpful co-operation.

280. A detailed survey of the site was carried out and completed by the Consulting Engineers, Sir Alexander Gibb & Partners, in almost record time, which was followed at once by detailed development plans and the preparation of contract documents.

281. The assistance of the President of the Royal Institute of British Architects was sought in the appointment of a Consulting Architect, as a result of which Professor William Holford, A.R.I.B.A., M.T.P.I., accepted the task of designing the layout of the Estate and supervising the planning of it. The plan prepared from his vision of how the Estate should be developed has been worked to ever since, his initial proposals having proved flexible and satisfactory in every way.

#### **Development: Ground Engineering.**

282. The first contract for road and drainage, etc., work was advertised in September, 1936, and was let to George Wimpey & Co., Ltd. Since then a succession of further contracts has been let covering road construction, drainage and pipe laying, diversion and canalisation of the River Team, railway construction, special foundation work and general levelling, and this work has proceeded day and night without intermission for the greater part of the year. During the first six months the contractor had to face the most arduous conditions caused by rain, snow, frost and flooding, and no praise is too high for the manner in which he and his men have carried through their work in spite of all handicaps, under the supervision of the Consulting Engineers and in accordance with the plan of the Consulting Architect.

283. To date, more than three miles of road have been completed and one can now traverse the whole Estate from North to South along Kingsway, the Estate's main artery, which is designed to be one of the finest industrial roads in the world. The drainage system is so far completed that all fear of trouble from flooding on the Estate during the forthcoming winter has been removed. Services within the Estate are almost completed,

and in the meantime temporary connections have been in operation for some months to the occupied factories. The new channel of the River Team, about two miles in length, will be finished within the next fortnight.

284. With the helpful co-operation of the L. & N.E.R. a complete railway system is being installed on the Estate, with exchange sidings adjoining the main line close to Low Fell Station. This work, which has involved the laying of some three miles of track, is also nearly completed, and in the meantime inter-communication between the Railway and the Estate has already been established.

285. The following additional figures provide some guide to the magnitude of the task which the foregoing work has involved to the present time:—

Total amount of excavation for Roads, Railways, Drains, Site Levelling, and River Diversion	306,200 cubic yards
Total amount of filling for Roads, Railways and Site Levelling	542,600 cubic yards
Total length of Drains laid ...	12 $\frac{1}{2}$ miles
Total length of Water Mains laid	2 $\frac{1}{2}$ miles
Total length of Kerb laid ...	6 $\frac{1}{2}$ miles

286. The Estate Company has undertaken negotiations with the Borough Council of Gateshead whereby, in return for the Company shouldering the responsibility within its boundaries for road construction and upkeep, drainage, refuse disposal, etc., a satisfactory basis of rating assessment has been agreed.

287. Further negotiations have been carried on with local undertakings for the supply of electricity, gas and water, and here again satisfactory arrangements have been made at rates favourable to tenants on the Estate.

288. It is interesting to mention that stone from colliery pit-heaps has been used extensively in the process of road construction and general levelling. This stone has been found to make most admirable filling, and such large quantities have been taken as to cause the disappearance of certain pit-heaps, to the very distinct benefit of the appearance of the surrounding neighbourhood. In this connection a word of thanks is due to the Colliery Companies concerned, who have allowed the contractors to remove the stone without charge.

### **Factory Construction.**

289. Factory construction commenced in earnest in January, 1937. In spite of the handicap of the bad weather already mentioned, and the serious delays which slow deliveries of steel have caused, work has proceeded since the start with commendable speed, and already a new industrial city is springing up

on the Estate. At the present time there are 22 factories completed, 10 more in course of construction, and a further 24 are contemplated to meet the requirements of Industrialists with whom negotiations have been successfully concluded. This total of 56 present and future tenants has been obtained from over 400 enquiries which have been dealt with to date.

290. The services of practising Architects in the district have been used for all buildings, and the whole body of Architects has worked with the keenest interest and in the closest co-operation with the Consulting Architect. Very great care has been devoted to the design of factories with a view to satisfying aesthetic considerations. Local materials have been used in every case where it has been possible to do so, and amongst these may be cited a locally-made concrete brick, which has proved extremely satisfactory both from appearance and building qualities.

291. The Consulting Architect has given great care and attention to the layout of factory blocks, and the design has met with the hearty approval of incoming tenants and all visitors to the Estate. At the time of writing, the first factory block is being completed, with its access roads to factories, its open garden spaces, its parkways, its cycle-racks, car parks and complete facilities, making it a small Estate within an Estate.

292. As a measure of the total development that has taken place up to 30th September it may be mentioned that the grants made from the Special Areas Fund to that date, to meet the expenditure so far incurred, amounted to nearly £500,000.

### **Amenities.**

293. A start has been made with the Central Administrative Block, which has now risen to the height of the first storey, and plans for Banks, Post Office, Police Station, Fire Station, First-Aid Station, etc., are well forward.

294. There has been a temporary Canteen on the Estate for the last nine months, and the buildings for the first permanent Canteens are about to be erected.

295. With the co-operation of the Northern General Transport Co., Ltd., and the Traffic Commissioner, 'bus services have been established from end to end of the Estate to provide easy access by road for the employees already working in the factories, whilst the Railway Company have arranged services of trains to suit the workpeople and to convey them to and from Low Fell Station and all parts.

296. Certain portions of the Estate were formerly used as playing fields, and these have been preserved and to some

extent improved and enlarged. Plans are now going forward for a Physical Training and Recreational Centre, and it is hoped that before the next Report is rendered the social and recreational amenities, for which the Estate seems a natural centre, will have been well catered for. Great care has been taken to preserve the many beautiful trees which are situated on the Estate, and much work has already been done in grass sowing, turfing and in preparing all the garden spaces, which are so essential to the satisfactory development of the Estate as planned.

### **Aesthetic Considerations.**

297. In every step of the work much emphasis has been placed on the correct and perfect planning of the Estate as a whole. Its position was most carefully selected on the margin of a large township, yet in the country with extremely pleasant rural surroundings. To the South East negotiations have been undertaken for the purchase of an area of farm land between the Estate and the Great North Road, in order to maintain the open view of the Estate from the North Road and to protect the boundary in that area from the encroachment and congestion of buildings. To the South the land is underlain by coal and it is unlikely that building operations will be allowed to disfigure this boundary. To the West lies Ravensworth Park, which it is very earnestly desired should be preserved as an open space. Prospective tenants have laid the greatest stress on the surroundings to the Estate, and for those desiring a rural environment and freedom from smoke, the existing conditions have proved a great attraction. The factories themselves blend pleasantly into the landscape, and it can now be seen what is likely to be achieved by proper industrial planning, on model lines based on a bold conception. It is clear that the Estate will be an architectural asset of considerable importance in the local Town Planning Scheme, and that the activities of the Company will enhance the value and the appearance of the whole district.

### **Employment.**

298. An Employment Exchange was established on the Estate as soon as development work was begun, and it was arranged that the contractors' labour forces should be drawn on a quota basis from the whole of the North Eastern Special Area. Incoming tenants are now co-operating in drawing their labour through this Exchange, and on the same basis, thus benefiting all the districts unhappily overburdened with unemployment.

299. Throughout the year the activities of the Estate Company have given employment to large numbers of men, who, with the exception of a very small percentage of key men, were all

previously unemployed. The tenants now in occupation of the completed factories are even at this early stage employing several hundred persons and, including all those tenants with whom negotiations have been concluded, the potential employment is already likely to amount to several thousand. It is hoped and expected that in the very near future the numbers employed on the Estate will exceed 3,000, and thereafter will grow steadily month by month until the Estate has its full complement, which it is thought may total 40,000 employees.

300. In the meantime it has been very heartening to hear from the Company's tenants of the splendid quality of the labour available to them and of the manner in which this labour, both male and female, is adapting itself to industry.

### **Publicity.**

301. During the year every opportunity has been taken to publicise the Estate, and the press, both local and national, has rendered the very greatest assistance in this respect. Speeches have been made by members of the Board on every possible occasion, and these have led to large numbers of enquiries from interested parties. The Company has been represented at the British Industries Fair and other Exhibitions. Generally, the Sales Staff of the Company have found that the greater portion of the enquiries received are serious and, without offering any inducements beyond the amenities of the Estate itself, a remarkably high percentage of "contacts" have been persuaded to come to the Estate. Many enquiries are still outstanding and are likely to be satisfactorily concluded.

### **Conclusions.**

302. Contact with tenants and prospective tenants has indicated very clearly that the ideal planning of the Estate has played an appreciable part in persuading them to establish their undertakings in this locality. Whilst it must be admitted that economic considerations do influence Industrialists, it is equally true that proper facilities for manufacturer, pleasant conditions for labour, and the high advertising value of a well-planned Estate, weigh quite as heavily. It is probable, however, that the chief factors in the success which has so far met the Company's efforts in encouraging industries to the Estate have been the proximity of a fine body of labour, male and female, adult and juvenile, the high character of that labour, and the particularly satisfactory working conditions on the Estate itself. It seems clear that industry can be persuaded to establish itself in the vicinity of a pool of labour needing employment if attractive and well-planned premises are provided; and furthermore there does appear to be a very real desire on the part of many Industrialists to assist in the solution of the problems with which this particular Area is faced.

303. During the year a number of enquiries have been dealt with in respect of undertakings which, for one reason or another, have not been suitable to the Trading Estate, but there is little doubt that the Company is now in a position to deal with and satisfy every type of project, in view of the various schemes for the development of other sites throughout the North Eastern Special Area, in which the Company has agreed to co-operate with and act as the Agent of the Commissioner.

#### **South Wales and Monmouthshire Trading Estates, Limited.**

304. The South Wales and Monmouthshire Trading Estates, Limited, was registered as a Company on 27th June, 1936, for the primary purpose of establishing a Trading Estate in the Special Area of South Wales. As in the case of the North-Eastern Trading Estate, the Company made it its first duty to select a site for the Trading Estate which was best calculated to lead to the Industrial development of the whole Area and to attract new light industries to South Wales. After the most careful consideration of available sites in the Special Areas of Glamorgan and Monmouthshire a site was chosen between Cardiff and Pontypridd, and the Estate is known as the Treforest Trading Estate.

305. The total area of land involved is just under 250 acres. In many respects the Estate has had greater difficulties to face than the Estate in the Team Valley, but substantial progress has been made during the 12 months under review and great praise is due to Colonel G. T. Bruce, the Chairman of the Company, and his fellow Directors, for the way they have overcome these difficulties and made such satisfactory progress. Their efforts during the last three months have been particularly successful and I have every hope that this Estate, which I have visited on several occasions, will come up to the highest expectations of its founders and result in establishing in South Wales, on a permanent basis, a large variety of light industries. The following paragraphs contain an account of progress made during the last 12 months.

#### **Treforest Estate.**

306. A detailed survey of the site was carried out and completed by the Company's Consulting Engineers, Sir Alexander Gibb and Partners. The Company took possession of the site during December, 1936, but the work of planning the Estate had already been decided upon and it was possible to commence development work on 31st December, 1936. The main contract for the levelling, filling and draining of the site and for the Estate roads was let to the Holborn Construction Company.

307. The weather in the early part of the year made working conditions difficult, but the hardiness of the Welsh miner was

amply demonstrated and the completion of the work of preparing the Estate is envisaged at the end of this year. The work of reconstructing the main road through the Estate and the building of a new bridge across the River Taff has been undertaken by the Glamorgan County Council.

308. Up to the time of this Report the whole area of the site has been levelled and prepared and the general height raised by an average of three feet to obviate the risk of flooding, in addition to which a flood protection bank has been built round the Estate.

309. It has been the policy of the Company to develop the Estate in such a way that it will be fully equipped with all the necessary services which may reasonably be required by its tenants and, having regard to the fact that the site was previously an agricultural area, contracts have been placed for a complete system of gas and water mains, electrical substations, transformers and switchgear equipment, together with a high pressure steam main down the whole length of the Estate to serve large consumers of steam.

310. There is an abundant supply of water on the Estate and the Company is providing its own pumping station, filtration and purification plant, reservoir and storage tanks.

311. Negotiations for the purchase of bulk supplies of gas, electricity and steam from the local authorities have been concluded, and the rates to be charged to tenants for these will be cheaper than the rates applying in the majority of the industrial areas of Great Britain.

312. With the assistance of the Great Western Railway a permanent connection will be established between the railway company's main line and the Trading Estate. A bridge will be constructed across the River Taff to connect the railway with the east side of the Estate, and in this way it will be possible for at least four-fifths of the tenants to have private sidings to their factories if they are required. A goods depot and marshalling yard are being provided in conjunction with the main development contract.

313. The total area included in the Estate boundaries, and capable of reasonable development, is approximately 150 acres, and it was originally contemplated to scale one factory of 20,000 square feet in size to each acre. Further consideration, however, has led the Company to adopt the policy of developing on less intensive lines so as to provide greater room for the extension of individual factories, and the lay-out has also been designed to secure the maximum number of amenities in the way of open spaces for recreation grounds, and for the planting of shrubs and trees to preserve the natural beauty of the valley in which the Estate is situated.



314. On these lines the ultimate number of factories based on the requirements and resources of the labour area served by this Estate will be about 75. The estimated cost of the development of the site and the provision of the necessary services and railway connections is £390,600.

315. The Company appointed Mr. Percy Thomas, O.B.E., a Past President of the Association of British Architects, as their Consulting Architect to advise on the architectural design and quality of materials used in the construction of the Estate property.

316. Factory construction began in December, 1936, and up to the present three have been completed and four tenants are in occupation, whilst further contracts have been entered into for 16 factories, which altogether will cover a total area of 274,000 square feet. Seventeen tenants have been obtained from approximately 170 enquiries which have been dealt with during the 12 months.

317. The value of the work which had been carried out up to 21st September was over £200,000, and that of factory work then in hand was approximately £250,000, making a total of £450,000.

318. Local materials have been used wherever possible providing, of course, that they were reasonably competitive in price and quality. The Contractors engaged on the Estate have recruited the men through the Pontypridd Employment Exchange and they have been drawn from the surrounding districts proportionately to the percentage of unemployment in each area. The average number of men employed at Treforest during the months of June, July and August was 500, of whom all but a negligible number were from the district.

319. In addition to the contracts for factory construction, a start has been made on the Company's Administration Offices, and tenders will shortly be invited for a Canteen-Restaurant and for a further Canteen which will be built for the use of workpeople on the Estate and for persons doing business on the Estate.

320. The Company has received the helpful advice of the Roads Beautifying Association on the method of setting out the roads, recreation grounds, factory forecourts, etc., with trees, shrubs and flowers to ensure that the Estate shall be made as attractive as possible.

321. A Booklet describing the Estate has been published, and other publications are being prepared, which will explain the unique economical advantages open to industrialists who establish a works in South Wales.

### **Development of other industrial sites.**

322. It has already been explained that the Trading Estates Company is acting as my Agent for the development of other sites in the Special Areas of South Wales and at the date of this Report it is proceeding with the development of the Dowlais Site. I have visited this site on several occasions and I have been much impressed with the improved appearance of the site and the work accomplished during the last three months. The site covers an area of  $32\frac{1}{2}$  acres and the clearance and levelling of the first stage (25 acres) is nearing completion. It is estimated that the total cost of this work will amount to £40,000. A factory of 26,000 square feet in size is now nearing completion. The Trading Estate Company has completed negotiations for the provision of electricity and gas services, which will be obtainable at rates competitive with those applying in other districts.

323. Work has begun on a site of approximately eight acres at Llantarnam in Monmouthshire and a contract will be placed at an early date for a large factory which will employ approximately 300 workpeople. The Company will shortly be proceeding with the development of the Cyfarthfa Site at Merthyr and at least one other site in the Area.

### **West Cumberland Industrial Development Company.**

324. At the time when I assumed office no decision had been reached in regard to the desirability of establishing a Trading Estate in West Cumberland. Sir Malcolm Stewart had pointed out in his last Report that he was not then satisfied that such an Estate could be made an economic and successful project from the point of view of those who financed it or of those who used it, but that he was getting expert advice on the matter.

325. Shortly after I assumed office the promise of the Government to accept Sir Malcolm's general recommendations in regard to industrial development of the Special Areas, and thus to enable me to offer inducements for the establishment of new industries in the Areas, altered the position and convinced me that I should be justified in providing facilities for industrial development in West Cumberland in order to attract new undertakings to the Area. Further, under Section 2 of the Special Areas (Amendment) Act, 1937, I was given power to let factories to assist in the establishment of undertakings, and I felt that it would be desirable to have in West Cumberland a Company controlled by people with local knowledge and influence and possessed of powers to erect and let factories on my behalf.

326. It was always realised that it would be useless in this comparatively small and isolated Area to establish a Trading Estate on anything like the same scale as those in the other

two Areas, but I hoped that the Company could perhaps develop one or two small areas capable of containing a number of factories and could also assist in the provision of individual factories on sites suited to the requirements of tenants desiring such accommodation.

327. Accordingly I approached a number of gentlemen in the Area and asked them if they would join the Board of Directors of such a Company. Mr. Robert Crichton, the head of the biggest industrial concern in the Area, was good enough to accept the responsible position of Chairman, and the following gentlemen agreed to become Directors:

Mr. J. J. Adams;  
 Mr. F. G. Gaskarth;  
 Major A. Hibbert;  
 Mr. J. H. Pattinson;  
 Mr. E. G. Sarsfield-Hall.

Mr. A. C. Somervell was appointed by the Government as its representative on the Board of the Company

328. The Company is constituted with general powers similar to those of the Trading Estates Companies and was registered on 14th August, 1937. Offices have been taken in Whitehaven and a Manager has been appointed. Several of the Directors are also members of the Cumberland Development Council and close contact will be maintained between these two bodies. A considerable amount of preliminary work has already been done and the Company has appointed as its advisors a firm of consulting engineers who have made a report on the lines on which development might suitably take place. Arrangements to erect a factory for a prospective tenant at Millom in the Southern part of the Area are already in an advanced stage and the Company is considering the purchase of other sites. Special attention is being given to the Maryport and Cleator Moor areas, in which unemployment is most acute.

#### **South West Durham Improvement Association, Limited.**

329. In paragraph 145 of his Third Report, Sir Malcolm Stewart said that South West Durham undoubtedly presented one of the most difficult problems of all the Special Areas and that he had asked an independent expert to visit the area and report to him on the result. The Inquiry was entrusted to the firm of Sir Alexander Gibb and Partners, who rendered a most interesting and valuable Report. This Report was subsequently made public in reply to questions in the House of Commons in February, 1937.

330. One of the recommendations of the Report was that there should be established for South West Durham an executive

body with powers and the necessary finance to improve the industrial attractiveness of the area and to deal with the difficult problem of the village communities to which Sir Malcolm Stewart referred in his Third Report.

I decided to accept the principle of this recommendation and to form for the purpose a local body to be known as the South West Durham Improvement Association.

331. The preliminary negotiations for the setting up of the Association were commenced in June, 1937, and the Memorandum and Articles of Association were finally agreed and registered on 30th September, 1937. Lord Barnard kindly agreed to accept the Chairmanship of the Association, and Mr. C. G. Forbes Adam, the District Commissioner for the Special Areas (Durham and Tyneside), and Mr. H. Thompson, Hon. Secretary of the South West Durham Reconstruction and Development Board, were appointed Directors. The activities of the Association are limited to the area of the following local authorities:—the Urban District Councils of Barnard Castle, Bishop Auckland, Crook and Willington, Shildon, Spennymoor, Tow Law and the Rural District Councils of Barnard Castle and Weardale.

332. Offices have been opened in Bishop Auckland and an Engineer and staff appointed. Whilst awaiting completion of the registration, the Engineer has made a preliminary survey of the area, with a view to submitting a programme of work which can be put in hand at an early date.

333. The Directors have also been in touch with the North Eastern Trading Estates, Ltd., and that body has agreed to render all the assistance it can in promoting the industrial development of the area.

#### **Acquisition and Clearance of Sites for Industrial Development.**

334. During the past twelve months considerable progress has been made with the acquisition of sites for industrial development. In many cases it has been possible to combine this policy with the clearance of sites which had been left in a derelict condition by past industrial failures. I have continued the policy followed by Sir Malcolm Stewart of only approving schemes for clearance and levelling of sites if they are likely to lead directly or indirectly to the economic and industrial development of the Areas. A description of the various site development schemes now in hand is given below.

#### **East Gateshead Waterfront Clearance and Development Scheme.**

335. Proposals arising out of a comprehensive report which had been prepared by a firm of Consulting Engineers for dealing with the clearance and future development of certain derelict areas in the Eastern part of the County Borough of Gateshead

are referred to in paragraph 150 of Sir Malcolm Stewart's last Report. The scheme, which embraces a much wider area than was originally proposed, now roughly extends to the greater portion of the waterfront of the Borough between Redheugh Bridge on the West and the Borough boundary on the East. Much of the land is at present covered with the remains of demolished or partly demolished buildings and, though potentially valuable, is unattractive for development in its present condition. The revised scheme provides for the clearance and, where necessary, the levelling of the areas concerned, the construction of estate roadways and other works, with the object of providing eligible sites for industrial development together with areas for housing purposes and open spaces. By reason of the extent and importance of the proposals, I came to the conclusion that it would be preferable for the scheme to be carried out by an organisation conversant with the issues involved and familiar with the type of work to be done. With the agreement, therefore, of the Gateshead Authorities, I invited the North Eastern Trading Estates Company, which is so successfully developing the neighbouring Team Valley Trading Estate, to undertake the execution of this scheme on my behalf and I am glad to say that the Company has agreed to proceed with the work. It is proposed that, when the sites to be allocated for industrial purposes have been cleared, roads and public services, etc., shall be provided. There are still a number of points on matters of detail to be settled, but a survey of the site, precedent to the preparation of detailed plans, has been undertaken and is receiving attention.

#### **South Shields: Clearance of Derelict Sites.**

336. I have had under consideration proposals submitted by the South Shields Corporation for extending the clearance area referred to in paragraph 152 of Sir Malcolm Stewart's Third Report. These supplementary proposals provide for the acquisition, excavation and levelling of the site of an enormous gravel dump known as Ballast Hill and for the acquisition and clearance of certain additional derelict areas. The excavation of Ballast Hill will not only remove this unsightly reminder of past industrial activity but will, I am advised, provide sites of a total area of about 11 acres which with comparatively little further expense can be rendered suitable for use by industrial concerns. The total cost of the complete scheme is now estimated at about £146,000 and I have recently signified my approval of the proposals and have promised the local authority a substantial grant towards the expenditure involved.

337. Negotiations respecting the acquisition of land and the details of the proposed treatment of the Holborn area of South Shields to which reference is made in paragraph 153 of the above

mentioned Report, involved considerable difficulties and delays, but I hope shortly to be in a position to indicate my decision in the matter.

### **Jarrow.**

338. Of all the derelict sites in the Special Areas none has attracted more public attention than the old ship-building and steel-works site at Jarrow, commonly known as Palmer's Yard. Nearly the whole of the industrial population of Jarrow used to work in this Yard, and, though many of Jarrow's unemployed have now found work in neighbouring districts, the Yard remains as an unhappy and unsightly memorial of a past industrial age. The Yard cannot be used again for ship-building for 40 years, but many negotiations have been proceeding for the establishment of a modern steel works on the site. The earlier negotiations ended in failure, as explained by Sir Malcolm Stewart in paragraphs 191 to 195 of his Third Report, but other negotiations have been taking place this year and, thanks to assistance from the Nuffield Trust and the Treasury Fund and with the aid of contributions which I have promised under Section 3 of the Special Areas (Amendment) Act, 1937, there is now every prospect of a steel works being established on the site. I decided in September to acquire the site, together with some associated areas further south and amounting in all to about 95 acres, for industrial development. At the date of this Report I was engaged in negotiations for purchase. When the site has been acquired I shall at once lease the greater part to the proposed Jarrow Steel Company who will undertake the clearance in connection with their own development of the land.

### **Pallion.**

339. It is clearly impossible and undesirable to establish estates for new industries in every place in the Special Areas. The Trading Estates at Team Valley and at Treforest are intended to serve as the main focal points for light industries for the whole of their respective Areas. Nevertheless there are some industries which for special reasons prefer to go elsewhere, and I have been anxious, within reasonable limits, to make provision for them. It was represented to me that a number of employers might be induced to establish industries in the Sunderland district if I could provide facilities in the way of a developed site and factories. Accordingly I have arranged to purchase a site of about 17 acres at Pallion, on the western outskirts of Sunderland. I shall lease this to the North Eastern Trading Estates Company, who will erect factories for tenants willing to establish undertakings in this neighbourhood. Negotiations with several such tenants are already far advanced.

### **Improvement of site between Hebburn and Jarrow.**

340. The progress made up to 30th September, 1936, on this scheme which is being undertaken by the Tyne Improvement Commission with grants from the Special Areas Fund, was described in paragraph 154 of Sir Malcolm Stewart's Third Report. The necessary dredging in connection with the construction of the new quay was completed in February, 1937, and a contract has now been placed for the quay and the provision of road and rail access to the site. It is anticipated that this work will be completed in the middle of 1938. The site possesses considerable attractions for industrial purposes, having good road and rail communications, a favourable geographical situation in the heart of a large industrial area and accommodation for shipping.

### **Albert Edward Dock clearance.**

341. The work of demolition and removal of derelict buildings and levelling of the site was completed by the Tyne Improvement Commission, with the aid of a grant from the Special Areas Fund, in February last. A valuable area of the Dock Estate has thus been made available for development.

### **Further site clearance on the Banks of the River Tyne.**

342. Sir Malcolm Stewart referred in paragraph 156 of his Third Report to the possibility of clearing away relics of a past industrial age on both sides of the Tyne and reported that he was hopeful of being able to find a solution of this difficulty with the help of the Tyne Improvement Commission. I am pleased to be able to report that I have now given provisional approval to a scheme submitted by the Tyne Improvement Commissioners for tidying up a number of derelict riverside sites at Hebburn, Jarrow and St. Anthony's, and the Commissioners have entered into negotiations with the respective landowners for the leasing of the lands required to carry out these schemes. The negotiations are nearing completion; in the meantime detailed plans and specifications have been prepared and tenders will be placed as soon as possession of the land is obtained. This work will, I am satisfied, be of very great value in improving the general appearance of the riverside.

### **Merthyr Tydfil: Old Dowlais Steel Works.**

343. In paragraph 157 of Sir Malcolm Stewart's Third Report particulars were given of a scheme which was under examination for acquiring the site of the Old Dowlais Steel Works near Merthyr Tydfil and its clearance for the purpose of development for new industries. Since then arrangements have been completed with Messrs. Guest Keen and Baldwins by which the site has been handed over to me and a scheme of clearance and

development has been prepared. The site, which covers in all some 90 acres, is to be leased to South Wales and Monmouthshire Trading Estates, Limited, in accordance with the arrangements which I made with them for their assistance in carrying out the terms of Section 2 of the Special Areas (Amendment) Act, 1937. Clearance and development have already been commenced on part of the site by arrangement with Messrs. Guest Keen and Baldwins. The first stage of the work is estimated to cost about £40,000. One factory of some 26,000 square feet is already under construction on the site and is nearing completion.

### **Cyfarthfa.**

344. Another site which has received consideration is that at Cyfarthfa to the north of Merthyr Tydfil, the site of an old iron works. Arrangements have been completed for the purchase of this site, which occupies some 50 acres, and negotiations are practically completed for its development by South Wales and Monmouthshire Trading Estates, Ltd., and the erection, for a large industry, of a factory which will occupy 130,000 square feet and may later extend to a much larger area.

These two schemes should be of the utmost value to Merthyr Tydfil which has suffered so long from very heavy unemployment.

### **Other Schemes.**

345. Though I am unable to make any definite announcement at the moment, I have under consideration the possibility of clearing at least one other site in the South Wales Area, in addition to two individual sites in Monmouthshire which I am purchasing for the construction of factories.

346. The clearance of sites for industrial development in South West Durham and in Cumberland is being entrusted to the South West Durham Improvement Association and the West Cumberland Industrial Development Company respectively, to whose establishment I have referred earlier in this part of the Report.

### **Improvement of Shipping Facilities.**

347. Progress has also been made with the improvement of shipping facilities. The following paragraphs give an account of what has been done during the last 12 months.

#### **Deep Water quays on the South Bank of the River Tyne.**

348. This scheme has been fully described by Sir Malcolm Stewart in his previous Reports, the position at 30th September, 1936, being set out in paragraphs 159 to 162 of his Third Report. The purchase of Tyne Dock by the Tyne Improvement Commissioners was completed on 30th April, 1937. The scheme is a



very large and important one and naturally the working out of the detailed plans for the construction and equipment of the quay is a lengthy matter. Good progress has, however, been made.

#### **Improvement of navigation on the River Tyne.**

349. Paragraph 163 of Sir Malcolm Stewart's Third Report described the proposal of the Tyne Improvement Commission to remove an obstruction on the South bank of the river, near Felling. The preliminary stage of this work, which consisted mainly of removing debris in preparation for dredging and excavation, was completed in February last, and substantial progress has been made with the remainder of the work.

#### **Sunderland Fish Quay.**

350. In paragraph 62 of Sir Malcolm Stewart's Second Report an account was given of a scheme submitted by the Sunderland Corporation to construct a Fish Quay, which was dropped on the failure of the Corporation to obtain certain statutory powers. In January last, the River Wear Commissioners, whose existing statutory powers cover such works, applied to me for assistance in constructing a Fish Quay, the plans of which had taken account of the technical criticisms of the original scheme. After considering the matter fully and taking the advice of the appropriate Departments, I offered the River Wear Commissioners a grant in aid of the work. This offer they accepted. Plans and tenders have been agreed and the work, the cost of which is to be about £29,000, started on 27th September last. The contract date for completion of the work is 40 weeks from that date, namely, 4th July, 1938. I am satisfied that the construction of the quay will improve the economic prospects of Sunderland and that any feelings which may exist as to possible unfavourable re-actions on neighbouring ports are without foundation.

#### **Coast protection to the South of Sunderland Docks.**

351. For some considerable time I have been discussing with the River Wear Commissioners a project for the protection of the coast and the reclamation of land to the South of Hendon Docks at Sunderland. The scheme originally submitted was an expensive one and, after considerable discussion, the River Wear Commissioners did not feel that they could undertake it, even with the assistance of a grant which I felt able to offer them. Agreement has now, however, been reached on a modified scheme which will be of substantial value in preventing erosion of the coast in that neighbourhood and in forming a nucleus on which a substantial reclamation scheme could be based later. The Commissioners are now preparing detailed plans and estimates for the work, and it is hoped that it will be possible to put it in hand at an early date. The approximate cost of the work will be £20,000.

### **Whitehaven Harbour.**

352. An account was given in paragraphs 164 to 167 of Sir Malcolm Stewart's Third Report of a scheme for the improvement of Whitehaven Harbour by the reconstruction of the Dock Gates. The Harbour Commissioners intimated to me at the end of last year that, in view of the decision to re-open the Whitehaven pits, they desired to put this scheme in hand. I informed them that I was prepared to renew the offer made by my predecessor. As the nature of the offer necessitated an amendment of the financial provisions of the Acts relating to the Harbour, it was necessary for the Harbour Commissioners to obtain a Parliamentary Bill. This Bill was prepared and passed on 20th July, 1937. Meanwhile, the Harbour Commissioners had appointed engineers who had previously made a preliminary survey with a view to getting out possible plans and specifications. In view of the lateness of the season when these were ready, however, it was decided that the work should be deferred until the Spring of next year. The estimated cost of the work is about £33,000.

### **Maryport Harbour.**

353. Sir Malcolm Stewart referred at length to the question of Maryport Harbour in paragraphs 168 to 171 of his Third Report, and expressed the view that the harbour should be repaired and maintained rather than be abandoned.

354. I have visited the harbour on more than one occasion and feel convinced that the future of Maryport as an industrial centre is dependent on the renovation of the harbour. I arranged in January of this year for a well-known firm of Engineers to make an inspection of the harbour and give an estimate of the approximate cost involved in carrying out the minimum repairs that are essential if the harbour is to continue to remain open. It appears that this minimum cost is about £123,000, though to put the harbour into a full state of efficiency would cost considerably more. At the date of this Report the question of whether an expenditure of this magnitude is justified is still under consideration.

## **Communications.**

### **Severn Bridge.**

355. On 5th November, 1936, the Minister of Transport announced in the House of Commons that the Government had examined the case presented for a new bridge over the Severn, but that they had felt bound to have primary regard to the overriding importance of the National Defence programme and the demands which that programme would progressively make upon the national resources. The Government had, therefore, come

to the conclusion that they would not be justified in embarking upon the execution of bridges over the Severn and other estuaries at the present moment but that decision did not exclude reconsideration of the project at a later date.

356. I share the view of my predecessor that the construction of a bridge over the Severn is a project of major importance for the industrial development of South Wales, and I have made certain suggestions in paragraph 443 below in the hope that, although no work on the project can be begun for the time being, preliminary plans may be prepared and legislative sanction obtained.

### **West Cumberland.**

357. I entirely agree with the view taken by my predecessor that the improvement of road communications with West Cumberland is of paramount importance for the industrial development of that Area. It is not within my power to give financial assistance to such a project, but I have consistently urged the Ministry of Transport to give favourable consideration to proposals from local authorities for improving road access to this Area.

358. On 2nd July last the Minister of Transport received a deputation from the Cumberland Development Council and the Cumberland County Council on the subject of the improvement of the road approaches to West Cumberland from the South. The deputation pressed that the Minister should himself pay a visit to the Area in order to see the present position. At the date of this Report it was understood that the Minister had arranged to pay an early visit to the district with a view to investigating the proposals on the spot.

### **Encouragement of Tourist Traffic.**

359. Part V of Sir Malcolm Stewart's Third Report dealt with the measures taken to encourage tourist traffic in the Special Areas and gave an account of schemes approved by him with that object in view.

360. I share the opinion of my predecessor that the attraction of visitors to the holiday and historical resorts in the Special Areas is a measure by which the economic development of those places will be facilitated, having in mind the fact that catering for tourists is an industry on which many of their inhabitants depend for a livelihood.

361. The North East Development Board, the National Industrial Development Council of South Wales and Monmouthshire and the Cumberland Development Council have all taken steps, in co-operation with the Travel and Industrial Development Association, to advertise the attractions of their Areas for tourist traffic. It is perhaps worth mentioning also in this

connection the recent speeding up of the railway services from London to the North by both the London and North Eastern and London Midland and Scottish Railway Companies. Improvements in the former service enable the journey to or from Newcastle-upon-Tyne to be made in four hours, while the fact that more of these fast trains stop at Darlington brings the Bishop Auckland area within a much shorter time from London. On the North Western side the improvements enable Carlisle to be reached in about four and three-quarter hours and should be of considerable value to the West Cumberland Areas.

362. I might also mention that reference has been made in the booklet which I have issued in conjunction with the Scottish Commissioner to the amenities of the Areas which have in the past been largely overlooked.

363. During the year under review I have given close attention to proposals designed to improve the amenities of the places in the Special Areas which are patronised by holiday visitors and I have been able to approve the following schemes submitted by local authorities.

#### **South Shields: Frenchman's Bay and Marsden Bay.**

364. A long stretch of foreshore containing two inlets known as Frenchman's Bay and Marsden Bay and brought within the boundaries of the County Borough on 1st April, 1936, forms a particularly attractive spot and its popularity with visitors is rapidly increasing. The approaches to the two Bays are, however, inconvenient and even dangerous, and this state of affairs tends to dissuade many persons from visiting them. The Corporation propose to reconstruct the approaches and I have promised assistance towards the cost of the work.

#### **Boldon: Improvement Scheme at Bents, Whitburn.**

365. The proposals in this case are for the improvement of land at Whitburn facing the sea and lying between the County Boroughs of South Shields and Sunderland, where the authorities are carrying out improvement schemes on their part of the coast. The Boldon scheme provides for the construction of a sea retaining wall with grass embankments, grass plots and seats and I am advised that it will be of considerable value in aiding the economic development of the town. I have, therefore, agreed to make a grant towards the expenditure involved.

#### **Hartlepool: Headland Protection Scheme.**

366. This scheme is for the construction of sea defence works required for the protection of a promenade and public pleasure ground and, as no grant is available from other Government sources, I have indicated my willingness to assist the project.

### **Tynemouth: Improvements to Open-Air Bathing Pool.**

367. The open-air bathing pool at Tynemouth was originally constructed in 1924, but filtration plant was not installed. For some years the pool was a very popular feature amongst visitors and townspeople, but during the last few years the attendances have fallen considerably and this is attributed entirely to the widespread propaganda against the impurity of swimming pools. At present the pool is emptied and filled on the tides and it is not possible to change the water as frequently as is necessary in the interest of the health of the bathers. Many complaints of the unwholesomeness of the water have been made. It is proposed to install modern filtration plant, construct scum channels, etc., and to effect other minor improvements and, as these measures are designed to restore the attractiveness of the pool, I am affording financial assistance towards the cost.

### **Maryport: The Brows.**

368. Sir Malcolm Stewart hoped that Maryport, as some compensation for its loss of trade in recent years, might develop as a seaside resort, and he referred in paragraph 216 of his Third Report to a scheme which he had provisionally approved for constructing a sea-wall to the North of the town and developing the adjoining land which is known as "The Brows". In June last I approved acceptance of a tender for the construction of the sea-wall and during my visit to Maryport in September I inspected the site and noted the progress which was being made with the work. The scheme is one of considerable magnitude and work on it will probably last over a year.

### **Welsh National Park.**

369. Further enquiries have been made during the past year in respect of the proposal for the establishment of a National Park in the Northern part of the Welsh Special Areas. I share my predecessor's view that the creation of such a Park would, among other things, help to attract tourists to the Area, and trust that the proposal will receive further consideration.

## **PART IX.—THE PROBLEM OF THE OLDER MEN.**

370. It is significant that during a year in which there has been such a marked reduction in unemployment in the Special Areas public attention should have been focussed more than ever before on what has come to be known as the problem of the older men. This is, of course, a national problem and the Minister of Labour has frequently drawn attention to the problem in the national aspects. It is, however, a problem which appears in a more acute form in the Special Areas than elsewhere, partly because of the generally higher level of

unemployment in these Areas than in most other parts of the Country and partly because the transference of so many young persons out of the Areas is leaving them with a growing proportion of old men.

371. The main factors of the problem are generally known. When depression comes to an industry employers frequently choose young and inexperienced work-people as the first to be dismissed and keep the older members of their staff as long as possible, partly because of their experience and partly through disinclination to discharge men who have family responsibilities and would find it difficult to obtain other employment. Industrial depression in the Special Areas, however, has been such that in many instances whole works and pits have closed down, throwing all their employees, old and young, into the labour market. Many of these employees have been without work for so long that the young ones have become middle-aged, and the middle-aged have become old, during unemployment.

372. The particular problem of the older men does not emerge acutely from the general unemployment problem until trade begins to improve. Some of the older men are re-engaged because of their long experience, but all too frequently a long period of unemployment has resulted in a loss of skill or of physical fitness and employers tend to take on younger men for their expanding industry. Once a man of over 45 or 50 has been shelved from industry he finds it extremely difficult to get reinstatement and he has reached an age when it is very difficult to learn a new trade. While this is true in the main of industry generally it is particularly true of the heavy industries and especially of the mining industry which is the largest single industry in the Special Areas. Mechanisation is proceeding apace in this industry and older men who have become skilled in manual methods do not readily adapt themselves to modern coal cutting machinery. Moreover, employers hesitate to incur the risk of large compensation costs through employing older men who, through periods of unemployment, have lost their physical fitness.

373. In parts of the Country where there is a wide variety of industry many older men get employment in light but responsible jobs such as that of watchman, but the number of openings for such men in the Special Areas is at present very limited. The prospect before such men will be improved by the policy I am seeking to follow of attracting a wide variety of lighter industries to the Areas.

374. The difficulty of reabsorbing older men in industry grows greater as their age advances and it will have been noted from paragraph 90 in Part III of this Report that the chance

of re-employment varies inversely between 18 and 65 according to age. The problem becomes particularly acute round about the age of 50 but even at 45 many men find it difficult to secure reinstatement after a long period of unemployment.

375. The following table gives the age distribution of men over 45 in the Special Areas in May, 1937:—

Aged.	West Cumberland.	Durham and Tyneside.	South Wales.	Total.
45-54	1,941	18,230	21,019	41,190
55-59	1,029	9,634	11,206	21,869
60-64	783	9,434	9,790	20,007
65 and over	7	210	113	330
Total 45 and over	3,760	37,508	42,128	83,396

The numbers in the 45-54 age group were 20·3 per cent. lower than they had been a year before and the numbers over 55 were 10·6 per cent. lower. It is satisfactory that over 5,000 men in the Special Areas over the age of 55 secured employment during the year, but a large residual problem remains.

376. I have given special consideration to this problem during the last year and have held two Conferences on the subject, one on 2nd June and one on 21st July, attended by some twenty people whom I invited because of their special knowledge and experience to give me the benefit of their views. At the second Conference we had full particulars of the problem supplied by the Ministry of Labour and the Unemployment Assistance Board and the organisers of the Pilgrim Trust Unemployment Enquiry were also good enough to let us have in confidence certain preliminary notes resulting from their study of the problem.

#### Methods of Solution.

377. There is one point on which everyone who has studied this problem must agree, namely, that there is no panacea. The problem must be attacked along a number of different lines; this has been my object throughout.

378. One obvious method of attacking the problem would be for the Government and local authorities to insist, so far as possible, that in all works undertaken with financial assistance from central or local funds as high a proportion as possible of older men should be employed. This policy was adopted by Sir Malcolm Stewart from the very beginning of his activities in regard to all schemes carried out by local authorities with

assistance from the Special Areas Fund. He made it a condition that all men engaged for work on these schemes, other than a small number of key men, should be engaged through the Employment Exchanges who were instructed to see that preference for employment on these schemes was given to older married men and older single men with dependants, who could not reasonably be transferred to employment in other parts. I have received reports from the local offices of the Ministry of Labour on the operation of this preference. These reports clearly indicate that, as a result of the policy adopted, a considerable number of older men over 45 years of age, whose chances of obtaining ordinary industrial employment were remote, have secured work on these schemes. On the whole the local authorities and the contractors concerned have co-operated well in ensuring that our intentions are carried out in the spirit as well as in the letter. In some cases it is reported that older men have been able to secure other industrial employment after completion of work on the grant-aided scheme, entirely as a result of the fact that the spell of employment on the scheme has benefited both their physique and morale and enhanced their value in the eyes of prospective employers. In some cases, of course, the work has been too strenuous or has involved climbing or working in water or other arduous tasks for which older men could hardly be recommended, but in general the reports show that the preference given to older men has worked smoothly and efficiently. For instance, of the men employed on these schemes in South Wales 13.3 per cent. were over 55, and 45 per cent. were over 45. There is no reason to believe that the employment of the older married men has resulted in any substantial increase in the cost of the works, and I would strongly recommend that for all public works which are in future undertaken with the aid of grants from the national Government or local authorities it should be made a condition that a reasonable proportion of older men should be employed.

379. It is more difficult to impose any such condition on private enterprise, particularly as a preference can only be made fully effective if it is carried out with the good-will of all concerned. While I hope that many of the new industries which I am helping to get established in the Special Areas will bring a substantial increase of employment to the older men, I have not thought it wise to add to the many difficulties already experienced in connection with the attraction of industries to the Areas by making it a condition of assistance under the Special Areas (Amendment) Act, 1937, that any stated proportion of older persons should be employed.

380. In all Government contracts preference is, of course, given to firms which are on the King's Roll and have agreed



to employ a percentage of disabled ex-Service men. This may appear remote from the problem under discussion, but it has to be remembered that it is now nearly 20 years since the War ended and that any preference for ex-Service men is rapidly becoming an automatic preference for older men.

381. Apart from the insistence on the employment of older men on wage paid schemes the main lines on which the problem of the older men has been tackled in the Special Areas has been through the provision of various types of sub-economic employment such as Group Holdings, Subsistence Production, Voluntary (Local Amenities) Schemes and Allotments. These are described in the next Part of this Report. Many thousands of old men in the Special Areas are now spending the greater part of their day with benefit and, I believe, enjoyment on these schemes. They do not compete with normal industry and they continue to receive their unemployment allowances. They do not disappear from the registers of the unemployed, but they are in fact usefully employed for the greater part of the time and the figures of unemployed therefore exaggerate the size of the problem which yet remains to be tackled.

#### **PART X.—SUB-ECONOMIC EMPLOYMENT.**

382. Reference has already been made in Part IX of this Report to the problem presented by the large number of elderly men in the Special Areas who have been unemployed for long periods and are unfortunately never likely, so far as can be seen, to obtain ordinary employment again. So long as younger men are available, these elderly men are not in demand, particularly in an industry in which the numbers employed are diminishing, and I have not thought it desirable to hamper the efforts I am making to attract new industries to the Areas by making it a condition of any assistance under the Special Areas (Amendment) Act, 1937, that a fixed proportion of elderly men should be employed. These men and their wives are also too old for the strenuous and exacting life of a small holder under the Special Areas Land Settlement schemes.

383. The problem is not confined to men who are incapacitated by age but is found to exist also among those who are infirm or suffering from some industrial disability such as the dread disease of nystagmus which is all too common in mining areas. All such men are capable of some work and are within the scope of the Unemployment Assistance Act, 1934, but in present conditions only a small proportion of them are likely again to obtain regular work in the Special Areas.

384. Anyone responsible for the initiation of measures for the social improvement of the Special Areas must clearly consider the problem presented by such men. Sporadic efforts had

been made by voluntary bodies in several directions before the Special Areas Act was passed, and Sir Malcolm Stewart was able to help these and initiate or recommend further measures with the same object in view. All such efforts must be directed to giving the men in question some useful occupation to keep their hands and minds busy without imposing on them the strain of full-time employment under modern industrial conditions. Further, it is desirable that the measures should be as self-contained as possible so as to afford the minimum interference with the normal economic life of the Areas. Though the various schemes adopted differ considerably in detail, they all have these common objects, and I propose to deal with them in one Part of this Report under the title "Sub-economic Employment".

385. As this term implies, the men employed in these various schemes are not partaking in the full economic life of their Areas; they are in all cases giving their service voluntarily and there is no contract of service. They remain available at all times for normal employment, should an opportunity present itself, and they are able therefore to continue to draw their unemployment allowances as the main source of their income. In most cases they are able to supplement their allowances to a small extent, in cash or in kind, but that is not the main object of the schemes. The great majority of such men are drawing allowances from the Unemployment Assistance Board and, in all the arrangements made in regard to what I have termed "sub-economic employment", I have worked in close association with that Board, to whose ready help and broad-minded sympathy a tribute is due.

386. The main schemes of this type, which will be described in this Part of the Report, are Group Holdings, Subsistence Production Schemes, Cottage Homesteads, Voluntary (Local Amenities) Schemes and Allotments. The Occupational Centres for unemployed men, which have been established in large numbers throughout the Special Areas in connection with the programme of the National Council of Social Service, also have some claim to come within this category in so far as they provide useful occupation, but in many cases their efforts have an educational and recreational rather than an occupational object and, as any State assistance given to such Clubs is provided by the Ministry of Labour and not from the Special Areas Fund, they will not be dealt with further in this Report.

387. It will be seen from the following paragraphs that, in all, a large number of men are being provided with sub-economic employment under the schemes assisted from the Special Areas Fund. The total cannot be much short of 10,000. In a sense it is unfortunate that this considerable effort, involving large expenditure of time and money, is not and cannot be

reflected in the Ministry of Labour's live register figures. The men taking part in these schemes remain in receipt of unemployment benefit or allowances and are therefore shown in the monthly figures of unemployed although most of them are performing a pretty full week's work.

388. While the schemes mentioned in paragraph 386 all have certain features in common, they cater for differing needs, and involve very different standards of expenditure per head. The Subsistence Production Scheme should raise the standard of living of its members more than any of the other measures, but the capital cost involved is considerable and the scheme is primarily designed for a fairly small and rather isolated but compact community suffering from an exceptionally heavy rate of unemployment; it has an advantage in that it provides various types of employment and is not confined to agriculture. Group Holdings are much less expensive and are easier to organise, but they are confined to agricultural activities and are not suitable for large industrial centres owing to the difficulty of obtaining land near enough to the holders' homes. Cottage Homesteads also involve agricultural activities and are at present designed for men who have several children under 18 and are willing to leave the Special Areas and settle in the smaller industrial towns where there is a demand for juvenile labour. Voluntary (Local Amenities) Schemes do not, like the other measures, provide permanent employment, and those taking part are working primarily for the benefit of the community in which they live, though they themselves get additional food and are able to partake in heavy constructional work which often fits them for economic employment. Allotments are of course the simplest and cheapest of all the measures mentioned; they are not confined to the unemployed and have the advantage that interest in them need not cease if and when full-time employment is obtained; here again it is difficult to find the necessary land in large urban areas.

#### **Subsistence Production Society of the Eastern Valley of Monmouthshire.**

389. The interesting experiment in what has come to be known as "Subsistence Production," organised by An Order of Friends in the Eastern Valley of Monmouthshire, has been described by Sir Malcolm Stewart in his Reports. Shortly after assuming office I visited this scheme, and was greatly impressed by what I saw and by the inherent possibilities of the scheme.

390. For a variety of reasons the efforts made by its promoters to obtain funds from voluntary sources have not been as successful as was hoped, and in the result there was some danger of the experiment falling through for lack of financial support. The issues involved in the experiment were of such

importance that I considered it undesirable that this should happen at a stage when so many of the administrative difficulties have been overcome, and the value of the experiment in relation to the problem of the older unemployed was within reach of assessment. I accordingly increased the grant from the Special Areas Fund by £30,000, making a total of £82,500.

391. In making this grant I drew the attention of the promoters of the scheme to the fact that the scheme could not be regarded as a success unless and until the cost of maintenance, over and above exceptional items for special supervision and training, could be met from the proceeds of sales to members. The absence of any profit element in the scheme, and the fact that loan charges on capital and wage costs were largely eliminated should in my view make this administratively possible, whilst still leaving the members with adequate benefits in relation to the terms on which goods produced by the Society are supplied to them. A continued need to secure funds from outside sources to meet trading losses would not be justified, and this view is accepted by the promoters themselves. The following paragraphs, based on a report from the promoters of the scheme, indicate the progress which has been made. Whatever may be the ultimate results, the experiment is being fully justified, and the measure of success which has been reached is of itself a tribute to the untiring efforts of Mr. Peter Scott and the band of workers which he has organised to direct the scheme.

392. During the year that has passed the Subsistence Production Society of the Eastern Valley of Monmouthshire has made steady progress. The number of productive and other activities has been increased and the efficiency of existing undertakings improved; at the same time, substantial changes for the better have been made in the administration of the Society and in the maintenance of the right relationships between the Society and its members.

393. Subsistence Production is an effort to enable the older unemployed men to produce for themselves as many as possible of the necessities of life. Membership of the Society is voluntary and open to unemployed men of 35 years of age and over, living in the distressed towns and villages of the Eastern Valley and in Brynmawr. Members are asked to work thirty hours each week and, while they receive no wages from the Society, continue in receipt of their unemployment assistance or other allowances. In return for his labour a member is entitled to obtain from the Society, at the cash cost of production, such goods as he requires for the consumption or use of his own household. No goods produced by the Society are sold on the open market. The cash cost of production to the Society

is always below the retail market price inasmuch as the labour cost is eliminated, distributive charges are low, and the Society does not endeavour to make profits.

394. From the beginning, work on the land has been the backbone of the Society's activities, and during the past 12 months very considerable additions have been made to the stock, plant and buildings of the model dairy farm at Llandegveth. The herd of pedigree Ayrshire cattle has been increased to over 100 head, of which some 55 are in milk. Pigs and poultry breeding have been established on a more extensive basis than heretofore, and for the latter the latest equipment has been installed. All constructional work has been undertaken by the members themselves under skilled supervision, and derelict buildings have been reconditioned and brought back into use, roads built, drains laid, and houses repaired.

395. At the Society's six horticultural plots in the Eastern Valley—Cwmavon, Trevethin, Pontymoel, Griffithstown, Pontnewydd and Cwmbran (an aggregate of 114 acres)—further progress has been made. At each of these, vegetables are grown, principally potatoes, peas, beans and greenstuffs, and at several of them pigs, poultry, bees and rabbits are kept. At Pontymoel, two further glasshouses have been added to the original pair erected in 1935, and the total area under glass is now approximately 15,000 square feet. The excavation and brickwork for the new houses was carried out by the members themselves, and some eight tons of tomatoes have been grown during the 1937 season. At Trevethin, some seven acres of fruit—apples, plums, and black currants—have been planted; in years to come the fruit will be used principally for jam manufacture.

396. At Beili Glas farm, Cwmavon, in addition to the keeping of pigs and the production of vegetables, a small limestone quarry has been developed, and a crushing plant installed. The Society now produces its own stone and chippings for building purposes, and burns its own lime for use on the land. It is hoped that it will shortly be possible to produce, from the crushed stone, concrete bricks and blocks for constructional purposes.

397. In November, 1936, a new branch of the Society was opened at Brynmawr, where possession of a derelict hillside farm was obtained. A minimum of 25 men have worked there throughout the year, with good results; the first crop of potatoes and cabbages has been produced, cattle, sheep and pigs have been kept, a beginning has been made with the intensive keeping of poultry, and much of the land has been drained and fenced. During the winter a small coal level was opened by the members, and for some months sufficient coal was produced to supply the household needs of the Brynmawr members. Unfortunately,

the seam was exhausted early in 1937 and, though repeated efforts have been made, it has not yet been possible to find suitable supplies of coal elsewhere.

398. In the industrial headquarters of the Society at the Old Brewery, Cwmavon, steady progress has been made. The alterations to the existing buildings have been completed, and the various industries brought into full working order. The principal activities are now as follows: Wheat is milled for flour, the bran and sharps being mixed into balanced rations for the livestock at the different farms. The Society's own barley and oats from Llandegveth are ground on a small stone mill, which is also used for the production of maize-meal. The bakery has been enlarged and improved, and produces each week bread, cake and a variety of other products. An up-to-date butchers' shop has been installed, where the meat—mostly home grown—is cut up for distribution to the members every Friday. Sausages and small goods are also made. The Society hopes shortly to be able to build its own slaughter-house. In an up-to-date kitchen a midday meal is served each day to members, and in an adjoining room jam and pickles are produced during the season. In other departments tweeds and towels are woven, cloth tailored, wool knitted, and boots repaired. In addition to offices, the Society at Cwmavon has its own smithy, woodworking shops, boilerhouse, garage, distributive stores, and stables, while a machine joinery shop has been rented at Pontnewydd, where windows, doors, etc., are made for the various buildings under construction.

399. The establishment of the Subsistence Production method has meant that its organisers have had to face many difficulties of a novel kind. They claim that these are threefold, technical, psychological and financial. They claim also that the first two of these have been overcome, and that great experience has been gained in the operation of the many technical processes involved, in the handling of the raw voluntary labour available and in the establishment of new relations with and between the members of the Society. While financial difficulties have still to be overcome, they are being energetically tackled.

400. In theory the Society should be self-supporting, inasmuch as costs, with the exception of supervision and technical instruction, are included in the price of the various commodities produced. However, it has been found in practice that a state of financial self-sufficiency has yet to be reached; during the early days of the Society mistakes were made which have since proved difficult to remedy, and the scattered nature of the undertaking has made the cost of distribution unnecessarily high. Nevertheless, the organisers claim that, in any extension of the work, overheads and transport costs should be very substantially

reduced, and the undertaking placed on a sound economic basis. At the same time all reasonable steps are being taken to lower running costs within the present Society.

401. Apart from the purely practical results achieved during the past year, a number of conclusions of no small importance can be drawn from this experiment in Subsistence Production. In the first place it is clear that the older unemployed men can still be trained—slowly it is true—in trades quite different from those to which they have been used. More particularly has success been achieved in agricultural pursuits, and in building, baking, and other activities, where good eyesight and manual dexterity are not all-important. Progress made in constructional work, and in the production by the Society of its own building materials, has been most significant.

402. Secondly, it has been found possible to raise very materially the standard of living of households in which the husband is a member of the Society. Not only can the Society's produce be obtained at prices below those obtaining elsewhere, but also the quality of the foodstuffs provided, more especially milk, bread, vegetables, meat, eggs and preserves, is better than that of the foodstuffs normally on the table in an unemployed home, with lasting benefit to growing children in the family.

403. Lastly, it has been shown beyond all possibility of doubt that, apart from other considerations, the provision of work and interest supplies something that is essential to the peace of mind of the average unemployed man. The change for the better in outlook, mental activity, and contentedness in many of the members has been one of the most encouraging features of the Society's work.

#### **Voluntary (Local Amenities) Schemes.**

404. A full description of these voluntary labour schemes, together with details of eight of them, was given in Part VII of Sir Malcolm Stewart's Second Report and up-to-date general information about the schemes was given in Part XI of his Third Report.

405. During the year ended 30th September, 1937, 28 new schemes, or extensions of schemes already being assisted, have been submitted. Brief details are given in Appendix VII. The total number of schemes to which consideration has been given since November, 1934, is now 138; of these 122 have been approved for assistance out of the Special Areas Fund. The geographical distribution of the schemes approved for assistance is: 64 in the Durham and Tyneside Special Areas, 51 in South Wales and Monmouthshire and 7 in West Cumberland. Approximately 3,850 volunteers have been occupied on the schemes and grants amounting to £53,500 have been made or promised.

406. Whilst it would be invidious to mention the merits of any particular example of these praiseworthy schemes, it is perhaps excusable to give brief details of one which may be of particular public interest at the present time. In June, 1936, the unemployed of Jarrow began work on a scheme which had for its object the reconstruction of the Sports Stadium at Old Monkton, formerly used by the employees of Palmers' Yard. The closing of the latter and the general depression had resulted in the Stadium being allowed to fall into serious decay. The reconstructed Stadium will comprise a central arena and football ground, cinder cycling-track and grass running-track, tennis courts, putting green and pavilion. The whole scheme will cost rather more than £1,000 and I have made a substantial grant towards this sum, the balance being provided out of the Surrey Fund. The work is now practically complete; in fact, Sir John Jarvis recently performed the opening ceremony and on 21st August an athletic meeting attended by 5,000 spectators was held, the proceeds going to the Jarrow Hospital.

407. It is a sign of the general improvement in the Areas that, in a number of instances, voluntary schemes have recently been held up, or work on them has been appreciably retarded, owing to employment being found by the volunteers. Nevertheless the keenness and public spirit which originally led groups of unemployed men, by means of these schemes, to preserve their capacity for hard work and at the same time to help to provide badly-needed public amenities near their homes are being further illustrated now, inasmuch as many of the men who have found employment are still willing to help the schemes to a successful conclusion by giving their voluntary labour during their spare time.

408. It must be borne in mind that these schemes are evolved by the unemployed of their own accord and that the only reward for the work arises from the results themselves. Assistance from the Special Areas Fund is merely designed to ensure that the volunteers should obtain the greatest possible benefit, physically and mentally, from their participation in the schemes and should not suffer financially through the wear and tear of their own clothing. It consists, broadly, of the provision of tools and materials for the schemes and of working clothes and a daily meal for the volunteers. The satisfaction derived by the members is first, that they, their families and their neighbours will enjoy the use of amenities which would not have been provided by any other means, and, secondly, that the occupation has preserved their physical fitness and their morale and thus has helped the men to fit themselves for full-time employment.



409. On technical grounds alone, the scope of the schemes undertaken on a voluntary basis is limited, and it cannot be too strongly emphasised that the successful completion of such schemes depends entirely on the spirit in which the volunteers enter upon their self-appointed task, and the wholehearted co-operation of all concerned during the progress of the work.

### Group Holdings.

410. The provision of group holdings, i.e., quarter to half acre plots of land, part for cultivation as allotments and part for the keeping of poultry, has made considerable progress since the date of Sir Malcolm Stewart's last Report, especially in the North East Area. The following figures show the progress made:

Area.	At September 30th, 1936.		At September 30th, 1937.	
	Groups.	Holdings.	Groups.	Holdings.
North East ... ..	71	1,381	101	1,966
West Cumberland ... ..	9	103	12	127
South Wales... ..	55	761	71	985
Total ... ..	135	2,245	184	3,078

A list of the 50 schemes inaugurated during the past year is given in Appendix VIII.

411. Practically the whole of the increase in the North East Area was in Durham, where, under the energetic management of the County Director of Agriculture (Mr. J. W. Cassels) and his staff, 30 new centres were established during the year. The movement in Durham is very popular and has not yet reached its full development. It is expected that 25 more centres will be started during the coming season. In his report on the progress in the County, Mr. Cassels says:—

“Originally the provision of group holdings was regarded merely as a temporary expedient designed to provide a useful occupation for those men who were in enforced idleness. The experience gained during the past four years has shown, however, that these holdings are worthy of a permanent place in the mining villages. There is a high percentage of men who, because of their age, or as a result of physical disabilities, cannot hope to be re-absorbed in their original vocations. The occupancy of a plot on a group holding provides a useful outlet for them, and can be turned to profitable use.”

412. In Northumberland, where the Land Settlement Association is responsible, great difficulty has been experienced in procuring suitable land at a reasonable rent near the men's homes. This difficulty seems almost insuperable and only one new centre was established during the year.

413. In Cumberland, also, progress has been rather slow, the number of new groups established being only three. Apparently the group holdings idea does not make the same appeal to Cumbrian men as it does to Durham miners.

414. In Glamorgan the group holdings scheme is administered by the County Director of Agriculture, Mr. J. D. Davidson. There is some evidence of a slackening demand. Land is seldom obtainable in an attractive situation. Many of the holdings are, of necessity, located at high altitudes and are difficult of access, and, in consequence, they do not attract men of the older age groups. Also there are many with no interest in land or livestock and others with no children at home who have, therefore, less incentive to take up a holding. For the same reason difficulty is sometimes experienced in re-letting holdings that are vacated. As many as 391 men have left, chiefly for work, since the scheme started in Glamorgan. Of the 762 holdings in this County, 216 are pig holdings and 546 poultry holdings.

415. In Monmouthshire, with the exception of one scheme which has had to be completely reorganised, very good reports are received as to the position and progress of the group holders. Administration in this County is under the immediate direction of Principal G. H. Purvis of the Monmouthshire Agricultural College, Usk.

416. It is of interest to note that a number of successful group holders have been transferred to small holdings schemes established in Wales by the Welsh Land Settlement Society and the County Councils.

417. Speaking generally, the chief practical difficulty in connection with the successful running of group holdings, after they have been started, is to ensure the provision and due observance of satisfactory arrangements for maintaining a proper head of stock, as well as for the maintenance and eventual replacement of the wasting equipment. There is a tendency on the part of group holders to look upon the proceeds of any sales of produce as pocket money, whereas the nature of the enterprise requires that something should be set aside regularly for replacements if the venture is to be permanent. There is no intention of providing additional grants from the Special Areas Fund for replacements when the original equipment is worn out.

418. Group holdings were devised in order to enable older married men, who were least likely to return to their normal employment, to find healthy and interesting occupation for themselves, to give variety to the household diet, and thus contribute to the health of their families. They were not intended to provide substantial earnings and clearly, if that position were reached, the Unemployment Assistance Board, whose attitude towards the scheme has been most sympathetic and helpful, could not be expected to disregard the facts when assessing the men's allowances.

419. These are matters requiring careful consideration in connection with the maintenance on a permanent footing of a scheme which is capable of being of lasting benefit to the class of unemployed for whom they are primarily intended.

#### **Cottage Homesteads.**

420. Reference was made in Sir Malcolm Stewart's Third Report (paragraphs 402 to 406) to a proposal to establish a new type of holding comprising a house and about half an acre of land for occupation by elderly unemployed men with families comprising juvenile members of an age to take up industrial employment. The Homesteads would be established in groups of about 20 and upwards in localities in the Midlands and South of England offering good opportunities for the employment of boys and girls.

421. Arrangements were made at the end of last year for the Land Settlement Association to undertake, on my behalf, an experimental programme of 250 Homesteads. The families to be transferred to these Homesteads are to be selected from those where the prospects of the head of the household being reabsorbed into employment are poor, or non-existent. Normally he is to be 45 years of age or over, with a preference for the older men, and there should be three or four adolescents between the ages of, say, 10 to 16. Preference is also to be given to those who, while otherwise suitable, are considered unlikely to secure regular employment in a new industry, e.g., owing to physical disability.

422. By the end of September, 1937, the Association had acquired, or arranged to acquire, properties at Long Lawford (near Rugby), Cosby (Leicestershire), Caversham (near Reading), Dunstable (Beds.), and Andover (Hants.), which would provide a total of 210 Homesteads. In addition, the Association had set aside a small part of its small holdings settlement at Elmesthorpe (Leicester), in order to provide 12 Homesteads. The total number thus provided is 222 out of the required 250. The Elmesthorpe scheme was practically ready for occupation at the end of September, and families had already been recruited.

423. Each occupant of a Cottage Homestead, will be provided, on loan, with the necessary stock and equipment for his half acre of land and will continue to draw his allowances so long as he remains unemployed.

#### Allotments.

424. The assistance given from the Special Areas Fund towards the cost of opening up new allotments and, in some instances, providing money for the refencing of existing allotments which would otherwise have gone out of cultivation, has given satisfactory results. Generally speaking, the allotment movement in the Country as a whole shows a declining tendency, but in the Special Areas the number of allotments has remained steady or even increased slightly. Official figures are only available as regards allotments in urban areas and the following statement shows the number and area of allotments provided by the local authorities of such areas and by private owners within the same areas:—

—	1935.		1936.	
	No.	Acres.	No.	Acres.
Durham and Tyneside ... ..	29,763	2,489	30,273	2,482
West Cumberland ... ..	1,790	145	1,804	148
South Wales and Monmouth ...	27,399	2,068	27,847	2,108
Total for Urban Areas ...	58,952	4,702	59,924	4,738

The increase of practically 1,000 allotments in 1936 follows on an increase of nearly 1,800 in the previous year.

425. The good work of the Central Allotments Committee in connection with the supply of seeds, fertilisers and implements to unemployed and partly employed men throughout England and Wales has been continued, with marked benefit to those participating. The total number of persons assisted in this way in the Special Areas during last season was approximately 50,000. This was some 3,000 less than in the previous year and the decrease is attributable, in the main, to the improved conditions of industry.

426. The number of allotments which have been newly opened or otherwise assisted by the provision of grants from the Special Areas Fund since the passing of the Act is as follows:—

	<i>New Allotments Provided.</i>	<i>Existing Allotments Assisted.</i>
Durham and Tyneside ... ..	602	796
West Cumberland ... ..	143	69
South Wales ... ..	3,111	578
Total ... ..	3,856	1,443

427. The majority of the grants given have been of a comparatively small amount but several schemes of a more ambitious character have been approved in the Durham and Tyneside Area. Reference was made to three such schemes in Sir Malcolm Stewart's Third Report (paragraphs 410 and 411) at Sunderland, South Shields and Gateshead, respectively. These were followed by similar schemes at Seaham and Newcastle. Each of these schemes provides for the laying out of the allotments site on model lines and the provision of a small glasshouse and tool shed, thus avoiding the unsightliness of nondescript equipment, which is so often a repellent feature of allotments in the neighbourhood of large towns. These schemes are necessarily expensive but the results fully justify the expenditure, which may be briefly summarised as follows:—

Authority.	Area. (acres).	Number of Plots.	Total Cost of Scheme.	Grant from the Special Areas Fund.
Sunderland ... ..	31½	449	£ 10,741	£ 8,000
South Shields ... ..	11	132	3,800	2,500
Gateshead ... ..	3½	58	2,126	1,500
Seaham ... ..	10½	157	4,747	3,000
Newcastle-on-Tyne (Voluntary Committee)	14	200	2,000	1,500

Reports on the progress of these schemes have been received, from which the following particulars are taken.

#### Sunderland.

428. At the time of the inception of this scheme the town was in the process of Town Planning and an area was set aside for permanent allotments which were to be of neat appearance. The allotments are laid out on the outskirts of the town but are so planned as to be easy of access. There are two separate sites, one on the Northern boundary and the other on the Southern boundary of the town. Each site is enclosed with military fencing, access being obtained by a large gate for horses and carts and a small wicket gate. There is no interior fencing. A combined greenhouse and toolhouse measuring 15 ft. by 8 ft. is provided on each plot and these erections are so arranged that they are in the same position on each garden, giving a uniform, neat and well-ordered appearance. The toolhouse faces North and the greenhouse faces South, thus ensuring the maximum amount of sunlight for the plants. Heating apparatus of approved type may be installed by the allotment holders with the permission of the Allotments Committee. A

main water supply is provided. The annual rent of each plot is 12s. 6d. exclusive of the water charge.

429. An interesting feature of the scheme is that two experimental plots were set aside for cultivation by the Corporation's Parks Department. These plots are intended to be a model for the allotment holders and to enable men to gain experience of various types of seeds. They are, in fact, miniature research stations.

### **South Shields.**

430. This scheme is equipped on much the same lines as the Sunderland scheme, each of the 132 allotments being provided with a combined greenhouse and tool shed, with a total area of 116 superficial feet. Evidence of the keenness of the demand is found in the fact that the Council has no difficulty in filling the allotments and, at the present time, there is only one vacant plot. The Council is very gratified with the results that have been obtained in the first year of the scheme. The majority of the allotment holders have made the utmost use of their plots and the results obtained in the greenhouses with tomatoes and other crops were a matter of surprise to several members of the Allotments Committee who were experienced in such matters.

### **Newcastle-on-Tyne.**

431. In this case the allotments scheme has been undertaken by the Newcastle Unemployed Welfare Committee, which has taken a ten years' lease of the land from the Corporation. The allotments were already in existence, but the attempts of the allotment holders to meet their need of accommodation for shelter and the protection of tools had resulted in the area being covered by a collection of ugly huts made from all sorts of scrap material, such as old tea boxes and linoleum. The position in this respect was so unsatisfactory that the continuance of the allotments was endangered unless it could be remedied.

432. The Newcastle Unemployment Welfare Committee, which held the land on an annual tenancy, obtained a ten years' lease from the Corporation with the prospect of renewal at the end of that time, a condition of the lease being that the unsightly erections should be cleared and decent buildings substituted. It was decided to provide 200 hut-greenhouses each 14½ ft. long by 8 ft. wide at an estimated cost of £2,000, the allotment holders undertaking to do the work of making and erecting the buildings if the material and some instructions were given. A grant of £1,500 from the Special Areas Fund was approved and the balance of the cost was provided from local Trust Funds and the Funds of the Welfare Committee. The work of making and erecting the greenhouses began in June

and the men, none of whom are skilled workers, have shown great adaptability and keenness in doing what is relatively a difficult piece of work. So far, about 60 of the men have assisted with the scheme and before it is completed every allotment holder will have learnt to make a hut-greenhouse. The first 50 buildings are nearing completion and it is hoped that all 200 will be completed by the Spring.

#### **Gateshead.**

433. This is a comparatively small scheme comprising 58 plots, on all of which greenhouses have been erected. All the plots have been let, and about half are now under cultivation.

#### **Scheme of House Decoration, Sunderland.**

434. The scheme of house decoration in Sunderland, which began in January, 1937, was described in detail in paragraphs 531 to 535 of Sir Malcolm Stewart's Third Report. The scheme is for the supply of materials and the loan of suitable brushes, at the cost of the Special Areas Fund, for decorating the interior of the houses of the unemployed in Sunderland, the work being carried out by the tenants themselves.

435. Up to the end of July, 1937, over 2,000 houses have been redecorated under the scheme and others are being selected for treatment. The rate of progress is to be accelerated. Inspection of the work has shown that it has been very well done and many expressions of appreciation of the assistance given have been received.

436. I feel that this scheme has been well worthy of assistance. Besides contributing to the social improvement of a Special Area, the work has provided useful occupation for men who would otherwise have had little to occupy their enforced leisure.

### **PART XI.—LOCAL AUTHORITIES.**

437. The District Commissioners have throughout the year maintained constant touch with the various local authorities in their Areas in all matters in which the administration of the Special Areas Acts has involved co-operation with local government, and during my visits to the Areas I have made a point, whenever opportunity offered, of meeting the elected representatives and officials of the local authorities. My relations with the authorities have been of the most friendly nature and I should like to take this opportunity of thanking them for the assistance they have given me in many directions. At the same time I would ask them to remember that I have to have regard to the needs of the Areas as a whole, that exactly the same facilities and assistance cannot be justified in each district and

that jealousies between one district and another do not contribute to the revival of the Areas as a whole or indicate the breadth of vision which is so badly needed if local government administration is to be efficiently conducted.

438. I have continued to afford local authorities in the Special Areas material assistance in bringing their health services up to modern requirements by giving generous grants to approved capital works which are certified by the Ministry of Health to be urgently necessary. It has thus been possible for authorities to undertake measures for improving the conditions in their areas without placing an unduly heavy burden on their financial resources. I am not empowered by the terms of the Special Areas Act to contribute to the maintenance costs of local authorities' services, but the large grants made towards capital expenditure in respect of approved schemes should have enabled the authorities in the Special Areas by the date of expiry of the Special Areas Acts to have taken steps to make good the deficiencies that had been accumulating during the last ten or fifteen years and to have made provision for essential services as satisfactory as those in areas which have not been so handicapped by the effects of industrial depression. The maintenance of these new or improved services will in some areas add to the burden on rates, but this additional cost should be more easily borne by reason of the re-adjustment of the block grant referred to in the following paragraph and by the revival of industry in most districts.

439. Sir Malcolm Stewart in his Third Report recommended that the excess burden of public assistance on local authorities in the Special Areas should be reduced by some such measure as the equalising of the public assistance rate throughout the Country. The Government did not find this precise measure of reducing the rate burden to be practicable, but the Ministry of Health went some way to meeting the substance of Sir Malcolm's recommendation in the revision of the block grant formula on lines agreed with representatives of the organisations of local authorities and embodied in the Local Government (Financial Provisions) Act, 1937. As a result of this Act, together with the determination of the Second Appointed Day under the Unemployment Assistance Act, 1934, and the transfer of trunk roads to the Ministry of Transport, the rate burden in the Special Areas has been materially eased since 1st April, 1937.

440. I have been much impressed by the fact that services entrusted to local authorities seem to take much longer to mature than services entrusted to other organisations. Many schemes for which provisional approval was given to local authorities in 1935 have not yet reached the stage at which the work can be put in hand. This is no doubt partly due to the nature of the



schemes, which are mostly concerned with the health side of my work, and involve important engineering and financial considerations necessitating the detailed examination of plans and estimates, and local investigations by technical officers of the Ministry of Health, with a view to seeing that the schemes are worked out with due regard to efficiency and economy. Moreover, the machinery of local government administration does not seem to lend itself to the rapid execution of works of magnitude. I have examined personally many cases of apparently excessive delay as I have been most anxious to push on as rapidly as possible with the provision of works urgently necessary for the public health of the Areas; usually I found that the delay was due rather to the system of administration than to the fault of any individual.

441. This question of delay in execution of works entrusted to local authorities assumes still greater importance when considered in relation to future Government policy for the prevention or minimisation of future slumps. The Special Areas Acts are admittedly an experiment in public administration and, if they are to be of maximum benefit to the Country, it is necessary to learn from the experiment lessons which will help to prevent the creation of other Special Areas in the event of future depression in trade. I am myself a believer in the policy of postponing public works, which are not essential to the immediate needs of the Nation, for execution as soon as definite signs of a coming slump are apparent. But it is an integral part of this policy that such works should be put in hand immediately such signs appear. If, as I hope, this policy is accepted by the Government, I presume the execution of the public works will be left largely in the hands of local authorities. I regret to say that experience in administering the Special Areas Acts leads me to fear that, unless the policy is definitely adopted in times of prosperity and all preparatory work done in advance, there will be so much delay in putting the public works into operation that no workmen will be employed on them until the slump has been well nigh ended by the operation of normal economic laws.

442. As an instance of the type of public work I have in mind I might mention the complete overhaul and modernisation of the sewage system on both banks of the Tyne. To facilitate consideration of this scheme my predecessor and I have had two careful investigations made and I have communicated the results to the local authorities concerned (see paragraphs 513 to 516). I am not prepared to offer a grant for the immediate execution of this very costly scheme, but I would urge the authorities to give it their close attention, to agree between themselves on a joint scheme and to promote any legislation required so that the scheme may be one of the first to be put into operation should there be signs of an approaching slump.

443. Another scheme which might well call for similar treatment is the erection of a road bridge over the River Severn. Sir Malcolm Stewart referred to this at some length in his Third Report (paragraphs 173 to 179). I share his views as to the importance of this scheme in relation to the industrial development of South Wales. The Government have indicated that they are not prepared to assist the scheme at present, partly I believe, owing to the shortage of materials, and it must be remembered that the Bill to enable this bridge to be built was rejected by a Select Committee of the House of Commons last year largely owing to lack of support from South Wales. Here again I would urge all concerned to consider the scheme again and to endeavour to reach agreement so that the necessary legislation may be passed, the plans prepared and the work begun immediately, if the signs of a slump appear.

## **PART XII.—HEALTH.**

### **Provision of Health Services.**

444. In Part VII of his Third Report Sir Malcolm Stewart described the various measures he had adopted to bring the public health services in the Special Areas up to a satisfactory level and to provide other means of improving the general standard of health and physical fitness in the Areas. These measures have been continued and developed during the last twelve months and, when all the proposals which have been promised assistance from the Special Areas Fund are completed, the deficiencies in public health services, which inevitably resulted from a long period of industrial depression and impoverishment of local authorities, should have been made good and the general level of such services brought at least up to the average standard for the whole Country.

445. The total commitment in respect of these health services now stands at £4,323,000, of which £3,900,000 represents grants promised or made to local authorities for services which were in every case urgently necessary on grounds of public health. The authorities have, therefore, been relieved of this considerable expenditure which they would have been forced by necessity to incur themselves if the Special Areas Act had not been passed. In addition some £350,000 has been paid or promised to those responsible for voluntary hospitals in the Areas, thus enabling them to undertake renovations, extensions or rebuilding operations which, though urgently required, would have been impossible without such help. In all schemes related to the health of the Special Areas I have worked in close association with the Ministry of Health, for whose constant advice and assistance I am much indebted.

### **Standard of Health.**

446. I have taken special interest in the standard of health in the Special Areas and, while there appear to be one or two places in which the standard is definitely below the normal in certain respects, it is satisfactory and, I think, surprising that the general level of health in the Areas has not suffered more as a result of the long period of depression and unemployment through which their residents have passed.

447. The standard of health has been well maintained in the schools, but there is a widespread view that it deteriorates, both in the Special Areas and elsewhere, in the adolescent age-groups. There has up to the present been no statutory authority for the provision of meals for unemployed boys and girls attending Junior Instruction Centres. This seemed to me a definite weakness in this otherwise excellent service, and I made representations to the Minister of Labour urging that power should be taken to provide meals, at any rate in the Special Areas. It is satisfactory to be able to report that in July the Minister promised to introduce the necessary legislation at an early date. In the meantime I have arranged through a voluntary body to provide meals to boys in need of them who are in attendance at the Junior Instruction Centre in Whitehaven, where reports had shown that there was an exceptionally low standard of nutrition.

448. In my visits to the Areas it has been represented to me that, among adults, it is probably the women, and the wives and mothers particularly, who have suffered most from the long period of depression. Their duties do not cease, but are often intensified, when their menfolk are out of work. On them the burden and responsibility of keeping the household fit and healthy on a small income fall primarily, and in many cases there can be no doubt that, if money is short, it is the housewife and mother who goes without.

### **Physical Training and Recreation.**

449. National attention has been focussed this year on the question of physical fitness, and the Physical Training and Recreation Act was passed in the Summer. Under that Act it is now possible for the Board of Education, on the advice of a Grants Committee, to make specific grants towards the expenses of local authorities in providing certain services such as swimming baths and playing fields, to the former of which grants from the Special Areas Fund had previously been available. From the date on which that Act was passed, namely 13th July, 1937, it became impossible under the terms of the Special Areas Acts for me to make grants to local authorities

for such services, but I was able to make satisfactory arrangements with the Board of Education to take over any schemes of this nature on which I had been in negotiation with local authorities and in respect of which I had not entered into a definite commitment to pay an ascertained or ascertainable amount.

450. Great importance should, in my view, be attached to physical training and recreation as one of the measures most likely to improve the physique and maintain the morale of the unemployed. The new National Council for Physical Training and Recreation is setting up local Area Committees throughout the Country, of which my District Commissioners are members.

451. The Physical Training and Recreation Act does not debar me from assisting schemes of physical training conducted by bodies other than local authorities and, in agreement with the officers of the new Physical Training and Recreation Council, I have arranged to continue, pending the settlement of an agreed future policy, to finance the excellent physical training classes conducted on my behalf in the Special Areas by the Ministry of Labour and the National Council of Social Service. These are described more fully in paragraphs 497 to 504 below and in Part XV.

### Hospitals.

452. Without sufficient and up-to-date facilities for meeting the needs of the sick inhabitants, the efforts to maintain and improve the health of the communities in the Special Areas will be incomplete and, in collaboration with the Ministry of Health, I have therefore given sympathetic attention to the applications for assistance towards the cost of capital works proposed to be undertaken by the hospital authorities in the Areas. My predecessor, up to the time of relinquishing his appointment, had approved for grant out of the Special Areas Fund 35 schemes for the provision, extension or improvement of hospital accommodation submitted by 11 local authorities and by the governing bodies of 13 voluntary hospitals and estimated to cost £1,400,000 and £300,000 respectively. These figures afford an indication of what had been done to meet the need for adequate and efficient hospital facilities which had accumulated during the years of industrial depression but, impressive as they are, they do not cover all that has been found necessary to put hospital services in the Special Areas on a satisfactory basis. The arrears in this respect are, however, gradually being overtaken, and in the succeeding paragraphs mention is made of the further schemes which I have approved during the year under review.

**Hospitals and Institutions provided and maintained by local authorities.**

453. During the twelve months ended the 30th September, 1937, I have approved schemes for the provision and extension of hospitals, infirmaries and sanatoria submitted by the under-mentioned local authorities.

*Durham and Tyneside.*

Blaydon, Ryton and Whickam Joint Hospital Board.  
Durham C.C. (two schemes).  
Poole Joint Sanatorium Committee.  
South Shields C.B.C. (two schemes).  
West Hartlepool C.B.C.

*South Wales.*

Brynmawr U.D.C.	} Joint scheme.
Crickhowell R.D.C.	
Vaynor and Penderyn R.D.C.	
Caerphilly U.D.C.	
Glamorgan C.C. (three schemes).	
Maesteg U.D.C.	
Neath Hospital Committee.	

*West Cumberland.*

Border Joint Hospital Board.  
Cumberland C.C.

454. The nature of the schemes varied from one costing £1,522 in respect of extensions to an existing hospital to one estimated to cost £240,250 (of which about £171,000 is attributable to the needs of the Special Areas) for the provision of a Tuberculosis Sanatorium.

455. Details of all the hospital schemes of local authorities approved since 30th September, 1936, are contained in Appendix IX; and 10 further schemes, estimated to cost about £708,000, are at present receiving consideration.

Included in the schemes I have approved are the following important proposals.

**Poole Joint Sanatorium Committee.**

456. It has been apparent for some years past that a serious lack of accommodation for the treatment of tuberculosis exists in the North East of England and for a considerable time the Ministry of Health have urged the local authorities concerned to undertake the provision of additional accommodation to meet the need. In 1935 the County Borough Councils of Gateshead, Sunderland, South Shields and West Hartlepool (all of which are within the Special Areas) together with the

County Borough Councils of Darlington and Middlesbrough (which are outside the Special Areas) agreed to co-operate in exploring the possibilities of meeting the admitted shortage of beds. To further this purpose the Minister of Health made an Order constituting the Poole Joint Sanatorium Committee, comprising the County Borough Councils referred to above, and providing for the proportion of the costs of an approved scheme to be borne by each local authority. As a result of the deliberations of the Committee, proposals have been agreed under which the Poole Sanatorium at Nunthorpe will be acquired from the Middlesbrough Corporation for use as the administrative and staff quarters of a new sanatorium to be erected in the grounds of the building. The estimated cost of the whole scheme is £240,250, and I have offered grants towards that part of the expenditure (£170,842) attributable to the Special Areas.

#### **Lanchester Joint Hospital Board.**

457 The scheme of the Joint Board, which I have approved in principle, provides for the erection of a central Isolation Hospital at Lanchester at an estimated cost of £160,000. For several years the Board have been trying to improve the various isolation hospitals for which they are responsible but, owing to the limited accommodation at each, they have been forced to classify them to deal with specific diseases. This arrangement causes difficulty when one particular disease is epidemic and others are normal. The proposal to provide one central hospital accords with the policy of the Ministry of Health which aims at securing large Hospitals serving wide areas rather than a number of smaller Hospitals serving restricted areas.

#### **Glamorgan County Council.**

458. Extensions to the County Hospital for Mental Defectives at Hensol Castle, Pontyclun, are estimated to cost £150,000 and I have promised assistance towards the cost attributable to the needs of the Special Areas. At the present time the County Council have about 750 mental patients detained in various institutions not primarily concerned with the treatment of mental cases, all of whom need treatment in an Institution certified under the Mental Deficiency Acts. In addition there are numbers of cases under statutory supervision, many of whom should have the benefit of institutional treatment.

#### **Cumberland County Council.**

459. Up to the present time the Cumberland County Council has not provided a Tuberculosis Sanatorium, and the Council is put to considerable expense in arranging for treatment to be provided for patients in voluntary institutions both within and without the County. In view of the incidence of the disease

in the County the Council has decided that it is necessary to erect its own sanatorium with provision for at least 100 beds. A provisional estimate of the cost of erecting a suitable building is £80,000 and I have offered a grant based on the estimated use to be made of the projected hospital by patients from the Special Areas.

### **Voluntary Hospitals.**

460. Applications for assistance to meet capital expenditure have been received from 38 of the 57 voluntary hospital authorities in the Special Areas; in addition, the governing bodies of three such hospitals situated outside, but serving a large population within, the Special Areas have also applied for grants towards the cost of extensions and improvements.

461. In most of the cases brought to my notice it is clear that, by reason of serious reductions in revenue, the authorities had for many years had a hard struggle to maintain their Institutions and had found it quite impossible to provide for expenditure on new works urgently required to place their services on a satisfactory footing.

462. It is unnecessary for me to elaborate the important part played by voluntary hospitals in the social services of this Country. Their valuable work in contributing to the relief of suffering and the accumulated skill and experience of their medical and surgical staffs are deserving of every encouragement and support, and I regard it as essential for the continuance of their good work that the facilities available should not fall short of the proper standard by reason of the abnormal financial difficulties which they have experienced as a result of the prevailing trade depression in the areas they serve.

463. During the year under review I have promised assistance towards proposals submitted by the following voluntary hospital authorities serving the Special Areas, and at the present time I have under consideration 11 other requests for grants in respect of works estimated to cost approximately £1,000,000.

#### *Durham and Tyneside.*

Bishop Auckland and District Cottage Hospital.  
Sunderland Royal Infirmary.  
Wallsend Infirmary.

#### *South Wales.*

Aberdare and District General Hospital.  
Abertysswg Workmen's Hospital.  
Blaina and District Hospital.  
Crickhowell War Memorial Hospital.  
Pontypool and District Voluntary Hospital.  
Pontypridd and District Voluntary Hospital.  
Rhymney Cottage Hospital.  
Tredegar Park Cottage Hospital.

#### *West Cumberland.*

Whitehaven and West Cumberland Hospital.

464. I have continued the policy of requiring a reasonable part of the cost of new works undertaken by the authorities of voluntary hospitals to be met from outside sources since it is highly undesirable that the long established voluntary principle of such Institutions should be disturbed. Admittedly this condition often imposes on the authorities the necessity for making exceptional efforts to obtain the required funds, but it must be remembered that the grants made from the Special Areas Fund invariably represent a very substantial proportion of the cost of the approved works and should provide an incentive to the authorities to raise the balance.

Of the schemes approved for purposes of grant the two following are of exceptional importance.

#### **Whitehaven and West Cumberland Hospital.**

465. The proposal in this case is for the provision of a new hospital at Whitehaven and the scheme submitted by the authorities is estimated to cost £149,500. The scheme is the result of the deliberations of a Joint Committee comprising representatives of the Hospital, the Cumberland County Council and the Whitehaven Town Council and includes the provision of a maternity unit and V.D. department towards the cost of which the local authorities are contributing. A proper measure of co-operation is to be effected with the Cumberland Infirmary at Carlisle which is the base hospital of the County and is being extended with help from the Special Areas Fund.

#### **Sunderland Royal Infirmary.**

466. The governing body of the above hospital has submitted proposals which comprise the provision of a new out-patients' department, a new nurses' home, and a new ward block, together with accommodation for domestic staff, at an estimated cost of over £100,000. The Infirmary is the largest voluntary hospital in the County of Durham and serves a district within a radius of 12 to 14 miles of Sunderland. The present proposals provide for the replacement of antiquated and unsatisfactory accommodation and accord with a definite scheme of reconstruction which has been agreed by the responsible authorities.

#### **Maternity and Child Welfare Centres.**

467. The increasing interest taken in maternity and child welfare is shown by the number of schemes for the provision of centres which have been submitted by local authorities in the Special Areas.

468. I attach the greatest importance to the development of this essential service and it is pleasing to note the steady progress made in the direction of providing facilities which are an inestimable boon both to the individual and to the Nation.



469. Before I assumed office much had been done by Sir Malcolm Stewart to assist local authorities in the Special Areas in providing additional premises and improving existing centres and I note that he approved of 18 schemes submitted by 13 authorities and estimated to cost over £56,000.

470. In the year ended 30th September, 1937, I have been able to approve six further schemes of this nature submitted by the authorities mentioned below and at the date of this Report I had under consideration 14 schemes estimated to cost about £67,000.

*Durham and Tyneside.*  
Hartlepool B.C.

*South Wales.*  
Aberdare U.D.C.  
Llantrisant and Llantwit Fardre R.D.C. (three centres).  
Rhondda U.D.C.

471. In April last I was particularly pleased to open an Exhibition organised by the Sunderland Infant Welfare Association in celebration of their Silver Jubilee. The Association is a body of voluntary workers who undertake services at the infant welfare centres in the County Borough and some of whose members serve on the Maternity and Child Welfare Committee of the Borough Council. In spite of the difficulties which exist, it is very gratifying to know that the infant welfare services in Sunderland are being well maintained and I have no doubt that this is due in a large measure to the zeal and enthusiasm of the voluntary workers of the Association and to their loyal co-operation with the local authority.

#### **Open Air Nurseries.**

472. The Chief Medical Officer of the Board of Education, in his Annual Report for 1935 (published in December, 1936), referring to Emergency Open Air Nurseries, states as follows:—

“ One of the gratifying features of the past year has been the progress made in the provision of nursery schools in the special areas. Nursery schools are often most difficult to establish and maintain in the very areas which are in need of them. Particularly is this true of the distressed areas. Here, above all, is it necessary to safeguard the health, both mental and physical, of young children; to remove them from homes pervaded by the gloom attendant on continuous unemployment; to put them into light airy buildings; to provide them with games and toys; and to supply the good food and medical care which the material conditions of their homes forbid. But it is precisely in

these areas that financial circumstances often prevent any enterprise of this sort; Local Authorities shrink from adding to their responsibilities and increasing the heavy burden of rates, while voluntary bodies lack the financial support necessary for such undertakings."

473. I entirely agree with these views and it has given me great pleasure to continue the policy of my predecessor in providing financial assistance to the Save the Children Nursery Schools Committee (formerly known as the Emergency Open Air Nurseries Committee of the Save the Children Fund), to enable them to extend the excellent work they are performing in the Special Areas.

474. The schemes for the provision and extension of the nursery schools at Hebburn and North Shields, to which Sir Malcolm Stewart promised assistance, have been completed and the Hebburn school has been recognised by the Board of Education for purposes of a maintenance grant. I have promised a grant towards the cost of providing a nursery school at New Brancepeth, Co. Durham, the first building of that nature to be erected in a mining village, and I have under consideration proposals for a school at Jarrow and for the extension of a school in Sunderland. I have also promised a substantial grant towards the establishment of a residential school at Haydon Bridge, Northumberland, where children from the nursery schools in the Special Areas of Durham and Tyneside, in need of change, will undergo the usual nursery school routine and training under ideal conditions. The children will be sent in groups of 40, each group staying for a spell of about three weeks.

475. The Nursery Schools Committee inform me that the demand for nursery schools in the Durham and Tyneside Special Areas is great and that further schemes are being prepared at Blaydon and South Shields.

476. In South Wales I understand that the Committee have under consideration the provision of a school at Risca.

477. Details of the schemes approved since 30th September, 1936, are contained in Appendix X.

#### **National Birthday Trust Fund.**

478. Paragraph 133 of Sir Malcolm Stewart's Second Report contains a brief reference to the activities of the National Birthday Trust Fund and, in paragraphs 282 to 285 of his Third Report, particulars are given of a scheme inaugurated by the Fund for the distribution of special foodstuffs to expectant and nursing mothers in parts of the Special Areas, towards the cost of which a grant of £3,000 had been made from the Special

Areas Fund to meet requirements up to the end of the financial year 1936-7. In January, 1937, I placed a supplementary grant of £500 at the disposal of the Fund.

479. Statistics furnished by the Fund indicated a remarkable fall in the mortality rate amongst the mothers to whom the special food was distributed, but it was generally agreed that the experiment was on too small a scale and had been in operation for too short a period to enable definite conclusions to be reached.

480. The preliminary results seemed, however, to justify a continuation of the experiment, and I accordingly placed at the disposal of the Fund a further sum of £6,000 to enable the scheme to be continued for another year and to provide for supplies of sterile dressings. In offering this grant I reminded the organisers that the purpose in view was to establish the extent to which maternal mortality and disease were affected as a result of the measures undertaken by them and that assistance could not continue indefinitely. I accordingly suggested that their attention should now be directed to the question as to whether a case can be prepared in justification of permanent measures for which the appropriate authorities would be responsible.

481. In response to this suggestion, the National Birthday Trust Fund approached the Joint Council of Midwifery, of which it is a constituent body, and requested the Council to set up a special Research Committee to give expert advice with regard to the future conduct of the experiment, to supervise its administration and to report upon the results. The Joint Council agreed to this proposal and a special Committee of the Council, to which two members were nominated by the Medical Research Council, was set up in April, 1937. The Chairman of the Joint Council is Major-General the Rt. Hon. the Earl of Athlone, K.G., P.C., G.C.B., G.C.M.G., G.C.V.O., D.S.O., and the members of the special Research Committee are

*Chairman:* L. C. Rivett, Esq., M.A., M.C., F.R.C.S.,  
F.C.O.G.

Professor James Young, D.S.O., M.D., F.R.C.S.,  
F.C.O.G.

R. A. McCance, Esq., M.D., Ph.D., F.R.C.P.

Dr. Margaret Balfour, C.B.E., M.D., F.C.O.G.

Miss E. M. Widdowson, B.Sc., Ph.D.

*Hon. Secretary:* Lady Williams, D.B.E.

482. The Committee have worked out a scheme for a distribution of different combinations of foodstuffs with a view to testing the results achieved and discovering whether any active agent in the food supplied is responsible for the low mortality rates amongst the women to whom it has been given. In order to

ensure a satisfactory test it was considered necessary to extend the scheme to additional districts in the Special Areas so as to bring in a suitable number of cases for treatment and this will entail further expenditure, estimated at £2,500, which I have promised to meet from the Special Areas Fund. The most recent statistics furnished by the Fund indicate a continuance of the satisfactory results arising from the experiment.

483. It should be mentioned that the various distributions of food are being carried out under the directions of the Medical Officers of Health of the Areas concerned by whose generous co-operation, together with that of their respective staffs, the experiment has been made possible.

#### **Swimming Baths.**

484. In paragraph 449 above I mentioned that owing to the operation of the Physical Training and Recreation Act, 1937, I was precluded from making further grants towards the cost of swimming bath schemes submitted by local authorities. Between October, 1936, and the date of the passing of the Act referred to I had, however, been able to approve grants in respect of open air swimming baths to be provided by the under-mentioned local authorities in the South Wales Special Areas:—

Aberdare U.D.C.  
Gellygaer U.D.C.  
Glyncorrwg U.D.C.  
Mynyddislwyn U.D.C.

In addition I made a grant towards the cost of the installation of filtration plant at the open air bath of the Tynemouth Corporation.

#### **District Nursing.**

485. Steady progress in the extension of the District Nursing Associations has continued throughout the Special Areas. Of the 127 new appointments contemplated under the original scheme 94 have now been made with the help of the grants which have been placed at the disposal of the National Council of Social Service for this purpose, including six in the period under review. Two of the appointments were made in the Durham and Tyneside Area, for Lobby Hill and Aycliffe, and the other four in South Wales, for Aberbargoed, Abertillery, Beddau, and for the general services maintained by the Glamorgan County Nursing Association. The grant in each case necessarily covers only a proportion of the cost of maintenance, and progress must therefore be related to the ability of the local Associations to meet their share of the additional burden thrown upon them by new appointments.

486. Grants have also been given in Northumberland towards the provision of houses for nurses working in the areas of the following local bodies:—

Forest Hall District Nursing Association;  
Leamington and Sugley District Nursing Association;  
Newburn, Wallbottle and Blucher Nursing Association.

487. In Cumberland a grant was made to the County Nursing Association towards the first year's salary and equipment of a newly appointed nurse to serve the Croften Hall District, and in Durham to the Sunderland Nursing Association towards the cost of extending their nurses' home.

#### Schemes for the Supply of Cheap Milk.

488. In paragraphs 278 to 281 of his Third Report my predecessor narrated the steps which had led up to the inauguration of a scheme in the Rhondda district for supplying milk at a reduced price to nursing and expectant mothers and children under five. I am glad to be able to report that schemes on similar lines to the Rhondda scheme were subsequently started at Jarrow, on 1st January, and in the Walker district of Newcastle, on 1st April, while another at Whitehaven was due to start on 1st October.

489. These schemes provide for the supply of milk to the approved classes of consumers at the uniform price of 2d. per pint, the local retailers making a reduced charge for the distribution of the milk, and the deficiency, as compared with the ordinary current wholesale price of local milk, being borne in equal shares by the Milk Marketing Board and the Special Areas Fund. All the above schemes (except Whitehaven) were for an initial period ending on 30th September, 1937, but arrangements have been made for their continuance for a further period.

490. The results of the working of these schemes are of considerable interest and can be broadly gauged from the following figures based on information supplied by the Milk Marketing Board:—

—	No. of eligible persons.	No. of applicants up to 28th August.	Applicants as per cent. of eligible persons.	Per capita consumption by applicants in pints per week.		Per cent. increase.
				First survey.	Second survey.	
Rhondda ...	11,000	7,000	64	1·71	2·41	41
Jarrow ...	2,550	1,551	61	0·97	2·08	114
Walker ...	3,600	1,887	52	1·47	2·39	62
Total ...	17,150	10,438	61	1·51	2·34	55

It will be seen that the per capita consumption of milk at the time when the schemes were initiated and when the first survey was made varied from 0.97 pint per week at Jarrow to 1.71 pints per week in the Rhondda district. At the date of the second survey, however, which was made after the schemes had been in operation for some time, the per capita consumption had more than doubled at Jarrow and had increased by 41 per cent. in the Rhondda district and 62 per cent. in the Walker district of Newcastle.

491. Detailed figures supplied by the Milk Marketing Board showed that the largest relative increase in consumption took place among applicants consuming little or no fresh milk before the scheme was started. This is what might have been expected and it is gratifying that the scheme has been of special benefit to these consumers. Among other applicants, whose consumption of milk prior to the scheme, although lamentably low, was slightly above that of the class just referred to, there has been a noticeable tendency to substitute cheap milk for milk previously supplied at the full price. Even in these cases, however, the total consumption shows an appreciable increase.

492. The future of these schemes in the Special Areas is closely bound up with the Government's Milk Policy, as set forth in the official publication (Cmd. 5533) issued last July, and as soon as the proposals described in paragraph 21 thereof are given legislative effect, the necessity for assistance from the Special Areas Fund to schemes of this nature will disappear. From the point of view of the Special Areas, I need hardly say that the general extension of these facilities will be welcomed, and I am glad to have been able to take part in an experiment which has produced such important results.

### **Order of the Hospital of St. John of Jerusalem : Priory for Wales.**

493. The Priory for Wales of the Order of the Hospital of St. John of Jerusalem has been able, with the grant of £5,000 from the Special Areas Fund, to remedy deficiencies in equipment, first-aid requisites and uniforms, with a consequential improvement in the membership and efficiency of the local Ambulance Units.

494. Last year the Priory submitted a further application for financial assistance, this time towards the cost of providing adequate ambulance drill halls in localities where the Ambulance Divisions were unable to purchase or hire accommodation suitable for the proper performance of their work. On the evidence furnished to me by the Priory, I was satisfied that the efficiency of a number of Divisions was impaired by the absence of suitable Centres for ambulance work and that such Centres were essential

to the carrying on of this valuable public service. The Centres could also be used by the Nursing and Cadet Units attached to the Divisions.

495. It was stated that the cost of providing the necessary accommodation within the South Wales Special Areas would be about £10,000 but that, because of the prevailing depression and poverty in these Areas, it was quite impossible to raise anything like this amount locally. I offered financial assistance on the basis of 50 per cent. of the cost of every new ambulance drill hall provided, or of every existing unsatisfactory hall made fit for greater use, subject to a maximum total grant of £5,000. This offer was accepted by the Priory and up to date 14 schemes for the provision of new halls, or essential improvements to existing halls, have been approved. A number of other schemes are under consideration.

496. The Priory has reported to me that a larger number of Divisions would have taken advantage of the offer but for the difficulty experienced in raising the balance of the money required. The Priory and the local Divisions are, however, hopeful that substantial donations from private sources will be made available to enable Divisions to qualify for the grant from the Special Areas Fund.

### **Physical Training.**

497. In paragraphs 261 to 272 of Sir Malcolm Stewart's Third Report reference was made to the physical training classes for unemployed men in the Special Areas which had been organised by the Ministry of Labour at his request and at the cost of the Special Areas Fund. These classes have been held with remarkable success in 43 areas in the year under review, during which 10,849 men joined the classes. I regard the classes, several of which I have seen in operation, as having fulfilled an extremely useful service to both unemployed and employers, and I am arranging for them to be continued during the coming winter.

498. The classes are purely voluntary and the response by the unemployed in the Areas, while not overwhelming, has at least been gratifying. A list of the places in which classes were held during the year, with the number of enrolments, is given in Appendix XI. There can be no doubt of the benefits which were derived by the men who attended and, indeed, a prominent feature of the classes has been the large number of men who went to employment or to training centres on leaving the classes. Records maintained since January of this year show that, of 10,230 men who left the classes during the nine months, 6,393 men (or 62 per cent.) were proceeding to employment or to training with employment in view.

499. There have been many instances during the year when men have expressed their gratitude to the instructor of the class for the physical benefits of the training, which enabled them to hold their new jobs despite, in most cases, a prolonged period of unemployment and, in a number of cases, the heavy work involved. It is noticeable, too, that many men who were registered for light employment only have so benefited from the training received that they have been placed in employment as labourers and are proving physically equal to this type of work. The training is proving of marked benefit to sufferers from ailments such as slight nervous debility, lack of confidence and stomachic derangements. At the same time employers in some areas have been impressed by the obvious advantages which the classes have afforded to unemployed men. For instance, in one area 75 per cent. of the labouring vacancies in a large firm are being filled from members of the classes.

500. Pending the development of the national plans for physical training, I have agreed with the Grants Committee of the National Advisory Council for Physical Training and Recreation to continue in the meantime the classes in the Special Areas. There seems to be no doubt that, both as regards the classes conducted by the Ministry of Labour and those provided by the National Council of Social Service, the local interest created by the many displays held during the year will act as a useful groundwork for the future local development of the national plans.

501. The classes themselves have been made as attractive as possible and they now include, as part of the curriculum, organised recreation to suit the tastes of the members. Appropriate kit is supplied free to the classes to enable men to take part in the organised games as well as in the gymnastic classes. Football is the most popular form of recreation and inter-class competitions have been held which have maintained a healthy enthusiasm for the classes. Other forms of recreation have included athletics, baseball, cricket and swimming. The necessary withdrawal of swimming facilities during the winter months has called forth general expressions of regret from the trainees. Interest in these classes is not confined to young adults; in one district where, owing in part to the steady absorption in industry of men up to 45 years of age, a special Physical Training Class for older men was tentatively started, nearly 100 men of from 45 to 55 years of age have applied to join.

502. Much credit is due to the instructors of the classes, who are performing an admirable public service. The success of the classes depends to a very large extent not only on the instructors' ability to teach physical training but on their power to sustain the interest and enthusiasm of the men. This calls



for the exercise of a considerable amount of tact in handling the members and constant revision of the curriculum of training in order to avoid apathy through repetition. As a result of my personal visits to the classes I have the highest admiration of their services.

503. I have been interested to note that the Ministry of Labour are now making a special feature of Physical Training not only in the new Local Training Centres, which are being set up in the Special Areas to provide preliminary training and special medical, dental and optical treatment for young unemployed men, but in connection with the Residential Instructional Centres, at which a number of men from the Special Areas attend for a three months' course, calculated to fit them for a return to employment. In my opinion this is a welcome development, both as an addition to the Instructional Centre curriculum and as an extension of the Physical Training facilities open to unemployed men from the Special Areas.

504. Detailed reference to the work of the Physical Training Classes carried on under the aegis of the National Council of Social Service will be found in Part XV of this Report.

#### **Courses in simple cookery and food values.**

505. The cookery courses described in paragraphs 273 to 277 of Sir Malcolm Stewart's Third Report have continued to be run, with great success, in County Durham by the National Federation of Women's Institutes. A series of five classes was held during last winter in each of 77 more villages, bringing the total number of villages in which classes have been held from the beginning of the scheme up to 31st March, 1937, to 131. Lecture-demonstrations were given which included the study of food values and of the necessity for a properly balanced diet, the cooking of simple dishes using homely utensils, and discussions on the cost of different foodstuffs and on various economical recipes.

506. A new series of five classes was organised in April, 1937, under the title "Growing and Cooking". There is much interest in gardening and allotment cultivation among the men of County Durham and this series was planned with a view to providing suggestions for increased production of vegetables, etc., and for the best use of garden and allotment produce. Forty-five of the villages referred to above have had these classes up to date. As evidence of the interest taken in them, those attending have included men as well as women.

507. The National Council of Social Service have also continued to organise cookery classes at occupational clubs for women in the remainder of the Special Areas. Particulars will be found in Part XV of this Report.

### Sanitary Services.

508. Less spectacular than the provision of such obvious health services as hospitals, clinics and maternity and child welfare centres, but no less important for the health of the community, are those services, largely unseen but in constant operation, to which the Minister of Health has recently given the name "environmental health services". Here, too, the Special Areas Fund has come to the assistance of local authorities in the Special Areas and enabled them to bring their services up to the standard of modern requirements. The fact that applications for assistance in regard to these services are dwindling in number and propose improvements which are clearly less urgent than those submitted to my predecessor is a clear indication that the essential improvements have now been put in hand with the help that my predecessor and I have been able to afford.

### Water Supply.

509. As indicated by Sir Malcolm Stewart in his Third Report, the water supply problem in the Special Areas has not assumed particular significance thanks to the measures taken in the past by local authorities and statutory companies to provide satisfactory services. During the 12 months ended 30th September, 1937, I have approved proposals from the undermentioned authorities but no considerable expenditure is involved in any of the schemes. Details are included in Appendix IX.

#### South Wales.

Abertillery and District Water Board (two schemes).

Brynmawr U.D.C.

Mid-Glamorgan Water Board (four schemes).

Further schemes submitted by 11 authorities of an estimated value of approximately £34,000 are at present under consideration.

### Sewerage and Sewage Disposal.

510. One of the most expensive but least conspicuous of the measures undertaken by local authorities to improve the sanitary conditions in the Special Areas consists in the provision or modernisation of sewerage systems. Schemes for works of sewerage and sewage disposal continue to occupy a prominent position in the proposals submitted to me for approval and gradually the deficiencies in this important service, so necessary for the health and well-being of populated areas, are being made good. In course of time I confidently anticipate that, with the help I am able to give, the Special Areas will generally be provided with sewerage facilities at least equal to those enjoyed

in more prosperous districts where the inhabitants regard an efficient sewerage system as a normal undertaking of the local authority.

511. Since the inception of the Special Areas Act 238 sewerage schemes, estimated to cost £2,177,776, have been approved for purposes of grant and of these, 86 schemes, estimated to cost £979,562, and submitted by the undermentioned authorities, were approved during the past year.

Durham and Tyneside.

Barnard Castle R.D.C.  
 Boldon U.D.C.  
 Durham B.C.  
 Durham R.D.C.  
 Easington R.D.C. (seven schemes).  
 Hartlepool B.C. (two schemes).  
 Houghton-le-Spring U.D.C. (two schemes).  
 Lanchester R.D.C. (six schemes).  
 Sedgefield R.D.C. (three schemes).  
 South Shields C.B.C. (two schemes).  
 Stanley U.D.C.  
 Sunderland C.B.C. (four schemes).  
 Tynemouth C.B.C.  
 West Hartlepool C.B.C.  
 Whickham U.D.C.

South Wales.

Aberdare U.D.C.	}	Joint scheme.
Aberdare U.D.C.		
Merthyr Tydfil C.B.C.		
Mountain Ash U.D.C.		
Bedwellty U.D.C.	}	Joint scheme.
Blaenavon U.D.C.		
Cwmbran U.D.C.		
Pontypool U.D.C.		
Bridgend U.D.C.		
Cowbridge R.D.C.		
Crickhowell R.D.C.		
Cwmbran U.D.C.		
Llantrisant and Llantwit Fardre R.D.C.		
Merthyr Tydfil C.B.C.		
Nantyglo and Blaina U.D.C. (three schemes).		
Neath R.D.C.		
Ogmore and Garw U.D.C. (four schemes).		
Penybont R.D.C. (five schemes).		
Penybont Main Sewerage Board.		
Port Talbot B.C.		
Rhondda U.D.C. (eight schemes).		
Vaynor and Penderyn R.D.C. (three schemes).		
Western Valleys (Mon.) Sewerage Board.		

**West Cumberland.**

Alston-with-Garrigill R.D.C.  
 Cockermouth R.D.C. (five schemes).  
 Ennerdale R.D.C. (four schemes).  
 Millom R.D.C.  
 Wigton R.D.C. (four schemes).

Details of all the approved schemes will be found in Appendix IX. At the end of the year under review a balance of 35 schemes, estimated to cost rather more than £688,000, were in various stages of consideration or examination.

512. In order that full service may be obtained from sewerage schemes inaugurated with my assistance, I have found it necessary in appropriate cases to require the carrying out by the local authority of a scheme of closet conversion as a condition of my approval of their sewerage proposals.

Particulars of some of the larger sewerage schemes which my predecessor and I have had under consideration are given in the succeeding paragraphs.

**Tyneside Sewerage.**

513. As will be seen from paragraph 293 of the last Report of Sir Malcolm Stewart, arrangements were made by him for a technical investigation to be undertaken into the practicability and financial implications of a partial measure of amelioration of the Tyne sewerage problem.

514. On 10th November, 1936, Sir George Humphreys, K.B.E., M.Inst.C.E., in association with Messrs. J. D. and D. M. Watson, M.M.I.C.E., who were appointed to carry out the investigation, presented their report. Two alternative schemes were considered by them, one for Newcastle-upon-Tyne, Gateshead, Gosforth, Felling and parts of other districts, at an estimated cost of £1,500,000, and a second for dealing with the sewerage of Hebburn, Jarrow and Wallsend as well as that of the above named areas, at an estimated cost of £2,250,000.

515. For engineering and hygienic reasons the Consulting Engineers did not recommend the first alternative, and the Ministry of Health, whom I consulted in the matter, were also strongly of opinion that, for any sewerage and sewage disposal scheme for the Tyneside area, the second alternative was the one to be adopted. The difference in the annual cost of the two schemes is small in comparison with the marked advantages of the more extensive proposals. I agree with these views and have forwarded copies of the report to the authorities concerned with a suggestion that the proposals should be examined by an ad hoc Committee of their representatives.

516. Incidentally, I have noted that the Minister of Health has commended to the local authorities the recommendations in the Minority Report of the Royal Commission on Local Government in the Tyneside Area and it occurs to me that an amalgamation of the areas therein proposed would probably help to simplify the solution of this particular sewerage problem. The alternative to amalgamation will presumably be the establishment of a Joint Board to undertake the scheme.

#### **Mid-Glamorgan Scheme.**

517. Progress has been made with the preparation of the details of this important proposal which has been referred to in each preceding Report on the Special Areas. In place of the original scheme to provide a joint trunk sewerage system at an estimated cost of from £325,000 to £340,000, individual schemes are to be undertaken by the authorities concerned, viz., the Penybont Main Sewerage Board (the area of which comprises the Bridgend Urban District and a part of the Penybont Rural District) and the Urban District Councils of Maesteg and Ogmore and Garw. It was clear that a joint scheme had no material advantages over separate schemes and would, in fact, be much more costly.

518. I have already approved the proposals of the Penybont Main Sewerage Board involving an estimated expenditure of £210,750. The scheme of the Board covers by far the largest part of the three schemes for dealing with the present deficiencies in the drainage of the Mid-Glamorgan Valley. Included in the estimate is a sum of £23,000 to meet the cost of a branch sewer to deal with the drainage from the proposed War Department Establishment at Bridgend—a development which has occurred since the sewerage question was first under consideration.

519. The Maesteg Urban District Council has submitted a scheme for reconstructing a main sewer and for virtually replacing the existing sewage disposal works. The estimated cost is £42,000 and the proposals have been investigated locally on my behalf by an Engineering Inspector of the Ministry of Health. I hope shortly to be in a position to announce my decision on the project.

520. The proposals of the Ogmore and Garw Urban District Council comprise repairs to main and subsidiary sewers and the provision of new sewage disposal works at estimated costs of £10,000 and £30,000 respectively. It appears that considerable trouble is now experienced by reason of the large amount of subsoil water which finds its way into the sewers and thence to the disposal works, the infiltration apparently being due to fractures and leakages in the pipes. Following a preliminary investigation by an Engineering Inspector of the Ministry of

Health I have offered a substantial grant towards the finally approved cost of the proposals but, as it will be no easy matter to discover where infiltration on a large scale is taking place or what expenditure will ultimately be required for the necessary remedial measures, I have made it a condition of my approval that a detailed investigation shall be made by the Council's Consulting Engineers and a full report of the result submitted to me before the work is proceeded with.

#### **Eastern Valleys (Monmouthshire) Joint Sewerage Scheme.**

521. This scheme, which has been the subject of conferences and negotiations over a long period, has now reached a stage at which I have authorised the authorities to proceed with the preparation of the necessary details and I have promised very substantial assistance towards the approved cost. Three authorities, namely, the Blaenavon, Cwmbran and Pontypool Urban District Councils, are involved and the estimated cost of the proposals is £254,000. I am advised that the scheme will place the sewerage arrangements of this part of Monmouthshire on a satisfactory footing and will facilitate opportunities for development. A Joint Board will require to be constituted to carry out the scheme.

#### **Merthyr Tydfil County Borough.**

522. An application for a grant in respect of a scheme to improve the sewerage system of the County Borough was made to my predecessor but, in view of the nature of the proposals, he advised the Council to appoint a Consulting Engineer to investigate the existing conditions with a view to the submission of information to show whether the suggested works were essential. Sir Herbert Humphries, C.B.E., M.Inst.C.E., was in due course engaged by the Council to carry out the investigation and his preliminary report revealed many defects in the existing sewerage arrangements. The remedial measures envisaged by Sir Herbert Humphries involved a more or less complete re sewerage of the town, with new or improved disposal works, at a cost estimated at between £180,000 and £250,000. The chief deficiencies in the present system appear to comprise the insufficient capacities of main sewers and the pollution of a river and water course. I am advised that a closer investigation is needed before it is possible to arrive at a definite conclusion as to the steps necessary to put the system into a satisfactory condition and, by arrangement with the County Borough Council, I have therefore requested Sir Herbert Humphries to carry out a detailed survey and to prepare preliminary plans, calculations, etc., in respect of a scheme to deal with the defects. I am awaiting the submission of this information before further considering the matter.

### **Bishop Auckland Urban District: New High Level Sewer and extension of Sewage Disposal Works.**

523. The total cost of this scheme on present information is estimated at over £102,000. So far as concerns the sewerage part of the case, a tender has been obtained and I have promised a substantial grant towards the estimated cost of £74,423, but further information is awaited before I am in a position to proceed with the consideration of the proposed extension of the sewage disposal works.

### **Closet Conversion.**

524. During the year ended 30th September, 1937, seven schemes submitted by the authorities named below for the conversion of 1,626 earth, ash and pail closets to the water carriage system have been approved by me.

#### *Durham and Tyneside.*

Durham R.D.C.

Hetton U.D.C.

Houghton-le-Spring U.D.C. (two schemes).

Lanchester R.D.C.

Washington U.D.C.

#### *South Wales.*

Cowbridge R.D.C.

The total number of conversions undertaken or to be put in hand with the aid of grants from the Special Areas Fund now exceeds 17,800 at an estimated cost of approximately £131,000. Details are given in Appendix IX. At the date of this Report three schemes of an estimated value of about £45,000 were under consideration.

525. This is an important piece of work and must in my opinion have a beneficial effect on the health and welfare of persons living in congested areas who have not previously had the advantages of modern domestic sanitary conveniences.

### **Culverting Rivers and River Bank Improvements.**

526. Difficulties arising from overflowing rivers and streams, which are especially evident in parts of the South Wales Special Areas, have been brought to my notice by several local authorities and, where menace to the public health is involved, I have agreed to make grants towards the cost of measures designed to overcome the danger. The measures usually consist of the construction of culverts or the erection of river training walls and, during the 12 months covered by this Report,

I have approved schemes of this nature submitted by the undermentioned authorities.

*Durham and Tyneside.*

Seaham Harbour U.D.C.  
Spennymoor U.D.C.

*South Wales.*

Abertillery U.D.C.  
Ebbw Vale U.D.C.  
Llantrisant and Llantwit Fardre R.D.C.  
Nantyglo and Blaina U.D.C. (three schemes).  
Rhondda U.D.C. (five schemes).  
Risca U.D.C.

Appendix IX contains details of the schemes approved for purposes of grant and decisions remain to be given in respect of three schemes estimated to cost about £10,000.

**Public Street Works.**

527. Section 4 (1) of the Special Areas (Amendment) Act, 1937, has removed a disability which received the earnest consideration of my predecessor and to which I gave close attention on assuming office. In Sir Malcolm Stewart's First Report he pointed out that, as a result of the interpretation which had been placed upon the word "payable" in Section 1 (4) (ii) of the Special Areas (Development and Improvement) Act, 1934, he was precluded *inter alia* from offering assistance in respect of public road works undertaken by local authorities, by reason of the powers possessed by the Minister of Transport to make grants towards expenditure in that connection. It is not, however, the policy of the Minister of Transport to offer grants in respect of expenditure on local roads and, as several of the authorities in the Special Areas are unable to undertake the necessary works of repair and improvement to such roads without financial assistance, many public roads in those Areas have deteriorated into an extremely bad condition. It was with a view to overcoming the difficulty of making grants in such cases that Sub-section 1 of Section 4 was incorporated in the Act of 1937, and I am now empowered to offer assistance towards expenses incurred by local authorities in the Special Areas in carrying out repairs or improvements of streets which are certified by the Minister of Transport as being wholly or mainly required for purposes other than those of through traffic. Repairs and improvements to classified roads remain outside the scope of my powers and I am not in a position to supplement grants made by the Minister of Transport.

528. This is essentially a service in which the degree of urgent necessity is difficult to determine and for which, therefore, a



limit to the funds available is desirable. In order to gauge the probable dimensions of the problem I have requested local authorities to forward preliminary lists of the road works most urgently requiring attention, with a brief description of the works proposed and a rough estimate of the anticipated cost in each case. After the receipt of this information I propose to indicate to each authority the extent to which I am prepared to assist by providing funds for the more urgent cases.

529. The Ministry of Transport have kindly agreed to co-operate with me in this important matter and their advice and recommendations on the questions involved will be of material assistance.

530. In my opinion the new power conferred upon me is a valuable step towards the rehabilitation of the Special Areas. Roads which are indifferently maintained have a depressing effect and their improvement will undoubtedly tend to create a more favourable impression of the various districts.

#### **Private Street Works.**

531. In paragraph 301 of the Third Report submitted by Sir Malcolm Stewart, mention was made of the fact that, subject to certain conditions, assistance would be forthcoming from the Special Areas Fund in respect of the contributions of local authorities towards the cost of works of private street improvement proposed to be undertaken by them.

532. The amount placed at my disposal for this purpose was limited to the sum of £200,000 but preliminary particulars furnished by local authorities indicated that the total value of the works which they desired to put in hand with assistance from the Special Areas Fund was considerably in excess of that figure, and that, as a general rule, they proposed to contribute 50 per cent. of the cost.

533. As in the case of Public Street Works, it appeared desirable to put a limit to the expenditure on this service and consequently only a proportion of the proposed works could be assisted. I accordingly decided to ration the authorities in respect of the expenditure to be incurred by each of them. In indicating to the various authorities the amount allocated to them for the purpose, I suggested that, in selecting streets for attention, particular regard should be given not only to the condition of the streets but also to the degree of ability of the majority of the frontagers to meet their share of the cost without severe individual hardship. I indicated that assistance would not generally be available where numbers of frontagers are obviously in a position to pay the full amount of their apportionment or where there is a considerable quantity of undeveloped land. The submission of the modified proposals of the local authorities is now awaited.

**PART XIII.—HOUSING.****North Eastern Housing Association, Limited.****Durham and Tyneside.**

534. Paragraphs 302 to 311 of Sir Malcolm Stewart's Third Report set out in detail the arrangements made with the North Eastern Housing Association, Limited, for the provision of houses on behalf of local authorities in the Durham and Tyneside Special Areas.

535. Since the date of that Report two more local authorities have availed themselves of the services of the Association in connection with their housing programmes, and schemes are now being undertaken or are about to be put in hand by the Association by arrangement with 21 of the local authorities in Durham and Tyneside. Other local authorities in these Areas are also considering co-operation with the Association.

536. Full use is being made of the Joint Sub-Committees composed of representatives of the Association and of the local authorities concerned; by this means the Association ensures that personal and direct touch is satisfactorily maintained with the authorities and tenants and that attention is given to their views and suggestions.

537. The method of house management best suited to the Estates under the control of the Association is being closely examined. Up to now the usual method of rent collection and management has been adopted but, as the larger Estates are completed, it is proposed to adopt what is known as the "Octavia Hill System". Steps have already been taken to engage an expert staff for this purpose, and the results of the two systems will be followed with a view to ascertaining which is the more efficient in working.

538. During the 12 months ended 30th September, 1937, I have approved a further 23 schemes to be undertaken by the Association on behalf of the undermentioned local authorities and involving the erection of 3,453 houses and flats.

Consett U.D.C.

Durham B.C.

Easington R.D.C.

Gateshead C.B.C.

Hartlepool B.C.

Hebburn U.D.C.

Sildon U.D.C.

South Shields C.B.C.

Spennymoor U.D.C.

Sunderland C.B.C.

Tow Law U.D.C.

Of the houses included in the approved schemes, 1,032 have been completed and this number will shortly be increased by a further 1,118 which are already roofed in. Altogether, 4,154 dwellings have been erected or are in course of erection and for some months past direct employment has been given to over

2,000 workmen on the Association's Estates. Tenders have also been received by the Association for the building of a further 1,286 houses and are about to be invited for another 635.

539. The total number of dwellings included in the schemes which have been completed or have reached an advanced stage is, therefore, 6,075 and the approximate number of persons to be rehoused in the new accommodation is 27,000. The aggregate cost of these schemes is estimated at considerably more than £2,000,000, and by handing the work over to the Association the ratepayers have been relieved of the substantial rate contributions which, under the Housing Acts, would have been required from their respective authorities had they proceeded with the schemes. The capital value of this saving is estimated at over £400,000.

540. In addition to the 6,075 houses referred to in the preceding paragraph, sites have been acquired by the Association and plans are being prepared in respect of schemes embracing another 3,239 houses, bringing the total to 9,314.

541. Although the Association is only in the second year of its existence, more than half of the 16,000 houses which it has so far been asked to erect are thus well in hand, an achievement which must be regarded as eminently satisfactory. I should like to take this opportunity of expressing to Lord Ridley, the Chairman of the Association, and his fellow Directors the thanks that are due to them for giving their services to this most valuable work, and also to congratulate the staff of the Association on having achieved such remarkable progress in so short a time.

### **West Cumberland.**

542. Reference was made in paragraphs 315 and 316 of the Third Report submitted by Sir Malcolm Stewart to the possibility of forming a Housing Association in the Special Areas of West Cumberland on the lines of that operating in the North Eastern Special Areas. To make reasonably sure of the success of such a separate Association it was essential that the co-operation of authorities with the largest re-housing programmes in the Area should be secured but, although every effort was made on my part to secure such co-operation, certain local authorities with a large need for new houses could not see their way to hand over any part of their schemes to the projected organisation and, in these circumstances, I was reluctantly forced to abandon the proposal.

543. In order, however, that representations from those authorities in the West Cumberland Special Areas who desired to avail themselves of the services of a Housing Association

should be met, I approached the North Eastern Housing Association and asked whether that Association would be prepared to extend the sphere of its operations to embrace the areas in question. I am glad to report that the Directors agreed to do so, and I am most grateful to them for their assistance in this matter. Recently the Courts approved the necessary alterations in the Memorandum and Articles of Association and three gentlemen have been elected to the Board who are familiar with the needs of the West Cumberland areas. Already two schemes to be undertaken on behalf of the Cockermouth Rural District Council have been submitted for my approval and others will shortly be forthcoming.

#### **Durham Aged Mineworkers' Homes Association.**

544. References to the activities of this Association and of the assistance offered towards the schemes submitted by them will be found in paragraphs 165 to 167 and paragraphs 312 to 314 of Sir Malcolm Stewart's Second and Third Reports, respectively.

545. Like my predecessor I am impressed with the useful work undertaken by the Association and I have continued his policy of assisting them in the provision of accommodation for aged miners in the Special Areas of County Durham. In addition to the six schemes mentioned in Sir Malcolm Stewart's Reports, six further schemes have been approved up to 30th September, 1937, as follows:—

<i>Scheme.</i>						<i>Houses included in Scheme.</i>
Castle Dene, Lumley	...	...	...	...	...	6
Lambton	...	...	...	...	...	6
Horden	...	...	...	...	...	5
Crookhall	...	...	...	...	...	4
Blackhall	...	...	...	...	...	6
Shotton	...	...	...	...	...	4

Up to the present 47 of the houses included in approved schemes have been completed.

#### **Northumberland Aged Mineworkers' Homes Association.**

546. The aims and objects of the Northumberland Aged Mineworkers' Homes Association are identical with those of the corresponding Association in Durham referred to above.

547. The Association has a waiting list of over 1,500 applicants for homes and it is clear that their available funds are not sufficient to enable them to make substantial progress in the

direction of satisfying that demand. Moreover, a large part of the mining area of Northumberland is outside the Special Areas and assistance from the Special Areas Fund would not be available in respect of the homes which are needed in districts outside the scheduled Areas.

548. When, therefore, the Association approached me for assistance towards the cost of erecting 10 houses at Newcastle-upon-Tyne for occupation by aged mineworkers, I decided, as no Exchequer subsidy was available, to offer them a grant in respect of the scheme on the same basis as that adopted in the case of the Durham Association.

#### **Church Army Housing, Limited.**

549. Church Army Housing, Limited, is a public utility society registered under the Industrial and Provident Societies Act, 1893, and is not conducted for profit. In co-operation with local authorities a number of houses have already been built by the Society in various parts of the Country. Prior to the formation of the North Eastern Housing Association, Limited, the Society approached my predecessor for assistance in connection with a scheme for the erection of 36 flats and houses at Gateshead which they were providing under arrangements with the Corporation. It appeared that to let the accommodation at suitable rents would result in a substantial loss to the Society and, in view of the fact that the scheme was a contribution towards meeting the slum clearance programme of the Corporation, I considered that the proposal merited assistance and I therefore decided to make a grant towards the estimated capitalised value of the deficiency on the project.

550. Now that special arrangements have been made through the agency of the North Eastern Housing Association, Limited, for carrying out housing schemes in the Durham and Tyneside and West Cumberland Special Areas with assistance, where necessary, from the Special Areas Fund, I do not propose to make further grants of this character.

551. Particulars of all the approved housing schemes referred to in this Part of the Report are contained in Appendix XII.

### **PART XIV.—AGRICULTURE.**

#### **Land Settlement.**

552. During the 12 months under review the land settlement programme initiated by my predecessor as one of the methods of dealing with the problem of a surplus industrial population in

the Special Areas has been continued and developed. In his Third Report Sir Malcolm Stewart recommended that the programme of land settlement should be steadily expanded. His original programme had provided for the settlement of 2,000 families. About three-quarters of the programme had been accomplished when I assumed office, and I had to consider to what extent it was wise to expand a movement which was still admittedly in an experimental stage. It had been proved beyond reasonable doubt that there were in the Special Areas a considerable number of middle-aged men with growing families who had been out of work for some considerable time and who were likely after a period of training to be able to adapt themselves to the entirely different life involved in land settlement. But there had not been—nor has there yet been—sufficient time to test the economic side of the experiment. These families are being settled on the land under more favourable conditions than have been afforded to any previous settlers, and if land settlement in this Country is ever going to justify itself as a measure for the relief of unemployment it must do so under the various schemes which are being conducted, mainly at the expense of the Special Areas Fund, by the various agencies to which the work has been entrusted.

553. After considering the question in all its aspects I decided, with the approval of the Government, to increase the size of the experiment by arranging to make provision for the settlement of another 1,000 families on the land by the Autumn of 1938. This will involve, in all, the settlement of 3,000 families, at a cost to the Special Areas Fund estimated to exceed £3,000,000. In the Autumn of 1938 there is to be a comprehensive review of the whole experiment and it would perhaps be premature to anticipate the result of the review beyond referring to the fact that there have this year been several disquieting factors, such as the rise in the cost of feeding stuffs and equipment (with as yet no corresponding increase in the price of the settlers' products) and in some cases heavy losses of poultry owing to disease. These factors illustrate the hazardous nature of agricultural schemes which are so largely dependent on circumstances outside the control of the settlers themselves or the organising body.

554. No one who studies the economics of land settlement can well fail to be impressed by the large expenditure involved. The actual cost of the different schemes varies slightly, but of the schemes administered on my behalf by the Land Settlement Association (which represent about two-thirds of the whole) those already in hand involve an expenditure from the Special Areas

Fund of approximately £1,250 per family. This total figure may be roughly apportioned as follows:—

	£
1. Cost of land, house and other equipment including the apportioned cost of roads, fences, water supply, drainage, etc. ...	750
2. Share of cost of providing and equipping the Central Farm ... ..	150
3. Working capital (average) ... ..	260
4. Training ... ..	40
5. Contingencies ... ..	50
	£1,250

555. After deducting from the rent of the holding a reasonable amount to cover the cost of management, repairs, etc., a net rent is left which would yield interest at 3 per cent. on about £500 to £550. The Central Farm is expected to earn not less than 3 per cent. interest as a condition of its continued operation. Of the working capital not more than £130 is to be a free gift, the remainder being recoverable without interest over a term of years.

556. Including the cost of training and the contingencies item in the non-remunerative outlay it will be seen that, out of the total of £1,250, £800 should either yield a reasonable return or be recoverable, leaving about £450 per family as the amount of loss to the State. Against this may be set the fact that a family, which in many cases would have continued to draw considerable sums for a number of years from the Unemployment Assistance Board, has been established in a position in which it is hoped that it will in future be independent of help from the Board or the Public Assistance Committee and in which it should not compete seriously with other members of the agricultural community in this country.

557. There is also on the credit side the value of having given fresh hope and a chance of independence to a family whose chief breadwinner has been long unemployed as well as the physical benefit to the family through being transferred to healthy surroundings with abundance of fresh air and good food. Further there is the consideration that the settlement of industrial workers on the land does something in a small way to redress the balance of town and country to the national advantage.

558. It is these factors and especially the first which, although they cannot be calculated in terms of cash, are to my mind the chief justification for these experiments in land settlement.

559. The following paragraphs give particulars of the various schemes of land settlement which have been started for families from the Special Areas. It will be seen that these are of two distinct types. The County Councils and the Land Settlement Association have confined their efforts, as indeed they are bound to do by their statutory powers and articles of association respectively, to the establishment of families on small holdings which vary in size from about three to ten acres each. The Welsh Land Settlement Society on the other hand has up to the present devoted most of its attention to a system of co-operative farming.

560. Each of these systems has its advantages and its disadvantages, and it is too early yet to determine which type of settlement is more suited to the industrial unemployed. The co-operative system has the advantage that men who have been accustomed all their lives to draw a weekly wage, or a weekly sum from the Employment Exchange, continue to receive weekly the minimum wages to which they are entitled for their work on the farm; they are not required to undertake the personal risks and liabilities inherent in the life of a man working on his own account, who must save enough during the period when his crops are being sold to carry him over the leaner months ahead and should further put by some of his savings in good years to carry him over the years of bad crops which are bound to occur. On the other hand the co-operative system does not offer a man of initiative and energy the same prospects of advancement and growing income which are open to the successful smallholder.

561. From the point of view of the State, each system again has its advantages and disadvantages. In the case of the co-operative system the initial outlay per family is smaller and, if the scheme is to be successful, the loss to the Exchequer is negligible; on the other hand, the whole scheme would have to be abandoned in the event of failure, though the property should command a ready sale, since it is not split up as in the case of a smallholding scheme. Moreover, the co-operative system involves some of the dangers of State farming which has had such an unhappy history in this country since the War. It was, however, intended that the Special Areas Acts should be used to make experiments, and both systems are now being tried out on a large enough scale to give valuable comparative results after a period of years.

562. The Special Areas Land Settlement programme has been entrusted to several different bodies, and an account of their



activities is given in the following paragraphs. It may be well here to summarise the programme statistically as follows:—

Organising body.	No. of families to be settled.	No. for whom land had been acquired by 30.9.37.	Families settled by 30.9.37.	Men in residence without their families.	Total number of persons settled.	No. of men who have completed their training (included in column 4).
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Land Settlement Association.						
(a) Schemes outside the Areas :						
(i) Original Programme.	1,040	987	479	86	2,449	62
(ii) Additional Programme.	500	—	—	—	—	—
(b) Schemes in Cumberland :						
(i) Original Programme.	200	200	77	19	377	—
(ii) Additional Programme.	120	13	—	—	—	—
(c) Schemes in Northumberland.	200	66	30	5	163	—
Durham County Council...	320	211	113	—	518	—
Glamorgan County Council	20	20	20	—	95	—
Welsh Land Settlement Society.						
(a) On Co-operative Farms.	500	178	78	60	373	60
(b) On Small Holdings						
(i) Direct Settlement.		42	—	42	42	—
(ii) In co-operation with Monmouth County Council.	40	40	—	40	40	—
Unallotted ... ..	60	—	—	—	—	—
Total ... ..	3,000	1,757	797	252	4,057	122

563. The whole of the above programme is intended to provide full-time employment for those who had previously been out-of-work, and the men who settle on the land under any of these schemes are removed from the Ministry of Labour's Live Register as soon as their training period is completed. There are also various other agricultural activities initiated or recommended by my predecessor and dealt with by him in the agricultural sections of his Reports, which give men part-time employment on the land but do not cause their removal from the Live

Register as they continue to draw their unemployment allowances. I refer to Group Holdings, Cottage Homesteads, Allotments, and Subsistence Production Schemes. All these schemes have been described in Part X of this Report dealing with sub-economic employment.

#### **Appointment of Inspecting Officer.**

564. In view of the experimental nature of the work of settling unemployed men on the land and the magnitude of the expenditure involved, I deemed it desirable to arrange for some independent person, with experience of land settlement and conversant with the practical problems involved, to investigate the position and to report on the various schemes undertaken by the Land Settlement Association, the Welsh Land Settlement Society (co-operative farming as well as small holdings schemes) and County Councils. I was fortunate in securing for this purpose the services of Mr. J. C. E. Robinson, F.S.I., A.A.I., of Bedford, who at one time was engaged by the Bedfordshire County Council in connection with their post-War scheme of land settlement for ex-Service men. Mr. Robinson agreed, at my request, to visit and report on a selected number of schemes. His report is expected about the end of January, 1938.

#### **Land Settlement Association.**

565. It will be seen from paragraph 562 above that the greater part of the Special Areas land settlement programme has been entrusted to the Land Settlement Association. This Association, which is a body not trading for profit, was established, with promise of assistance from the Government, in 1934 shortly before the Special Areas Act was passed, with the primary object of carrying out a limited experiment in the provision of small holdings for unemployed persons. Its activities are not confined to men from the Special Areas and it issues its own Reports. My assistance is, of course, confined to its activities on behalf of men from the Special Areas, which are briefly described in the following paragraphs.

566. By the end of September, 1936, the Association had acquired, or arranged to acquire, for the settlement of families from the Special Areas in England, 19 estates with a total area of 10,045 acres, some comprising several separate farms in close proximity, and the whole being expected to provide about 1,140 holdings. With two exceptions the estates had been purchased by the Association but two farms in Northumberland were acquired by the Northumberland County Council under the Small Holdings Acts, with the intention of being leased to the Association after development by the County Council. Further reference is made to these two properties in paragraph 572.

567. These acquisitions were spread over a period of about 18 months—a rapid rate of progress considering the difficulty of finding properties in the market which possessed in combination the special features deemed essential for a successful land settlement scheme. From that time onwards, as concentration on the development of existing schemes was of paramount importance, it was not considered necessary to press forward a programme of land acquisition with the same urgency but, instead, to exercise even greater discrimination in regard to the selection of properties to be acquired.

568. Largely on this account, the Association's acquisitions during the past 12 months have been comparatively few. These comprise:—

	<i>Acres.</i>
Wyboston (Beds). Additional land adjoining the existing scheme ... ..	58
Wathhead and Jenkyns Cross Farms (Cumberland) ... ..	351
Denham Hall (Suffolk) ... ..	625
Newent (Glos). Additional land adjoining the existing scheme ... ..	24½
Pauntley Court (Glos) ... ..	233
	1,291½

569. Some of the Association's estates comprised small outlying areas of land which were either unsuitable for small holdings or could not conveniently be worked into an economical lay-out scheme. Authority has been given to the Association in specific cases to sell some of these superfluous lands. Further, at the request of the Association, I agreed to release part of its estate at Wyboston, in order to enable the Association to settle a number of London unemployed on small holdings, with the aid of funds provided from private sources. The area released under this arrangement was 100 acres and the cost of acquisition originally borne on the Special Areas Fund will be reimbursed by the Association.

570. Excluding Pauntley Court, the purchase of which had still to be completed, the Association, at the end of September last, was in possession of a total area of 10,620 acres of land acquired for the settlement of families from the Special Areas. The land is comprised in 21 estates, two being leasehold properties in Northumberland (618 acres) and the remainder freehold properties distributed over England from Cumberland to Sussex and from Gloucestershire to Suffolk. Detailed particulars of each estate will be found in Appendix XIII.

571. The main work of the Association during the past year has been to equip and develop the estates already acquired, to press on with the transfer of settlers and their families and provide them with the necessary stock, as well as training in the care of it and in the use of their land. The following statement shows the progress made in this respect during the last 12 months:—

	<i>September,</i> 1936.	<i>September,</i> 1937.
Families transferred ... ..	166	587
Settlers completed training ...	11	62
Settlers in training without their families ... ..	368	108
Total number of persons transferred ... ..	1,026	2,989

#### **Land Settlement in Northumberland.**

572. The Association undertook a programme of 200 families from the Special Areas in Northumberland, including Newcastle and Tynemouth, in conjunction with the Northumberland County Council. This arrangement has not proved entirely satisfactory and progress has been comparatively slow. In these circumstances I came to the conclusion that it would be better that the Association should undertake sole responsibility for land settlement in Northumberland and that under this arrangement they should, in agreement with the County Council, take over, on approved terms, the two estates already acquired by the Council under the Small Holdings Acts and in course of development, namely, Moor Farm, Stannington, and Broadlaw Farm, Whalton. Negotiations for the transfer of these properties were in progress at the end of the period to which this Report relates.

573. As the Land Settlement Association publishes its own detailed report each year, which includes particulars of each scheme of settlement, it is not considered necessary to give any account of the progress of individual schemes in the present Report. Some features of general administration may, however, be referred to briefly.

#### **Four-bedroom houses.**

574. In view of representations from the Association that many suitable families were coming forward containing more members than the house of standard size with three bedrooms could accommodate, it was agreed that the Association should be allowed to build a proportion of houses with four bedrooms. The ratio fixed, in the first instance, was one house in ten, but this has proved, in practice, to be rather too low, and recently the Association has been authorised to increase it to one in six if the circumstances make this necessary.

### **Technical Advisers.**

575. The Association, with my approval, has made various appointments to its Technical Staff with a view to ensuring that the settlers shall have the best possible expert advice in regard to the conduct of their holdings and the disposal of their produce. These aspects assume ever increasing importance as estates are developed and the settlers, in course of time, assume direct responsibility for carrying on their holdings. Such appointments, therefore, as those of a Horticulture Adviser and a Marketing Officer, which have been made during the past year, were very timely. Success in marketing may well prove to be the key to the success of the scheme as a whole and, when it is borne in mind that the value of the output from the Association's estates shown in the table in paragraph 562, when all these are fully developed, is expected to be in the neighbourhood of £1,500,000 per annum, it will be readily appreciated how important it is that the Association should have the best possible advice in regard to its marketing arrangements.

576. An interesting experiment in direct sales by means of a shop on the Great North Road has been tried on one estate with encouraging results. The shop is in the charge of the daughter of one of the settlers and a careful system of costing has been kept in order to ascertain results.

### **Appointment of Woman Supervisor.**

577. An appointment of a different nature, but one having its importance in another sphere, is that of a woman supervisor whose business it will be to visit the various estates and help the wives of trainees in the difficult task of accommodating themselves to new circumstances and conditions. The woman supervisor will be able to make available to the women on the settlement a much wider knowledge than can be expected from the wives of the Wardens, as to the various welfare facilities both public and private that are available to them. Attention to the needs and interests of the wives of settlers may contribute materially to the lasting success of the settlements.

### **Control over Settlers' finances.**

578. Experience has shown the desirability, indeed the necessity, of the Association exercising some control over the finances of the settlers after they have completed their training and taken up their holdings. Part of the expenditure incurred on the settler's account during the period of training is covered by an advance of working capital. This arrangement should normally result in an excess of receipts from sales over the balance of expenditure during the training period. It would clearly be unwise to allow the settler to have unrestricted control over the use of such part of this balance as is made available for him to

cover not only running expenditure but risks and contingencies in connection with the holding. The Association has retained a power of control by inserting a condition in the tenancy agreement giving the Association a Power of Attorney on behalf of the tenant for a period of two years. No difficulty has been experienced in satisfying prospective tenants of the desirability, and even the necessity, of some such control. Under this arrangement each tenant is supplied month by month, out of his own resources, with an agreed sum of money to cover his household requirements.

### **Progress towards independence.**

579. On the Potton Estate, Bedford, which was the first estate to be developed by the Association, the results are considered to be distinctly encouraging, and suggest that a good man on good land can make an adequate livelihood on this type of holding. It has already been found that the termination of the period of training develops a sense of responsibility such as cannot be expected whilst men are in receipt of allowances. Individualism and qualities of character are beginning to manifest themselves and men with more ambition and initiative than others are showing signs of developing new ideas. For example, one tenant has put up a greenhouse, while another has bought a horse and cart. This tendency is being encouraged in every way possible as nothing is more likely to act as a stimulus than that some of the settlers should set a standard which others will try to emulate.

580. A feature of the local administration which tends in the direction of giving the settlers a greater sense of responsibility is the formation of settlers' Committees. These Committees are taken into consultation not only in regard to matters affecting the business side of the settlement but also in questions affecting the welfare of the settlement as a social community. In numerous instances the action taken by the Committees in such matters has been of the greatest assistance to the responsible officers of the Association.

### **Some initial difficulties.**

581. It was not to be expected that the Association's experiment in land settlement would proceed smoothly and without any set-back. So far as human foresight could guard against the possibility of such set-backs, and prompt handling deal with the situation when they occurred, the Association has done, or is doing, what is possible. Clearly, however, it cannot control all the conditions that make for the success or failure of the experiment.

582. Individual schemes have suffered, for example, from outbreaks of swine fever, a case in point being Andover, where it was necessary to slaughter a quarter of the pigs on the estate.

This outbreak was particularly disappointing, as the herd of 120 sows and gilts was one of the finest on any of the Association's estates.

583. As regards poultry, the Harrowby Estate, Lincolnshire, suffered a heavy loss of chicks in the Spring, owing to a partial failure of electricity supply and consequent fall of temperature in the brooder houses. Later in the year an exceptionally severe thunderstorm did a lot of damage to poultry houses and stock.

584. Occurrences such as these illustrate some of the difficulties, but must not be over-rated, especially as their effects can be remedied. A question of more fundamental and far-reaching importance affecting generally the Association's pig and poultry holdings, is the steep rise in the price of feeding stuffs, and among poultry, the heavy incidence of disease, to which matters reference has already been made in paragraph 553. Owing to these factors the outlook for prospective tenants of holdings intended principally for poultry and pig production has proved to be so uncertain that the Association found itself obliged to put forward proposals for reorganising such holdings and providing some additional form of husbandry. These proposals were under consideration at the date of closing this Report.

#### **Personal aspects of Land Settlement.**

585. The Director of the Land Settlement Association, Mr. L. D. Gamman, in commenting on this matter, says that one of the most important and interesting aspects of the land settlement programme is its human side. The task which faces the Association is to transform a townsman into a countryman, an industrialist into an agriculturalist, a wage-earner into a petty capitalist and a man whose morale has been lowered by long years of unemployment into an ambitious and self-reliant member of society.

586. Success in business in any walk of life demands certain qualities of initiative, self-reliance, courage and ambition. Success on the land requires, in addition, a love of the country for its own sake and the ability to measure that life not entirely in terms of a cash return. That is the standard which the Association must demand of its settlers, and it is inevitable, therefore, that the Association must be fairly rigorous in weeding out unsatisfactory men during the 15 months when they are being trained prior to being granted a tenancy.

587. When these facts are kept in mind, the percentage of rejections is regarded as satisfactory and promising. Up to 30th September, 1937, 924 men were brought for training to the various estates in different parts of the country. Of this number, 229 have given up for various reasons. In a distressingly large number of cases, physical inability to undertake

heavy work on the land has been the reason; in others, the inability of the men—or, more frequently, the wives—to adapt themselves to rural conditions. The majority of those whose training has been terminated have left the estates within a comparatively short time from the date of their arrival, and the number of those who, having survived the initial difficulties of transference, are placed on their holdings and then decide to give up, is quite small. Even amongst those who have given up, a large percentage have obtained work outside the Special Areas, very largely because their physique has been improved by training on the land.

#### **Land Settlement in County Durham.**

588. Since the last Report, the Durham County Council has completed negotiations for the acquisition of the following properties:—

	<i>Number of Families.</i>
Manor Farm, Hart ... ..	35
Moor Farm, Spennymoor ... ..	10
Manor House Farm, Hutton Henry ... ..	30
Low Greenfield Farm, Etherley ... ..	13
Middridge Farm, Middridge ... ..	20

This makes a total of 211 families for whose settlement arrangements have been made by the Council, without including the non-residential scheme of full-time holdings at Wooley, Mount Pleasant. Details of the various schemes are given in Appendix XIII. The County Director of Agriculture, Mr. J. W. Cassels, under whose able and energetic supervision the land settlement scheme in Durham is being administered, has supplied details of the progress of each of the schemes, of which the following is a condensed summary.

#### **Wooley Terrace.**

589. The settlers' unemployment allowances were terminated on 1st June, 1937. Conditions in the poultry industry at this time were very bad, the cost of feeding stuffs having reached an unprecedentedly high level, while the prices of eggs were extremely low. High feeding costs have persisted throughout the year. These factors militated against the success of the tenants, the number of whom was reduced to nine. These men are achieving satisfactory results, and each is earning his own living from his land.

#### **Bishop Auckland (Escomb Section; 14 families).**

590. During the year considerable progress has been made in building up a satisfactory flock of poultry, and each trainee will now have approximately 500 laying fowls, mostly the



progeny of specially selected hens procured from the local group holdings.

Six glasshouses "Dutch Type" have now been erected and tomato crops have been successfully grown.

An existing building was converted into a pighouse by the settlers and a herd of 38 pigs has been fattened.

#### **Bishop Auckland (Toronto Section; 41 families).**

591. All the 41 dwelling houses are now finished and occupied. Rapid progress has been made in the erection of equipment, and there is a flock of 16,000 poultry.

The success achieved from the first new "Dutch Type" glasshouses erected has demonstrated the financial possibilities, and there are now 21 glasshouses erected or in course of erection. A Dutchman, experienced in his Country's method of horticulture, has been engaged for instructional purposes and is in residence.

#### **Greenfield Farm, Etherley (9 families).**

592. Rapid progress has been made with the erection of equipment and rearing of poultry stock. An early start will be made with the erection of "Dutch Type" glasshouses.

Provision is being made for the establishment of breeding pens of poultry to instruct the trainees in incubation.

#### **Pelton House Farm (14 families).**

593. Good progress has been made with the housing and rearing of a flock of 4,000 pullets, which are now in production. An early start will be made with the erection of "Dutch Type" glasshouses.

The existing farm buildings have been utilised to house, temporarily, a herd of 97 fattening pigs. These pigs were purchased as "weaners" from Wooley Terrace Small Holdings, and the trainees have gained valuable experience in the care and rationing of this class of stock.

A number of breeding gilts are also being reared and these are designed to give experience in pig breeding.

#### **Moor House Farm, Eaglescliffe (25 families).**

594. Considering the fact that there was only available accommodation for 12 settlers and their families during the poultry rearing period, the amount of work done in the erection of equipment and in the care of livestock has been remarkable. On most of the holdings a great number of poultry houses and runs have been erected. Glasshouses are also being erected.

A herd of 17 pedigree sows and one boar has been procured, and there is an average of nine pigs per litter up to date. The system of tethering the breeding sows is being tried on the lines

successfully adopted in the South country. It reduces the cost of housing equipment as well as the cost of feeding, as the nursing sows are given access to only a limited area, and are moved to fresh grazing land when required.

#### **Moor Farm, Spennymoor.**

595. The ten dwelling houses have now been completed, and have just been occupied by the selected families. The estate is not regarded as being suitable for pig-keeping, and the holdings will be developed as poultry and market garden holdings. The settlers are making preparation for the erection of glass-houses and poultry houses.

#### **Manor Farm, Hart: Hutton Henry: Low Greenfield, Etherley.**

596. Contracts have been entered into for the erection of dwelling houses and the settlers will be in occupation as early as possible.

Provision has been made in the lay-out of these estates for the housing of 78 settlers and families, viz.:—

						<i>Families.</i>
Manor Farm	...	...	...	...	...	35
Hutton Henry	...	...	...	...	...	30
Low Greenfield	...	...	...	...	...	13

#### **Middridge Farm, Middridge.**

597. The Council will not obtain possession of this property until May, 1938. It will provide holdings for 20 families.

#### **General Observations.**

598. To the foregoing details Mr. Cassels adds some general observations, extracts from which are given in the remaining paragraphs of this section.

599. Another year's experience in land settlement work does not modify the decision that poultry keeping should form the main basis of development in County Durham. Despite the fact that prices of feeding stuffs and equipment have advanced considerably there is more stability of prices in egg markets than in any other forms of production, such as pigs and market garden produce. Nevertheless, the possibilities of other sources of income have not been overlooked.

600. The experiment in the growing of crops in "Dutch Type" unheated glasshouses is justified by results, and settlers will be encouraged to engage in this class of work.

601. Pig breeding is very liable to violent market disturbances (young pigs were sold as low as 15s. each during the year, leaving no margin of profit) and greater hopes of success are expected from the production of pork or bacon weight pigs.

602. Whilst it is not desirable to develop holdings on purely specialist lines, it must be pointed out that the more sidelines that are developed, the longer should be period of training.

603. A deterrent to rapid development is the restricted amount of initial capital which can be supplied. Further equipment and stock must be purchased out of income and in the case of poultry keeping this entails a waiting period of nine months before the equipment can be provided and the chicks reared.

604. The Land Settlement Committee of the County Council has been fortunate in the choice of men to be trained. Success in such ventures is largely dependent on the men selected, and herein lies the value of the group holdings. Practically all the men under training have been former plot-holders on the Poultry Group Holdings Schemes, and the experience they have gained there will reduce the risks of individual failures. The supply of suitable men for small holdings still continues.

605. Marketing has proved to be a relatively easy task. Until recently the majority of the eggs have been sold to a packing station. Now there is ample demand elsewhere. One Industrial Co-operative Society is prepared to take the whole output from one estate. Similarly with other produce—high quality and careful grading have assured a ready market. The problem at the moment is the present inflated prices of essential feeding stuffs for stock.

606. Work amongst the unemployed has now been in operation in County Durham for eight years. The beginning was the Allotments Scheme formulated by the Society of Friends, followed by the Group Holdings Scheme initiated by them in County Durham and developed with funds supplied by the Commissioner for the Special Areas. This in turn has resulted in the creation of the larger type of holdings. All this was, and is, essentially pioneer work as no reliable data existed. In addition to the difficulties of the practical aspect, the already existing markets were supposed to be well supplied if not glutted.

While these difficulties should in no way be underrated, the results tend to show that the factor that really matters is the production of an article of high quality properly graded and packed.

### **Land Settlement in Wales.**

#### **Welsh Land Settlement Society, Limited.**

##### **Council of Management.**

607. Mr. Leonard Twiston Davies, O.B.E., has accepted an invitation to serve on the Council of Management, to which reference is made in paragraph 221 of my predecessor's Second Report.

### **Programme.**

608. The Society has a provisional programme for the direct settlement of 500 families, apart from schemes operated in association with County Councils, of which only one has at present been established. It has now acquired, by purchase or lease, about 2,500 acres of land which will provide holdings or employment for 260 families. Of the five schemes in hand three are to be devoted to Co-operative Farming enterprises and two to Small Holdings (one in association with the Monmouthshire County Council). Efforts to acquire additional land have so far not proved successful and estates suitable for land settlement are becoming increasingly difficult to obtain. Particulars of each estate acquired will be found in Appendix XIII.

### **Boverton Co-operative Farming Scheme.**

609. The record of the past 12 months is one of considerable progress and achievement, and the scheme is now operating independently of my financial assistance, except for approved capital extensions, on which interest is charged at the rate of 3 per cent. per annum.

### **Housing Development.**

610. By the end of September, 1936, 22 families had been moved into their houses. Others followed as the houses were completed, and by the end of February, 1937, all the 60 families were in residence. The houses have been connected up with the sewer recently constructed by the Cowbridge Rural District Council; the roads to the new village are completed and the Llantwit Major Parish Council has provided street lighting.

### **Cultivations.**

611. Good weather in the early autumn of 1936 enabled the 300 acres of grassland, of which possession was obtained on 1st October, to be ploughed and disc-harrowed, but the end of the year brought a change in the weather and for three months no cultivations were possible. This time was occupied in carrying out works of drainage and opening up and re-surfacing the Old Roman Road which runs through the middle of the farm. The latter work has proved of great value during the cropping season as lorries now have direct access to every field.

### **Formation of Co-operative Society.**

612. By 31st March, 1937, the whole estate was in a sufficiently advanced state of cultivation to permit the formation of the Co-operative Society, which has been registered under the Industrial and Provident Societies Acts as Boverton Castle Co-operators (Welsh Land Settlement), Limited.

613. The parent Society has now granted a sub-lease of the farm to the Co-operative Society, at a rent of £1,500 a year, and the concern is managed by a Committee of Management, consisting of the Chairman and Secretary of the Welsh Land Settlement Society, a Vice-Chairman and two members elected by ballot to represent the co-operators.

614. The Financial Year will end on 31st March, 1938, and after provision has been made for all outgoings and an amount allocated to the Reserve Fund (to be determined by the Welsh Land Settlement Society) members of the Co-operative Society will be entitled to any profits.

### **Crops.**

615. In spite of unfavourable conditions for cultivations in the early months of the year, the crops have proved most satisfactory, and great credit is due to the Manager, Mr. C. T. Bean, for what has been achieved. Prices have shown a marked improvement compared with last season.

616. It is the policy of the Committee of Management to cultivate as great a variety of crops as the land will grow, as an insurance against the failure, or a slump in price, of particular crops. In addition to the usual market garden crops, 70 acres of strawberries have been planted.

### **Glass-houses and indoor crops.**

617. Approximately  $1\frac{1}{2}$  acres of cold glass and  $\frac{1}{4}$  acre of heated glass have been erected. The completion of half of the houses was delayed by bad weather and the planting out of tomato plants could not be undertaken until the early part of June. The crop, however, proved excellent in quantity and quality, and approximately 60 tons have been marketed at fair prices.

618. Heating has been installed in an old cow shed in which rhubarb was forced for the early market and followed by a catch crop of mushrooms. An excellent yield of mushrooms was obtained from a specially erected house providing 750 square feet of growing space and additional houses covering 5,400 square feet of growing space are in course of erection.

### **Livestock.**

619. A large number of unsexed day old chicks were purchased in the early part of the year. The cockerels were fattened for market and at present there is a flock of approximately 600 laying birds. There are also about 60 pigs and 70 sheep, which are useful for consuming waste crops and maintaining the fertility of the land.

### **Subsidiary employment.**

620. Since 1st April, 1937, employment has been found for 32 of the settlers' children' (14 girls and 18 boys). The Society has arranged that the Bredon Package Company shall start the manufacture of crates for cabbages, etc., in part of the farm buildings. This results in a small saving to the Society in the cost of crates, and the company employs five girls who are children of the settlers.

### **Community and social life of the new village.**

621. The grouping of the houses in a garden village assists materially the development of a community life. In the old farm-house two large rooms have been set aside for the use of the settlers and their families and, through the generosity of the late Sir Albert Levy, equipped with furniture, a piano and a bagatelle table. Dances, whist drives and other entertainments are arranged by a Recreation Committee and the South Wales Council of Social Service is providing lectures in cookery and other subjects for the women-folk. It is hoped that a branch of the County Library will soon be established in the farm-house, which promises to become the social and cultural centre of the new village.

622. Cups for the best gardens have been presented by Sir Malcolm Stewart, Bart., and members of the Council of Management of the Welsh Land Settlement Society, Limited. The first child born in the new village was presented by the Settlers with a Welsh Bible.

### **Co-operative Farm at Sealand, Flintshire.**

623. Four adjoining farms comprising in all 851 acres have been acquired at Sealand, within a few miles of Chester, and about 15 miles from Birkenhead, Liverpool and the industrial parts of Lancashire and the North Wales coastal resorts are easily accessible and should provide good markets. There are large industrial works in the district and immediate prospects of considerable building activities.

624. Possession of the properties, except one farm of 109 acres, was obtained at different dates from October, 1936, to May, 1937, and cultivations were commenced in March. Possession of a portion of the remaining farm will be obtained in the early autumn and the remainder at the end of the year. Provision has been made for 80 non-parlour semi-detached houses, 18 of which were completed by the end of September, and it is expected that the remaining 62 will be ready for occupation early in the New Year. The contract price, excluding roads, sewers and water supply, amounted to £29,055.

### **Scope of Scheme.**

625. This scheme is to be known as "Sealand Manor Farm Settlement." The type of enterprise to be carried on will be similar to that at Boverton. On 22nd March, 23 unemployed men from the industrial areas of South Wales commenced work and the full complement of 80 are now on the settlement. The number of applications has exceeded the vacancies and there is a waiting list of applicants.

626. Produce has been sold to wholesalers from Manchester, Chester, Queensferry, Shotton, Hawarden, Denbigh and Colwyn Bay. In addition to the regular labour of the settlers, about 50 local casual workers were engaged for seasonal work.

627. The soil on these lands is a light sandy loam capable of producing excellent market garden crops. Many of the fields, however, are in bad heart, and it will take time and money to restore their fertility. During the past season some of the smaller crops have proved an almost total loss, owing to the abnormal growth of weeds. Expert advice has been obtained as to the best means of bringing back the land into a good state of cultivation, but it is not expected that it will be possible to form the Co-operative Society at the end of 12 months working as in the case of Boverton Place Farm.

### **Court House Farm, Llanfair Discoed, Monmouthshire.**

628. The Society has entered into an agreement to purchase this property, together with land adjoining, making a total area of about 282 acres, with possession in October, 1937. The land is most suitable for intensive cultivation and will enable some 38 families to be settled. Possession of the land for building operations has been obtained and a contract has been entered into for the erection of the dwelling houses.

629. I have agreed to the Society developing the property on the lines of a co-operative farming scheme in deference to the unanimous opinion of the Council of Management that this form of settlement is best suited to the conditions and needs of South Wales unemployed. Recruitment for the scheme will begin in the autumn.

### **Small Holdings Schemes: Jordanston and Paradise Farms, Llanstadwell, Pems.**

630. This property, extending to 378 acres, is situated about two miles from Neyland, three miles from Milford Haven, and six miles from Haverfordwest. Recruitment started in January and 29 men commenced training on 18th February, the number being gradually increased to 42.

631. The property was sub-divided into 42 small holdings of from five to ten acres, with a Central Farm. Contracts had been

placed for the erection of 28 houses by 22nd August and the remainder by 22nd December, but for various reasons progress has been seriously delayed. It is now hoped that all the houses will be completed early in the New Year. Most of the piggeries have been erected and all the poultry houses have been provided.

632. A Warden was appointed in January and, with the assistance of a staff, the men are being trained in market garden cultivations and poultry and pig rearing. 8,000 day-old pullets were delivered during the early part of the summer and 221 weaners were purchased in July and August. The scheme is to be known as the Rosemarket Small Holdings Settlement.

#### **Small Holdings Scheme: Leechpool Farm, Portskewett, Mon.**

633. The Society has negotiated with the Monmouthshire County Council for a lease of this property, extending to 329 acres, which has been acquired by the Council under the Small Holdings Acts. The Council has undertaken to execute the work of equipment, which will provide houses and piggeries for 40 small holdings of from 6 to 10 acres. A Central Farm will also be established. The Council will receive a contribution from the Ministry of Agriculture and Fisheries of 75 per cent. of the annual loss on the scheme, and from the Special Areas Fund a capital sum equivalent to one-half of the Council's share of the loss.

634. The Council is proceeding with the erection of the houses and the families will be transferred as and when they are completed. Twenty-two men began training in April and by August the number had been increased to 40. They are housed temporarily in timber hutments.

635. A Warden was appointed in January and, with assistance, has trained the men mainly in vegetable cultivation. 5,000 pure bred pullets were delivered during May and June and six pedigree Welsh gilts were purchased in September. Serious losses have been sustained among the poultry as a result of an outbreak of coccidiosis.

#### **Glamorgan County Council.**

##### **New Barn Land Settlement Scheme.**

636. This property, 111 acres in extent, was purchased by the Glamorgan County Council in June, 1936. Building operations, by agreement with the vendor, began during the latter part of 1936 and the Council entered into actual possession on 2nd February, 1937. The first five settlers arrived in April and the remaining 15 at intervals up to August, 1937.

637. In addition to the Warden's residence and central buildings which are to be used as office and store, the 20 holdings comprise 11 (from  $3\frac{1}{2}$  to  $7\frac{1}{4}$  acres in extent, for pigs, poultry and



market gardening, five (from  $3\frac{1}{2}$  to 6 acres in extent) for pigs and poultry, and four (from 3 to  $3\frac{1}{2}$  acres in extent) for market gardening. All holdings have been provided with a house and set of buildings comprising two pig boxes and store.

638. The settlers have worked well, have generally shown interest in the various activities, and appear keen on their future vocation, as was evidenced at the official opening of the settlement on 28th September. Although it is too early for results, it is gratifying to note that, so far, produce has been disposed of at prevailing prices with little difficulty.

#### **Afforestation.**

639. The special programme of afforestation in and near the Special Areas, which was referred to in my predecessor's last Report, has made substantial progress during the past 12 months and the Forestry Commissioners have supplied the following information on the subject (paragraphs 640 to 642).

#### **Acquisition of Land.**

640. During the period under review the Commissioners have considered detailed reports covering a total acreage of 28,500 acres and have authorised the acquisition of 22,600 "plantable" acres—11,750 in South Wales and 10,850 in the North of England. Since authority was given for the scheme in February, 1936, the legal formalities have been completed as regards 19,800 plantable acres but vacant possession has still to be obtained by negotiations with tenants. The acquisition of additional land is proceeding as rapidly as possible.

#### **Planting and Nursery Programmes.**

641. During the past spring, approximately 14,000,000 seedlings were lined out and 2,000 lbs. of seed sown to provide the plants necessary for future Special Areas planting programmes. In addition to the Commissioners' normal planting programme, it is hoped, subject to suitable plants being available, to plant 3,350 acres (South Wales 1,200 and North of England 2,150) this season, in or within 15 miles of the Special Areas. The two factors governing the expansion contemplated are (1) obtaining vacant possession of the land by negotiations with tenants and (2) the provision of sufficient plants of suitable species and size. It is estimated that a maximum of 280 men are likely to be employed on this work (including nursery operations) during the coming winter.

#### **Forest Workers' Holdings.**

642. Contracts have been arranged for the construction of 97 houses, of which 11 are already tenanted, six others are ready for occupation and tenants have been selected, and 32 are nearing completion. The selection of tenants from the Special Areas

is being made by the Forestry Commissioners in consultation with, and with the assistance of, the Ministry of Labour. Progress in new construction and the arrangement of further building contracts is being affected by the general rise in building costs.

643. Progress in a matter like this is necessarily somewhat slow in the early stages but I am hopeful that it will be accelerated. It would doubtless be more rapid if owners were to show greater readiness to offer land to the Forestry Commissioners at fair prices.

#### **Land Drainage.**

644. Difficulties in connection with the rate of grant to be paid to Councils undertaking land drainage schemes in the Special Areas were finally surmounted at the beginning of this year. Of seven schemes in Durham, which had already been approved by my predecessor, but were held up during the discussions as to the rate of grant, two (Langton Beck and Farleith Burn) were finished before 30th September last; one (River Don) was still in progress; and work had just begun on one section (Carcut Beck) of the River Skerne scheme. In three other cases negotiations were proceeding with the riparian owners. Further schemes are in course of active preparation.

645. Schemes are inspected, on my behalf, during the progress of the work and on completion, by a Technical Officer of the Ministry of Agriculture and Fisheries, who have been good enough to give me their assistance in this matter.

646. The works include such improvements as the clearing out and straightening of water courses, the removal of gravel pits and obstructions to the flow of water, the construction of concrete retaining walls, the cleaning of stells and the repairing of breaches in river banks. As an example of the benefit to agriculture derived from this type of scheme, it may be mentioned that on the Langton Beck scheme 63 field pipes were liberated, which previously were inoperative owing to the accumulation of silt in the bed of the stream, with consequent damage to surrounding land.

647. Schemes projected in Glamorgan in connection with Whitchurch Brook and the Rivers Ely and Taff have raised such intricate questions of administration and finance that it has not been possible to make any progress up to the present. In no other Counties in the Special Areas have any schemes as yet been put forward.

#### **Field Drainage.**

648. Representations were made to me, shortly after I assumed office, that considerable areas of land in Cumberland were going out of cultivation owing to lack of efficient field

drainage and that financial aid for such work was necessary before it could be remedied. Existing legislation, however, provided no facilities for granting such aid. The question of the desirability of assisting works of field drainage in the Special Areas was considered in consultation with the Ministry of Agriculture and Fisheries and, as a result, a provision was inserted in the Special Areas (Amendment) Act, 1937 (Section 4 (2)), enabling me to contribute towards any expenses incurred by owners or occupiers of agricultural land in any Special Area in England and Wales in connection with the execution of works of field drainage for such land, notwithstanding that the land is occupied for the purpose of gain.

649. Contributions may be made up to a maximum of 33½ per cent. of the actual net cost of approved schemes. One of the conditions attaching to the approval of a scheme is that all unemployed labour shall be obtained through an Employment Exchange and, where the works are to be carried out under contract, this must be made a condition of the contract.

650. The administration of the general scheme will, I hope, be undertaken, on my behalf, by the Agricultural Committee of the County in which the land is situated. Copies of a Memorandum explanatory of the scheme, together with copies of the form of application for a grant, were issued in September to the Councils of the Counties concerned.

## **PART XV.—SOCIAL IMPROVEMENT.**

### **Social Service.**

651. One of the specific duties entrusted to the Commissioners for the Special Areas is the initiation and prosecution of measures for the social improvement of the Areas. The provision of adequate health services and of various types of sub-economic employment, as described in earlier Parts of this Report, represents part of my contribution to the social improvement of the Areas, but another very important side of this work lies in the stimulation and assistance of what may be called in broad terms "Voluntary Social Service". This is a field of activity in which I have all my life taken a great personal interest, and I am glad to have been enabled to help forward the great work which is being carried on with little ostentation but much devotion by hundreds of social workers in the Special Areas. Whenever I have visited the Areas I have tried to see something of this work at first hand and frequently my wife has accompanied me. Wherever we have been, we have been greatly impressed by the prevailing spirit of unselfish service and broad sympathy with the lot of those who have suffered, through no fault of their own, from the depression that has so sorely afflicted these Areas.

652. I found on assuming office that Sir Malcolm Stewart had already made grants of about half a million pounds for different types of voluntary social service work in the Areas. This sounds a large figure for what some will regard—though I think wrongly—as mere palliatives. It is bound to take years to re-establish the industrial life of the Areas; indeed there are districts where this appears an almost impossible task. In the meantime it is surely right and proper that the community at large should contribute in no mean measure, in this way, to the work that can be and is being done to help the unemployed to maintain their morale, to make their lot happier, to give the children a chance of a holiday by the sea, to enable the boys and girls to associate in well-run clubs, to give the womenfolk the opportunity to meet together and occupy their few leisure hours pleasantly and usefully, or to provide books and classes for those who wish to use their enforced idleness to improve their knowledge.

#### National Council of Social Service.

653. Sir Malcolm had decided—for the reasons set out in his Reports—to make the National Council of Social Service the main channel for his grants to this work. This policy I decided to continue. The National Council, through its local contacts and with its accumulated experience, has a wider knowledge of the social needs of the Areas and of the relative merits of the many applications for assistance which are received than I or my officers could hope to have or to acquire. After a full discussion with the Council's officers of their suggested programme for the current year I decided to make them a grant-in-aid of £250,000 to be divided under the following main heads:—

	£
School Camps for Boys and Girls ... ..	100,000
Occupational Centres and Holidays for Women ... ..	25,000
Adolescent Welfare Work ... ..	54,000
Maintenance of Educational and Social Settlements ... ..	22,500
Educational Activities, including lecture courses, choral societies, drama groups, etc.	19,000
Improvement of the District Nursing Services	15,000
Miscellaneous Social Service Work ... ..	14,500

654. A further sum of about £12,500 is available for expenditure by the National Council in the current year. In paragraphs 475 and 476 of my predecessor's Third Report, reference is made to a grant of £15,000 made last year for the provision of books to libraries, clubs and institutes in the Special Areas. The National Council found it impracticable to spend more than about £2,500 of this grant prior to 31st March, 1937, though

their plans for the expenditure of the whole sum were well advanced. The balance of the grant is therefore being expended this year.

655. In addition to the grant-in-aid mentioned above, I have made or promised grants, as specified below, towards the cost of capital expenditure in respect of Educational and Social Settlements, Community Centres, Youth Centres and the South Wales and Monmouthshire Council of Social Service. Although applications for these grants were made through the National Council of Social Service, and the latter will undertake the general oversight of questions involved by the grants, payment will actually be made direct to the Trustees of the organisations benefiting. The grants in question are:—

For new or improved premises for Settlements:—

	£
Bensham Grove, Gateshead ... ..	6,000
Maes-yr-Haf, Trealaw ... ..	2,400
Merthyr ... ..	4,500
Risca ... ..	3,450
Maryport ... ..	1,800
For the establishment of three Youth Centres one in each of the three Special Areas ...	24,000
For the establishment of Community Centres in large new housing estates in the Special Areas ... ..	20,000
For the establishment of a Social Centre at Tynemouth ... ..	10,000
For new premises for the South Wales and Mon- mouthshire Council of Social Service ...	1,538

656. I am indebted to the National Council of Social Service for their whole-hearted co-operation with me in my efforts to secure the social improvement of the Special Areas and to their officers, central and local, salaried and voluntary, for their arduous, thoughtful and painstaking work on my behalf. I would also like to pay tribute to the national voluntary organisations, including those concerned with adolescent welfare (of which mention is made in paragraph 658 below), those which promote the welfare of women (such as the National Federation of Women's Institutes, the National Union of Townswomen's Guilds and the Y.W.C.A.) and those concerned more particularly with educational activities (such as the Educational Settlements, the Workers' Educational Association, the National Adult School Union and the Welsh National Council of Music), for the way in which they have placed their experience at my disposal and have worked in conjunction with the National Council of Social Service for the benefit of the Special Areas.

657. The following survey of the various activities which have been assisted by my grants has been sent to me by the Secretary of the National Council. In order that this account may be of greater local interest, it has been split into four parts, the first one being general and the others dealing respectively with the three Special Areas.

### General.

#### Adolescent Welfare.

658. Great importance is attached to the extension in the Special Areas of the facilities offered by the national organisations concerned with adolescent welfare and during the past year the National Council of Social Service have continued to assist the following organisations:—

- National Association of Boys' Clubs;
- National Council of Girls' Clubs;
- Y.M.C.A.;
- Y.W.C.A.;
- Boy Scouts Association;
- Girl Guides Association;
- Boys' Brigade;
- Church Lads' Brigade;
- Girls' Life Brigade;
- Girls' Friendly Society;
- Girls' Guildry;
- Welsh League of Youth.

659. The satisfactory progress recorded in Sir Malcolm Stewart's Third Report has been maintained and the organisations listed above have recorded a net increase during the past year of over 190 in the total number of their groups, clubs or units in the Special Areas and a net increase of 7,200 in membership. This growth in the work of the adolescent organisations is particularly satisfactory in view of the difficulties with which they have had to contend. Not the least of these is that of finding men and women of the type which makes good leaders; and this difficulty is aggravated by the tendency of the best and most active among the younger men and women to migrate to other parts of the Country to take up employment or in search of it.

660. The grants which have been given during the past year have enabled the national organisations to strengthen their headquarters work in relation to the Special Areas, and to carry out the recruitment and training of leaders. Specific grants in aid of local schemes of development have also been given. In all cases every effort has been made to ensure that grants given should strengthen the sense of responsibility and initiative in those receiving them. The specific grants in aid of local schemes, for example, represent in all cases only a proportion of the cost

and in many instances the voluntary funds raised for building schemes have been supplemented by the voluntary labour of members or friends of the club or unit.

661. The grants in aid of adolescent welfare, while continuing to afford much needed assistance to the national organisations in their work for the youth of the Special Areas, are also stimulating the spirit of voluntary enterprise and self-help and making possible a measure of achievement which could be reached in no other way.

#### **School Camps.**

662. The grants to the National Council of Social Service for the development of School Camps for boys and girls in the Special Areas during the latter stages of their school career have been continued. As in the past two years, the whole of the capital cost and maintenance charges of these camps is being borne by the Special Areas Fund. During the past year 17 camps have been in operation and 44,215 children have attended, an increase of some 6,000 over the previous year. Of this total 1,863 attended winter sessions at four of the camps, Pembrey, Rhoose, Drigg and North Seaton Hall. It is interesting to note that this year two of the camps were, during the mid-summer holiday period, placed at the disposal of Junior Instruction Centres and were attended by 1,382 unemployed boys and girls. Other camps were made available during the same period for unemployed men and their wives, and in all 3,158 women and 1,746 men enjoyed one week's holiday in them.

#### **Men and Women.**

663. Work among men and women in the Special Areas, consisting largely of the stimulation of activities of a broadly educational nature, i.e., including music, drama, cookery and physical training, as well as the more strictly educational work, has continued to receive assistance from the Special Areas Fund. These activities are generally based on the occupational clubs and the social and educational settlements.

#### **The Beeches Educational Centre.**

664. A grant has been given again this year towards the maintenance of The Beeches Educational Centre for women, near Birmingham, where residential courses are held for members of clubs for unemployed women and the wives of unemployed men from all parts of the country. Of 538 students who attended courses in the 12 months ended March, 1937, 304 came from clubs in the Special Areas. The courses at The Beeches are closely related to the activities of the women's clubs and, in addition to benefiting individually those who attend, are recognised as exerting a most valuable influence on the general development of the women's club movement, which is described in more detail below.

### North Eastern Area.

#### Adolescent Welfare.

665. The organisations mentioned in paragraph 658 have during the past year formed 80 new clubs or units, and achieved a net increase in membership of 2,000, the estimated number of boys and girls directly affected by their efforts being now over 41,000.

666. In addition to these specific grants, assistance has been given to the national organisations for the training of leaders and in a variety of other ways. The Tyneside Council of Social Service and the Community Service Council for Durham County have also been enabled to continue the supply of teachers in such activities as handicrafts and physical training. Detailed statistics of this instructional work are not available for the whole Area for the period under review but it is significant of the scale on which instructional services for boys and girls are now being provided, and of the keenness with which they are being welcomed, that in the three months April to June, 1937, over 500 classes in handicrafts, homecraft, and physical training were conducted by the teachers on the staff of the Durham Community Service Council, and that over 8,950 attendances at these classes were recorded. As in 1936, grants were given towards the cost of camp equipment and the fees of boys and girls attending camps arranged by the national organisations, and 937 girls and 5,727 boys spent a week or more in these camps. The reports received from the organisations concerned leave no room for doubt as to the value of camping, not only to the health and happiness of the individual boys and girls who attended, but also to the whole programme of activities carried on in the clubs and units during the remainder of the year.

#### Women's Work.

667. The 30 women's clubs or groups associated with the Tyneside Council of Social Service now have a total membership of over 1,750 women. The progress made in organised activities referred to in Sir Malcolm Stewart's Third Report has been well maintained, and during the winter of 1936-7, 688 classes in dressmaking and other handicrafts, 213 classes in cookery and homecraft, and 395 classes in "keep fit" work were held in the clubs under the supervision of the Tyneside Council's organisers in these activities. The aggregate of attendances at these classes amounted to over 33,000.

668. In the area served by the Community Service Council for Durham County there are now 56 women's groups with a total membership of over 4,600, an increase of 13 groups and about 800 members since the winter of 1935-36. Of these groups 45 are associated with men's groups in clubs which serve on



a broad basis the needs of the small communities in which they are situated. Here, as elsewhere, handicrafts are the primary activity of the women's groups and, in addition to dressmaking and renovations, instruction is given in stool-making and rug-making, block-printing, soft toy-making, patchwork and quilting. During the winter of 1930-37 534 craft classes were held in women's clubs at which the total attendances amounted to over 10,600. Three hundred and sixty-seven "keep-fit" classes, with 5,400 attendances, were held during the same period. Classes in cookery and homecraft were inaugurated towards the end of the winter, 34 classes and demonstrations being held with an attendance of 670, and it is anticipated that a large increase in this activity will take place during the coming winter.

669. Seven clubs for women, with a total membership now exceeding 930, are also being conducted in this Area by the Y.W.C.A., with the assistance of grants from the Special Areas Fund, while the National Union of Townswomen's Guilds have received grants towards the expenses of forming six new guilds in places where funds for the purpose could not be raised locally.

670. Both on Tyneside and in County Durham, members of the women's groups have taken part in musical and dramatic activities and, to a more limited extent, in educational courses. The Tyneside Council of Social Service and the Community Service Council for Durham County have constantly endeavoured to develop their work on the broadest basis and to ensure that its influence shall, so far as possible, profit as a whole the communities which they serve. It is felt that, great as is the practical value to the women themselves of the club activities promoted by these Councils, the women's clubs movement as a whole finds a still deeper justification in its influence upon the general social life of the communities in the Special Areas.

671. Holidays for over 1,000 women were arranged by the Tyneside and Durham Councils and the Y.W.C.A. during the summer of 1937. Grants towards the cost of these holidays were made from the Special Areas Fund but those taking part in all cases contributed a proportion of the cost themselves.

### **School Camps.**

672. The total number of children who attended the camps in this Area was approximately the same as in 1936, no addition having been made to the accommodation available in the period under review, although a number of constructional improvements, including the reconditioning of the playing fields at North Seaton Hall and Amble and the acquisition of a site for a playing field at Blackhall Rocks, were carried out. The

following table shows in detail the provision made and the co-operating education authorities:—

Camp.	Responsible Body.	Co-operating Education Authority.	Number of Children.
Blackhall Rocks, Durham.	N.C.S.S.	Gateshead County Borough Council.	3,319
Seaham, Durham	N.C.S.S.	South Shields County Borough Council. Durham County Council. Jarrow Borough Council. Hebburn and Felling Urban District Councils.	2,612
North Seaton Hall, Northumberland.	N.C.S.S.	Northumberland County Council.	2,489
Marsden Bay, Durham.	N.C.S.S.	Durham County Council. Durham Borough Council.	2,601
Redcar, Yorkshire.	N.C.S.S.	Durham County Council. Hartlepool Borough Council.	2,643
Carlton, Yorkshire.	W. Hartlepool Children's Camp.	W. Hartlepool Borough Council.	2,002
Amble, Northumberland.	Mayor of Newcastle's Holiday Camp Committee.	Newcastle County Borough.	3,273
Mappleton, Yorkshire.	Y.M.C.A.	Sunderland County Borough.	2,057
Saltburn, Yorkshire.	Y.M.C.A.	Durham County Council.	1,402
Cresswell, Northumberland.	Y.M.C.A.	Durham County Council.	3,307
			25,705

### Educational Activities.

673. The Tyneside Council of Social Service during the winter of 1936-37 extended its programme of educational work by organising, in conjunction with the Workers' Educational Association, a series of one-day schools and short courses in broad problems of history and economics, with special reference to the local conditions in the area. These schools and courses met with considerable success and a further series has been planned for the coming winter. The dramatic work in the area, to which reference was made in Sir Malcolm Stewart's Third Report, has continued to develop and, during the winter of 1936-37, 14 groups undertook regular productions under qualified instruction provided by the Council. Nine men's and women's clubs organised music groups and, during the six months ending in March, 1937, some 300 classes were held in the clubs under the supervision of the Council's music organiser.

These were, as in the previous year, supplemented by a series of demonstration concerts given by the Newcastle Philharmonic Orchestra, which were organised with the aid of a special grant.

674. The Community Service Council for Durham County considerably extended during the winter of 1936-37 the experimental programme of educational work in the clubs inaugurated in 1935-36, to which reference was made in Sir Malcolm Stewart's Second and Third Reports. In co-operation with the Workers' Educational Association and the local education authority, 70 short courses, 11 one-year courses, and six one-day and weekend schools, in addition to some 140 introductory lectures were successfully organised. During the six months ended March, 1937, the groups attending the various courses held 579 meetings, a total attendance of over 11,500 being recorded. An interesting experiment was also carried out by the Council, in conjunction with the National Adult School Union, in the formation in 14 men's occupational clubs of adult schools with a broadly conceived educational programme. Three hundred meetings were held with a total recorded attendance of some 4,300 and the experiment showed that the adult school offers, among other things, a valuable means of introducing members to the work of the educational courses organised by the Council.

675. Good progress has continued to be made in music and drama in both the men's and women's occupational clubs. Dramatic groups were formed in 37 clubs, and the full-length plays produced ranged from "Othello" to "The Ghost Train". One group was invited to broadcast its production of the Durham play "Geordie's Wooing". Twenty-three clubs formed music groups, a special feature of musical activity in this area being the interest taken in the making and playing of pipes.

#### **Social Settlements.**

676. Two Settlements in this Area, Durham House, Durham, and Spennymoor Settlement, have been assisted with grants towards the general extension of their work. Durham House, with a membership which has grown from 240 persons in 1935-36 to 360 persons in 1936-37, provides a range of lectures and classes in history, economics, literature, languages, drama and music, and handicrafts, and in addition is responsible for the management of an occupational club in Durham City. At Spennymoor the membership includes 250 adults and 145 boys and girls and during the past winter some 19 classes met regularly. The general control of the policy of these new Settlements has recently become vested in a Joint Council, representative of County Durham interests, with which the Durham Community Service Council is associated in an advisory capacity.

677. Bensham Grove Settlement has for a number of years carried out a varied programme of educational work in Gateshead. The Settlement has recently set in motion plans for extending its usefulness by the provision of facilities for adolescent activities, and of residential quarters for men engaged in ordinary employment who are anxious to undertake some practical and academic study of social service in their free time. A grant has been offered, subject to certain conditions, towards the capital cost of extending the Settlement's premises for this purpose.

### **West Cumberland Area.**

#### **Adolescent Welfare.**

678. A net increase of nine clubs and units and of 320 members is reported by the organisations working in this relatively small Area; and it is estimated that the number of boys and girls affected by their work is now over 3,000. The organisations in this Area have continued to develop their work on the same general lines as in the North Eastern Area, and have devoted the grants to similar purposes, including assistance towards the cost of camping for 260 girls and 487 boys.

#### **Women's Work.**

679. Sixteen women's groups with a membership of about 600 are now associated with the Cumberland Friends' Unemployment Committee, to whom grants have been made from the Special Areas Fund for the extension of their activities in this field. During the past year handicraft instruction has been given in nearly all the clubs, 211 classes having been held during the winter of 1936-37 with a total attendance amounting to 3,968. Cookery and homecraft classes and demonstrations were also organised for eight groups, the teachers being supplied by the County education authority, and a successful experiment was carried out by one group in the holding of a joinery class. Three groups have taken part in dramatic activities and four in choral singing, under leaders provided by the Cumberland Friends' Unemployment Committee. In November, 1936, an exhibition of craft work and dressmaking was held, attended by nearly 200 members of the women's groups. Grants have also been made to the Y.W.C.A. towards the cost of extending their work among women in this Area, where there are now five clubs with a membership of about 500 women; and to the National Union of Townswomen's Guilds for the formation of four new guilds. During the summer of 1937 holidays for some 340 women were arranged with assistance from grants from the Special Areas Fund, a contribution towards the cost being made in every case by the women taking part.

### **School Camps.**

680. The Camps at Drigg and Silecroft conducted by the Y.M.C.A. with the co-operation of the local education authorities for Cumberland, Workington and Whitehaven were again fully utilised, 2,386 children attending during the period April to September, 1937.

### **Maryport Settlement.**

681. The need for an educational settlement in this Area has been apparent for some time. The Cumberland Friends' Unemployment Committee, which assumed the original responsibility for the project, decided towards the end of 1936, after consideration of several alternative plans, that Maryport was the most appropriate place for its establishment. Suitable premises, towards the acquisition of which a grant was made from the Special Areas Fund, were found in the Dower House, Castle Hill, and were opened on 22nd September, 1937. An educational programme has been planned for the winter of 1937-38 and the Settlement authorities have already arranged to provide quarters for a W.E.A. class and a University Extension Class, in addition to more informal classes in a variety of subjects. The Settlement will be managed by its own governing body, in association with the Cumberland Friends' Unemployment Committee, which has done so much during the past six years for the enrichment of the life of those suffering from the effects of unemployment in this Area.

### **Educational Activities.**

682. During the course of the year under review the Cumberland Friends' Committee, with the assistance of grants from the Special Areas Fund, appointed advisers in education, music, and drama to develop these activities in the clubs in this Area. Although these appointments were not made until the middle of the winter of 1936-37 a successful start was made, educational, drama and music groups being formed in ten clubs, and it is expected that a wider programme of more advanced work will be carried out during the coming winter,

## **South Wales Area.**

### **Adolescent Welfare.**

683. The organisations mentioned in paragraph 658 above have continued during the past year to make steady progress, and have reported the formation of 107 new clubs or units and a net increase of membership of 4,700. It is estimated that about 27,000 boys and girls are now affected by their work in this Area. The grants which have been allocated for work with adolescents are being administered mainly through the national

organisations already referred to, but partly also in grants to enable the South Wales and Monmouthshire Council of Social Service to provide local units with instructional services in handicrafts, and physical training, "keep-fit" and similar activities. The Social and Educational Settlements, whose work is referred to later in this Report, have also provided similar services for the clubs and units in the district which they serve.

684. A notable feature of the adolescent work in this Area is the support which the South Wales District Committee of the Miners' Welfare Fund has continued to give to the boys' club movement, while the local colliery companies are also giving generous assistance to both boys' and girls' clubs, in many cases lending the buildings and meeting a large proportion of the maintenance cost. This support could not be attracted unless grants were available from the Special Areas Fund towards the capital cost of the buildings and equipment.

685. In this Area, as elsewhere, there has been a welcome extension of camping holidays, and the grants have assisted 1,966 girls and 1,874 boys to spend a week or more in camps conducted by one or other of the national organisations. It has been gratifying to learn that the value and success of these camping activities have been such as to call forth a conditional offer from one of the colliery companies of a substantial contribution towards the cost of sending 600 boys to camp in the summer of 1938.

### **Women's Work.**

686. There has been a striking increase in the development of women's work in South Wales since Sir Malcolm Stewart's Third Report was published. The number of women's clubs has risen from 133 to 184 and their membership from 6,000 to over 10,000. Handicraft, cookery and homecraft instruction has been given in almost all the clubs in the Area. During the winter of 1936-37 no less than 1,881 handicraft classes and 916 cookery and homecraft classes and demonstrations were conducted by members of the staff of the South Wales and Monmouthshire Council of Social Service, total attendances being recorded of 56,000 in the case of handicrafts and 32,500 in the case of cookery and homecraft. Valuable assistance has been rendered by members of the St. John Ambulance, the British Red Cross and the Milk Marketing Board in connection with the lecture-demonstrations on first-aid and home nursing, and on nutrition and the care and feeding of children. One thousand eight hundred and thirty-one "keep-fit" classes were held during the same period in 120 clubs, the total attendances amounting to over 30,000.

687. The Y.W.C.A. have been assisted to maintain four clubs for women in this Area, with a total membership of nearly 300; and grants have been given to the National Union of Townswomen's Guilds for the formation of nine new guilds.

688. Here, as in the North Eastern Area, members of women's groups have taken part in the musical, dramatic and educational activities organised by the South Wales Council; as many as 36 women's clubs arranged educational courses and classes in connection with the programme of activities referred to in paragraph 692 of this Report.

689. A large number of clubs have been assisted, from funds which have been placed at the disposal of the National Council of Social Service, with grants for equipment and materials for handicrafts, homecraft and "keep-fit" work.

690. Holidays for 3,974 women were arranged by the South Wales and Monmouthshire Council of Social Service, and by a number of the Social Settlements, at Pembrey and Ogmore School Camps and at other holiday centres in South Wales. A proportion of the cost of these holidays was covered by grants from the Special Areas Fund, the balance being met by contributions from the women attending and from other voluntary sources.

### School Camps.

691. This year 13,609 children attended the camps in the South Wales Area, as compared with 9,656 in 1936. The increase is due mainly to the fact that two of the camps, Rhoose and Gileston, did not come into full operation until the latter part of the summer of 1936, but also in part to the provision this year of additional accommodation at a third camp, Ogmore. Various constructional improvements have been carried out, including the reconditioning of the playing field at Pembrey. Particulars of the provision made at the camps, and the co-operating education authorities are shown in the following table:—

Camp.	Responsible Body.	Co-operating Education Authority.	Number of Children.
Pembrey (Carmarthen).	N.C.S.S.	Glamorgan County Council. Rhondda Urban District Council. Mountain Ash Urban District Council. Pembroke Dock Borough Council.	3,225

Camp.	Responsible Body.	Co-operating Education Authority.	Number of Children.
Ogmore (Glamorgan).	N.C.S.S.	Glamorgan County Council. Aberdare Urban District Council. Port Talbot Borough Council. Pontypridd Urban District Council. Brecon County Council. Pembroke Dock Borough Council. Monmouth County Council. Ebbw Vale Urban District Council. Abertillery Urban District Council.	2,958
Gileston (Glamorgan).	N.C.S.S.	Glamorgan County Council. Rhondda Urban District Council. Merthyr County Borough Council. Monmouth County Council. Ebbw Vale Urban District Council.	3,303
Rhoose (Glamorgan).	N.C.S.S.	Merthyr County Borough Council. Aberdare Urban District Council. Port Talbot Borough Council. Pontypridd Urban District Council. Brecon County Council. Monmouth County Council. Ebbw Vale Urban District Council. Abertillery Urban District Council.	2,925
Barry (Glamorgan).	Y.M.C.A.	Glamorgan County Council. Rhondda Urban District Council. Merthyr County Borough Council. Aberdare Urban District Council. Port Talbot Borough Council. Pontypridd Urban District Council. Mountain Ash Urban District Council.	1,198
			13,609



### **Educational Activities.**

692. The South Wales and Monmouthshire Council of Social Service, in conjunction with the Workers' Educational Association, the Y.M.C.A. and the National Council of Music, carried out during the winter of 1936-7 a wide programme of informal educational activities, towards the cost of which a substantial grant was made through the National Council of Social Service. These activities ranged from single lectures to one-year courses in a great variety of educational subjects, and from occasional advisory visits to music and drama groups to the careful rehearsal and production of serious plays and musical works. The Workers' Educational Association conducted 140 terminal courses, 43 one-year courses and 112 short schools, attended by some 3,500 students. The Y.M.C.A. arranged 1,423 single lectures and 84 short study courses, the total recorded attendance at which amounted to over 87,000. Twenty-one terminal courses, six one-year courses and a very large number of informal music groups were conducted or supervised by the National Council of Music, some 70,000 attendances being recorded; and the Three Valleys Festival held at Mountain Ash brought together 3,600 singers. The South Wales Council conducted an instructional and advisory service in drama, including visits to dramatic groups, short courses and short schools, with attendances amounting in all to nearly 16,000.

693. In addition to the grants given from the Special Areas Fund, contributions were made by nearly all the local education authorities in the areas affected, and voluntary funds were also raised towards the cost of carrying out the programme by the organisations referred to above.

694. It will be evident from this short account of the work which is being accomplished that there exists in South Wales, among those who have suffered most from the effects of unemployment, a demand for a wide range of formal and informal educational facilities which could not have been adequately satisfied without the financial assistance which the Special Areas Fund has been able to afford; and it is felt that this work is being justified by the renewal of interest and mental alertness which it has brought to so large a proportion of the adult population of the Area. The grants to the organisations mentioned above towards the cost of the educational programme which they have planned for the coming winter have been renewed.

### **Social and Educational Settlements.**

695. The Settlements which have grown up in the mining valleys of South Wales since 1927 are making a contribution to the cultural and social life of the communities they serve which may fairly be described as unique, inasmuch as they have been able to combine, in a way hardly open to any other type of

organisation, the provision of expert advisory services in a variety of social activities with the maintenance of that close personal relationship with and concern for the people in whose midst they are situated, which is the distinguishing mark of Settlement work. The following brief summaries of the work undertaken during the past year by each of the South Wales Settlements give some idea of the range of their activities.

696. *The Maes-yr-Haf Settlement* is associated with 34 men's occupational clubs, 21 women's groups, 12 boys' clubs, and 8 girls' clubs, the total membership of these clubs and groups being approximately 7,400. During the winter of 1936-7 70 grant-earning classes were held under the auspices of the Settlement, in addition to classes in physical training and "keep-fit", handicrafts, drama and music conducted in the clubs by the organisers on the staff of the Settlement. Camp holidays were organised in the summer of 1937 for 650 men, 348 women, 400 boys and 80 girls. A new meeting hall, towards the cost of which a capital grant has been made from the Special Areas Fund, is in course of erection. An interesting experiment in the provision of play centres for children is being carried out during the autumn of this year with assistance from the Fund.

697. *The Merthyr Settlement* is associated with 21 men's occupational clubs, 18 women's groups, 14 girls' clubs and 8 boys' clubs, with a total approximate membership of 4,100. Some 360 persons visited the Settlement weekly during the winter of 1936-7 for classes, club activities, lectures and short schools. Camps and holidays were organised for 430 men, 316 women, 130 girls and 180 boys. The Settlement, which has hitherto been very inadequately housed, has recently acquired new premises towards the purchase and adaptation of which a capital grant has been made from the Special Areas Fund.

698. *The Bargoed Settlement*, serving the Rhymney Valley, is associated with 24 men's clubs, 16 women's groups, 9 boys' clubs and 8 girls' clubs, with a total membership of about 3,260. This Settlement, too, has been hampered by inadequate premises, and a large proportion of its activities has had during the past year to be conducted in the individual clubs. Nevertheless, some 20 meetings of various groups, attended by 570 people, were held every week at the Settlement headquarters. Camps and holidays were organised during the summer of 1937 for 280 men, 250 women, 100 boys and 70 girls.

699. *The Pontypool Settlement* is associated with 16 men's clubs, 12 women's groups, 12 girls' clubs and 7 boys' clubs, the total membership being approximately 3,000. Twenty educational courses and classes were arranged by the Settlement in the clubs, and instruction was also given in physical training, handicrafts and drama. Camps and holidays were organised for 180 men, 220 women and 130 boys during the

summer of 1937. New headquarters premises, towards the cost of erection of which a capital grant has been made from the Special Areas Fund, were opened in June, 1937, and it is expected that the Settlement will now be able to develop its activities on an extended scale.

700. *Oxford House Settlement, Risca* is associated with 10 men's occupational clubs, 14 women's groups, 8 boys' clubs and 9 girls' clubs. Classes and courses in formal educational subjects, music, drama, etc., held at the Settlement were attended by some 480 persons each week during the winter of 1936-7. Camp holidays were organised for 123 men, 198 women, 110 boys and 98 girls. The Settlement in the course of the year acquired larger and more centrally situated premises, and a capital grant towards the cost of their extension and adaptation has been made from the Special Areas Fund.

701. *The Aberdare Settlement*, associated with 21 men's clubs, 18 women's groups, 6 boys' clubs and 6 girls' clubs, was formally opened in September, 1936. During the winter of 1936-7 six educational classes were held in the Settlement, in addition to lectures, concerts, and a number of short schools in special club activities. Camping holidays for 275 men, 200 women, 82 boys and 50 girls were organised during the summer of 1937.

702. *The Pontypridd Settlement* is the latest addition to the group of Settlements in South Wales and its activities will only commence during the autumn of this year. Premises have been secured in the Y.M.C.A. buildings at Pontypridd. The area to be served by the Settlement has a population of approximately 80,000 and includes at present 16 men's occupational clubs, and 10 women's groups.

703. *The Dowlais Settlement* aims to serve the town of Dowlais and its immediate neighbourhood rather than an extensive district. It is associated with 8 men's occupational clubs, 6 women's groups, 4 boys' clubs and 2 girls' clubs. It has organised, on a somewhat more modest scale, the same type of educational and craft activities as the other South Wales Settlements. During the summer of 1937 camps and holidays were arranged by the Settlement for 227 men, 235 women, 75 boys and 32 girls. The children's play centre referred to in Sir Malcolm Stewart's Third Report now has a membership of 130.

704. *The Brynmawr Settlement* was established early in 1937 in connection with the previously existing Brynmawr Community Council, to undertake regional work in the area around Brynmawr, in which there are at present 4 men's occupational clubs, 3 women's groups, 6 boys' clubs and 8 girls' clubs. A programme of craft and educational activities is planned for the clubs and groups in this area during the coming winter.

## PART XVI.—MISCELLANEOUS.

### Youth Hostels Association.

705. Reference was made to the Youth Hostels movement in Sir Malcolm Stewart's Second Report (paragraphs 361 to 366) and it was stated in his Third Report (paragraphs 219 and 220) that a grant of £10,000 from the Special Areas Fund had been offered to the Youth Hostels Association to enable a number of additional Hostels to be established in the Special Areas.

706. I am glad to say that the Association has been able to use this grant with advantage both to its members and to the inhabitants of the Special Areas, including the unemployed. New Hostels either have been established or will be opened not later than Easter, 1938, in the following ten places in the Special Areas:—

*Durham and Tyneside Area:* Edmondbyers, Barnard Castle and Langdon Beck;

*South Wales Area:* Llantwit Major, Crickhowell and Draethen;

*West Cumberland Area:* St. Bees, Alston, Eskdale and Borrowdale.

707. This reinforcement of the national chain of Youth Hostels will not only attract as visitors to the Special Areas a great number of persons residing outside them but will also afford opportunity to the unemployed residents in the Areas, and their families, to secure a healthy change of environment at very low cost.

708. One of the conditions of the grant to the Association was that the Hostels should afford special facilities to unemployed persons. This condition has been observed not only by the remission, in respect of the unemployed, of the Association's annual subscription but also by the reduction of the cost of a night's lodging at a Hostel from the already low normal figure to a matter of a few pence only.

### Fairbridge Farm Schools.

709. Particulars of the help given to the Fairbridge Farm Schools, Incorporated, from the Special Areas Fund were contained in paragraphs 527 to 530 of the Third Report. These are brought up to date in the following paragraphs.

710. During the financial year ending on 31st March, 1938, I am making a grant of £1,500 towards the cost of the maintenance of two Fairbridge Farm Schools Offices, one at Newcastle which was opened some years ago and one at Cardiff, opened in September, 1937. The existence of these local offices serves greatly to facilitate the removal of children from harmful environments and wretched conditions in the Special Areas.

711. I am also continuing, during the current financial year, the grant to the Fairbridge Farm Schools, Incorporated, to enable them to meet the cost of the removal of children from the Special Areas to the Middlemore Emigration Homes in Birmingham and the Fairbridge Hostel in Kensington and of their maintenance at these homes until their migration to the Dominions can be arranged. With the help of these grants, 97 children from the Special Areas have been maintained at the Homes for varying periods during the year ended 30th September, 1937, and 57 of these have sailed for the Dominions during that year.

712. During the year 1936, 60 children from Tyneside entered the Canadian Farm School and it is very satisfactory to hear that they are all thriving and happily settled. Reports of their welfare, reaching their home areas, have led to the reference to the Society of an increasing number of fresh cases.

#### **Brynmawr and Clydach Valley Industries, Limited.**

713. The terms and conditions of the loan of £28,000 to the Brynmawr and Clydach Valley Industries, Limited, referred to in paragraph 525 of Sir Malcolm Stewart's Third Report, have been finally agreed, and development work is now proceeding. A fire which destroyed the furniture factory early in the year somewhat disorganised the projected scheme of development, but I am glad to say that these difficulties are being overcome, and notwithstanding the setback, the organisers have made considerable progress. It was my privilege to open the new Boot Factory on 29th September, 1937, and I was much impressed by the enthusiasm with which this small but valuable experiment in self-help amongst the unemployed is being undertaken.

#### **Northern Industries Workrooms.**

714. I have continued to make a small grant towards the organisation of the scheme in County Durham known as Northern Industries Workrooms, to which reference was made in paragraph 526 of Sir Malcolm Stewart's Third Report.

715. The two Centres at Barnard Castle and Langley Old Hall have had a successful year and their average total membership has been 32. Another Centre, at Ramshaw, was recently opened to cope with Christmas orders.

716. The Centres are run on a co-operative basis and the products are quilted goods, soft furnishings, soft toys, fancy goods, etc. Exhibitions of these goods have been held at Cambridge and Edinburgh and in Guernsey and the use of two touring vans has greatly assisted the sales.

#### **Lady Headlam's United Service Employment Scheme.**

717. Financial assistance has continued to be given towards the cost of the employment scheme, organised by a committee working under Lady Headlam, by means of which juveniles

and married couples from the North Eastern Special Area are placed in domestic service in the South of England. In the year ended 30th September, 1937, 244 girls, 112 boys and two married couples have been placed in employment through the scheme.

718. The London hostel for the scheme, which is in the charge of Lady Eustace Percy, has also been given further assistance. During the year 190 girls have lived at the hostel whilst preparing to take up employment or awaiting re-employment and 200 girls have used the hostel regularly as a club. Representatives of the hostel's Keep-Fit class attended the Youth Rally at Wembley on 3rd July, and were reviewed by Their Majesties the King and Queen.

719. The organisers of the hostel undertake a great deal of valuable social work among young girls from the Special Areas in domestic service, who are, of course, living away from home influences at a difficult and dangerous age.

#### **Bedford Rotary Club Scheme.**

720. This scheme, which involves the provision of accommodation in Bedford for families to be transferred from the isolated village of Eden Pit in County Durham under the auspices of the Rotary Club of Bedford, was referred to by Sir Malcolm Stewart in paragraphs 377 and 378 of his Second Report and paragraph 545 of his Third Report.

721. The Bedford Corporation have agreed to co-operate with me in the provision in the first instance of 12 houses for the purpose in question and I have made the necessary arrangements with all concerned.

#### **Aylesbury Scheme.**

722. A reference to this scheme, which is on the lines of the Bedford Scheme, will be found in paragraph 546 of Sir Malcolm Stewart's Third Report.

723. It was originally proposed that, in the arrangements for the transfer of families from the Special Areas to Aylesbury, provision should be made for a group holding to be worked by the householders, but after further discussion it appears that not only is there an unsatisfied demand for juvenile labour in the town but that the prospects of employment for adult members of families is good. In these circumstances the need for a group holding is not urgent and I have therefore decided to defer, for the moment at all events, the inclusion of land for cultivation in any scheme which may be decided upon for housing the transferred families. The Corporation has expressed its willingness to co-operate in the provision of the requisite housing accommodation and I anticipate that my negotiations in the matter will shortly be satisfactorily concluded.

#### **Summer Camps for military training.**

724. In the summer of 1935, as the result of consultation between Sir Malcolm Stewart and the Secretary of State for War,

a camp for military training, attended by one Infantry Brigade, one Field Brigade, R.A., and attached troops, was established at Tow Law, County Durham. The object was to see whether such camps would assist the Special Areas, e.g., by stimulating local trade and by attracting recruits from the Areas. The experiment had the happiest results and camps would have been held, in the summer of 1936, at Haltwhistle in Northumberland, Swansea in Glamorganshire and again at Tow Law, if military exigencies had permitted. It was, in fact, found possible to hold only the first-mentioned two camps. This summer, however, camps have been held at Abergavenny, Porthcawl, Penally and on the Gower Peninsula, in South Wales, and at Tow Law.

725. In all cases local trade has benefited from these camps, and the relations between the troops and the local inhabitants have invariably been excellent.

726. The War Office is at present considering the possibility of similar camps in several parts of the Special Areas in 1938 and I am grateful to that Department for its helpful attitude in this matter.

#### **PART XVII.—FINANCE.**

727. In 1937 a further sum of £3,500,000, voted by Parliament, brought the grants to the Special Areas Fund up to a total of £8,500,000. This further provision emphasises the fact, to which attention has been drawn in the previous Reports, that the total of the Fund for the time being does not in any way represent a financial limit to my commitments, for the discharge of which Parliament will, as and when necessary, be asked to vote further sums.

728. Up to 30th September, 1937, the actual payments by way of grant or loan amounted to over £4,000,000 out of commitments estimated to be £12,900,000. It is interesting to note that the expenditure during the year ended 30th September, 1937, has amounted to almost twice as much as in the whole of the previous period of nearly two years. Attention was drawn by my predecessor to the fact that expenditure, being dependent upon the material progress of the schemes and works approved for assistance, is necessarily considerably in arrear of commitment. With accelerated progress on the prosecution of schemes, particularly of land settlement, and with the rapid expansion of industrial activities, the rate of actual expenditure is increasing.

729. A summary of the estimated commitments entered into up to 30th September, 1937, is appended, the figures given being inclusive of those quoted in previous Reports. Certain commitments are to some extent provisional; for example, that for the North Eastern Housing Association covers only schemes so far approved, which fall far short of the Association's full programme.

*Summary of Estimated Commitments including Expenditure to 30th  
September, 1937.*

<i>Industry—</i>	£	£
Harbour and Quay Developments ... ..	565,000	
Clearance and Improvement of Sites ... ..	255,000	
Trading Estates and Individual Sites ... ..	2,850,000	
Development Councils ... ..	33,000	
Inducements ... ..	40,000	
Miscellaneous... ..	38,000	
	<hr/>	3,781,000
<i>Health—</i>		
Hospitals ... ..	1,780,000	
Maternity & Child Welfare Centres, etc. ... ..	130,000	
District Nursing and Ambulance Services ... ..	51,000	
Baths ... ..	96,000	
Water Supply ... ..	115,000	
Sewerage and Sewage Disposal ... ..	1,715,000	
Street Works ... ..	400,000	
Miscellaneous... ..	36,000	
	<hr/>	4,323,000
<i>Housing—</i>		
North Eastern Housing Association, Ltd. ... ..	632,000	
Miscellaneous... ..	10,000	
	<hr/>	642,000
<i>Agriculture—</i>		
Small Holdings Schemes ... ..	3,080,000	
Group Holdings Schemes ... ..	130,000	
Assisted Allotments Schemes ... ..	20,000	
Land Drainage ... ..	21,000	
	<hr/>	3,251,000
<i>Voluntary (Local Amenities) Schemes...</i>		54,000
<i>Other measures of Social Improvement—</i>		
Social Settlements and Occupational Clubs ... ..	54,000	
Social work among Women and Adolescents ... ..	177,000	
Holiday Camps for School Children ... ..	308,000	
Educational Activities and Library Services ... ..	57,000	
Community Centres, Youth Centres and Youth Hostels ... ..	64,000	
Miscellaneous... ..	85,000	
	<hr/>	745,000
<i>Miscellaneous—</i>		
Subsistence Production Schemes ... ..	87,000	
Other Activities ... ..	17,000	
	<hr/>	104,000
		<hr/> <hr/>
		£12,900,000

GEORGE M. GILLET.

Broadway Buildings,  
Broadway,  
Westminster, S.W.1.

29th October, 1937.



**APPENDICES.**

### APPENDIX I.

THE NUMBER OF INSURED PERSONS AND THE TOTAL REGISTERED UNEMPLOYED IN THE EMPLOYMENT EXCHANGE AREAS WHICH INCLUDE ANY PART OF THE SPECIAL AREAS (ENGLAND AND WALES) DURING THE PERIOD FROM OCTOBER, 1936, TO SEPTEMBER, 1937, WITH COMPARATIVE FIGURES FOR ENGLAND AND WALES AND FOR GREAT BRITAIN.

Area.	Insured Persons, July, 1936 (aged 16-64). Col. 1.	Unemployed (14 years and upwards).											
		26th October, 1936.		23rd November, 1936.		14th December, 1936.		25th January, 1937.		22nd February, 1937.		15th March, 1937.	
		Persons. Col. 2.	Per-centage Col. 3.	Persons. Col. 4.	Per-centage Col. 5.	Persons. Col. 6.	Per-centage Col. 7.	Persons. Col. 8.	Per-centage Col. 9.	Persons. Col. 10.	Per-centage Col. 11.	Persons. Col. 12.	Per-centage Col. 13.
West Cumberland	35,100	12,952	36·9	13,330	38·0	13,565	38·6	13,246	37·7	12,981	37·0	12,697	36·2
Durham ...	257,650	64,978	25·2	61,979	24·4	62,957	24·4	62,274	24·2	59,968	23·3	63,358	24·6
Tyneside ...	262,880	64,433	24·5	64,043	24·0	64,903	24·7	66,797	25·4	64,020	24·4	64,711	24·6
South Wales ...	404,180	141,193	34·9	133,063	32·9	126,582	31·3	125,175	31·0	120,687	29·9	115,897	28·7
<b>TOTAL SPECIAL AREAS.</b>	<b>959,810</b>	<b>283,556</b>	<b>29·5</b>	<b>272,415</b>	<b>28·4</b>	<b>268,007</b>	<b>27·9</b>	<b>267,492</b>	<b>27·9</b>	<b>257,656</b>	<b>26·8</b>	<b>256,663</b>	<b>26·7</b>
<b>ENGLAND &amp; WALES*</b>	<b>11,525,090</b>	<b>1,356,691</b>	<b>11·8</b>	<b>1,364,374</b>	<b>11·8</b>	<b>1,363,324</b>	<b>11·8</b>	<b>1,417,881</b>	<b>12·3</b>	<b>1,361,087</b>	<b>11·8</b>	<b>1,331,850</b>	<b>11·6</b>
<b>GREAT BRITAIN</b>	<b>13,050,000</b>	<b>1,611,810</b>	<b>12·3</b>	<b>1,623,602</b>	<b>12·4</b>	<b>1,628,719</b>	<b>12·5</b>	<b>1,689,223</b>	<b>12·9</b>	<b>1,627,845</b>	<b>12·5</b>	<b>1,601,201</b>	<b>12·3</b>

Area.	Unemployed (14 years and upwards).											
	19th April, 1937.		24th May, 1937.		21st June, 1937.		26th July, 1937.		23rd August, 1937.		13th September, 1937.	
	Persons.	Per-centage Col. 1.	Persons.	Per-centage Col. 1.	Persons.	Per-centage Col. 1.	Persons.	Per-centage Col. 1.	Persons.	Per-centage Col. 1.	Persons.	Per-centage Col. 1.
	Col. 14.	Col. 15.	Col. 16.	Col. 17.	Col. 18.	Col. 19.	Col. 20.	Col. 21.	Col. 22.	Col. 23.	Col. 24.	Col. 25.
West Cumberland ... ..	11,939	34.0	10,758	30.7	10,030	28.6	9,496	27.2	9,335	26.6	9,431	26.9
Durham ... ..	55,992	21.7	52,913	20.5	49,404	19.2	46,041	17.9	47,420	18.4	47,933	18.6
Tyneside ... ..	59,004	22.4	55,864	21.2	54,611	20.8	51,433	19.6	53,730	20.4	54,664	20.8
South Wales ... ..	111,808	27.7	108,251	26.8	101,619	25.1	96,596	23.9	97,411	24.1	98,580	24.4
<b>TOTAL SPECIAL AREAS</b> ... ..	<b>238,743</b>	<b>24.9</b>	<b>227,786</b>	<b>23.7</b>	<b>215,664</b>	<b>22.5</b>	<b>203,566</b>	<b>21.2</b>	<b>207,896</b>	<b>21.7</b>	<b>210,608</b>	<b>21.9</b>
<b>ENGLAND &amp; WALES*</b> ... ..	<b>1,207,143</b>	<b>10.5</b>	<b>1,219,291</b>	<b>10.6</b>	<b>1,41,632</b>	<b>9.9</b>	<b>1,134,160</b>	<b>9.8</b>	<b>1,136,824</b>	<b>9.9</b>	<b>1,159,860</b>	<b>10.1</b>
<b>GREAT BRITAIN</b> ... ..	<b>1,454,443</b>	<b>11.1</b>	<b>1,451,330</b>	<b>11.1</b>	<b>1,356,598</b>	<b>10.4</b>	<b>1,379,459</b>	<b>10.6</b>	<b>1,358,621</b>	<b>10.4</b>	<b>1,388,600</b>	<b>10.6</b>

\* Excluding Berwick-on-Tweed.

NOTE.—The figures in respect of the Special Areas are the totals for the Ministry of Labour Local Office Areas which include any part of the Special Areas.

## APPENDIX II

THE NUMBER OF REGISTERED WHOLLY UNEMPLOYED PERSONS IN THE EMPLOYMENT EXCHANGE AREAS WHICH INCLUDE ANY PART OF THE SPECIAL AREAS (ENGLAND AND WALES), DISTINGUISHING BETWEEN MEN, WOMEN AND JUVENILES, DURING THE PERIOD FROM OCTOBER, 1936, TO SEPTEMBER, 1937.

		26th Oct., 1936.	23rd Nov., 1936.	14th Dec., 1936.	25th Jan., 1937.	22nd Feb., 1937.	15th March, 1937.	19th April, 1937.	24th May, 1937.	21st June, 1937.	26th July, 1937.	23rd Aug., 1937.	13th Sept., 1937.
West Cumberland	Men	9,976	10,296	10,499	10,372	10,162	9,837	9,077	8,586	8,090	7,573	7,363	7,504
	Women	668	741	687	708	656	630	560	418	414	338	352	387
	Juveniles	1,105	1,118	1,086	1,166	1,094	1,037	985	827	697	751	733	765
	Total ...	11,749	12,155	12,272	12,246	11,912	11,504	10,622	9,831	9,201	8,662	8,448	8,656
Durham (excluding South - West Dur- ham and Tyne- side).	Men	42,187	41,244	41,249	40,741	39,011	38,344	36,452	34,309	31,528	29,285	29,520	29,935
	Women	2,418	2,339	2,224	2,595	2,594	2,741	2,428	1,976	1,874	1,709	1,879	1,959
	Juveniles	4,005	3,724	3,360	4,352	4,085	3,796	3,830	3,305	3,182	3,098	3,674	3,905
	Total ...	48,610	47,307	46,833	47,688	45,690	44,881	42,710	39,590	36,584	34,092	35,073	35,799
South-West Durham	Men	9,772	9,658	9,575	9,562	9,503	9,563	9,347	9,085	8,762	8,230	8,023	7,847
	Women	228	217	193	219	198	279	169	145	139	122	119	147
	Juveniles	1,278	1,214	1,165	1,419	1,341	1,278	1,229	1,172	997	847	1,111	1,084
	Total ...	11,278	11,089	10,933	11,200	11,042	11,120	10,745	10,402	9,898	9,199	9,253	9,078
Tyneaside ...	Men	51,609	51,494	51,698	51,957	50,614	50,004	46,881	45,419	44,401	41,710	42,587	42,798
	Women	4,369	4,315	3,949	4,721	4,605	4,748	4,489	3,922	3,536	3,411	3,467	3,876
	Juveniles	5,414	4,832	4,594	6,174	5,274	4,733	5,073	4,194	3,587	3,745	4,755	4,728
	Total ...	61,392	60,641	60,241	62,852	60,493	59,485	56,443	53,535	51,524	48,866	50,809	51,402

South Wales	... Men	104,850	103,927	102,562	100,582	96,911	94,088	90,260	86,586	82,706	78,058	77,916	76,880
	... Women	5,725	5,583	4,988	5,933	5,886	5,896	5,356	4,519	4,300	4,025	4,060	4,383
	... Juveniles	11,786	10,884	10,045	11,246	10,617	9,776	10,192	9,478	8,452	7,749	8,745	9,824
	... Total ...	122,361	120,394	117,595	117,761	113,414	109,760	105,808	100,583	95,458	89,832	90,721	91,087
TOTAL SPECIAL AREAS ...	... Men	218,394	216,619	215,583	213,214	206,201	201,836	192,017	183,985	175,487	164,856	165,409	164,964
	... Women	13,408	13,195	12,041	14,176	13,939	14,294	13,002	10,980	10,263	9,605	9,877	10,752
	... Juveniles	23,588	21,772	20,250	24,357	22,411	20,620	21,309	18,976	16,915	16,190	19,018	20,306
	... Total, ...	255,390	251,586	247,874	251,747	242,551	236,750	226,328	213,941	202,665	190,651	194,304	196,022

NOTES—(1) Persons aged 18 and over are shown as Men or Women ; persons under 18 are shown as Juveniles.

(2) The figures in respect of the Special Areas are the totals for the Ministry of Labour Local Office Areas which include any part of the Special Areas.

### APPENDIX III.

THE NUMBER OF INSURED PERSONS AND THE TOTAL REGISTERED UNEMPLOYED IN THE EMPLOYMENT EXCHANGE AREAS WHICH ARE WHOLLY OR MAINLY WITHIN THE SPECIAL AREAS (ENGLAND AND WALES) DURING THE PERIOD FROM OCTOBER, 1936, TO SEPTEMBER, 1937, WITH COMPARATIVE FIGURES FOR ENGLAND AND WALES AND FOR GREAT BRITAIN.

Area.	Insured Persons July, 1936 (aged 16-64).	Unemployed (14 years and upwards).											
		26th October, 1936.		23rd November, 1936.		14th December, 1936.		25th January, 1937.		22nd February, 1937.		15th March, 1937.	
		Persons.	Per- centage Col. 1.	Persons.	Per- centage Col. 1.	Persons.	Per- centage Col. 1.	Persons.	Per- centage Col. 1.	Persons.	Per- centage Col. 1.	Persons.	Per- centage Col. 1.
		Col. 1.	Col. 2.	Col. 3.	Col. 4.	Col. 5.	Col. 6.	Col. 7.	Col. 8.	Col. 9.	Col. 10.	Col. 11.	Col. 12.
West Cumberland	32,990	12,682	38.4	13,150	39.9	13,272	40.2	13,031	39.5	12,767	38.7	12,470	37.8
Durham ... ..	257,650	64,978	25.0	61,979	23.8	62,957	24.7	62,274	24.2	59,968	23.3	63,358	24.6
Tyneside ... ..	260,100	63,758	24.5	63,342	24.3	64,223	24.7	66,150	25.4	63,420	24.4	64,068	24.6
South Wales ...	244,800	99,228	40.5	92,468	37.8	87,084	35.6	84,580	34.5	81,007	33.1	77,935	31.8
<b>TOTAL SPECIAL AREAS.</b>	<b>795,540</b>	<b>240,646</b>	<b>30.2</b>	<b>230,939</b>	<b>29.0</b>	<b>227,536</b>	<b>28.6</b>	<b>226,035</b>	<b>28.4</b>	<b>217,162</b>	<b>27.3</b>	<b>217,831</b>	<b>27.4</b>
<b>ENGLAND &amp; WALES*</b>	<b>11,525,090</b>	<b>1,356,691</b>	<b>12.0</b>	<b>1,364,374</b>	<b>12.1</b>	<b>1,363,324</b>	<b>12.1</b>	<b>1,417,881</b>	<b>12.3</b>	<b>1,361,087</b>	<b>11.8</b>	<b>1,331,850</b>	<b>11.6</b>
<b>GREAT BRITAIN ...</b>	<b>13,050,000</b>	<b>1,611,810</b>	<b>12.8</b>	<b>1,623,602</b>	<b>12.8</b>	<b>1,628,719</b>	<b>12.9</b>	<b>1,689,223</b>	<b>12.9</b>	<b>1,627,845</b>	<b>12.5</b>	<b>1,601,201</b>	<b>12.3</b>

Area.	Unemployed (14 years and upwards).											
	19th April, 1937.		24th May, 1937.		21st June, 1937.		26th July, 1937.		23rd August, 1937.		13th September, 1937.	
	Persons.	Per- centage Col. 1.	Persons.	Per- centage Col. 1.	Persons.	Per- centage Col. 1.	Persons.	Per- centage Col. 1.	Persons.	Per- centage Col. 1.	Persons.	Per- centage Col. 1.
	Col. 14.	Col. 15.	Col. 16.	Col. 17.	Col. 18.	Col. 19.	Col. 20.	Col. 21.	Col. 22.	Col. 23.	Col. 24.	Col. 25.
West Cumberland ... ..	11,819	35·8	10,629	32·2	9,937	30·1	9,403	28·5	9,226	28·0	9,320	28·2
Durham ... ..	55,992	21·7	52,913	20·5	49,404	19·2	46,041	17·9	47,420	18·4	47,933	18·6
Tyneside ... ..	58,444	22·5	55,328	21·3	54,123	20·8	50,987	19·6	53,284	20·5	54,193	20·8
South Wales ... ..	74,831	30·6	72,660	29·7	67,972	27·8	65,020	26·6	64,662	26·4	65,199	26·6
<b>TOTAL SPECIAL AREAS</b> ... ..	<b>201,086</b>	<b>25·3</b>	<b>191,530</b>	<b>24·1</b>	<b>181,436</b>	<b>22·8</b>	<b>171,451</b>	<b>21·5</b>	<b>174,592</b>	<b>21·9</b>	<b>176,645</b>	<b>22·2</b>
<b>ENGLAND &amp; WALES*</b> ... ..	<b>1,207,143</b>	<b>10·5</b>	<b>1,219,291</b>	<b>10·6</b>	<b>1,141,632</b>	<b>9·9</b>	<b>1,134,160</b>	<b>9·8</b>	<b>1,136,824</b>	<b>9·9</b>	<b>1,159,860</b>	<b>10·1</b>
<b>GREAT BRITAIN</b> ... ..	<b>1,454,443</b>	<b>11·1</b>	<b>1,451,330</b>	<b>11·1</b>	<b>1,356,598</b>	<b>10·4</b>	<b>1,379,459</b>	<b>10·6</b>	<b>1,358,621</b>	<b>10·4</b>	<b>1,388,600</b>	<b>10·6</b>

\* Excluding Berwick-on-Tweed.

NOTE.—The figures in respect of the Special Areas are the totals for the Ministry of Labour Local Office Areas which are wholly or mainly within the Special Areas.

#### APPENDIX IV.

THE NUMBER OF REGISTERED WHOLLY UNEMPLOYED PERSONS IN THE EMPLOYMENT EXCHANGE AREAS WHICH ARE WHOLLY OR MAINLY WITHIN THE SPECIAL AREAS (ENGLAND AND WALES), DISTINGUISHING BETWEEN MEN, WOMEN AND JUVENILES, DURING THE PERIOD FROM OCTOBER, 1936, TO SEPTEMBER, 1937.

—		26th Oct., 1936.	23rd Nov., 1936.	14th Dec., 1936.	25th Jan., 1937.	22nd Feb., 1937.	15th March, 1937.	19th April, 1937.	24th May, 1937.	21st June, 1937.	26th July, 1937.	23rd Aug., 1937.	13th Sept., 1937.
West Cumberland	Men	9,855	10,181	10,372	10,250	10,016	9,716	9,007	8,507	8,013	7,515	7,269	7,414
	Women	635	716	655	664	615	597	528	409	406	332	346	376
	Juveniles	1,102	1,113	1,083	1,158	1,091	1,036	983	824	696	751	732	761
	Total ...	11,592	12,010	12,110	12,072	11,722	11,349	10,518	9,740	9,115	8,598	8,347	8,551
Durham (excluding South West Dur- ham and Tyne- side).	Men	42,187	41,244	41,249	40,741	39,011	38,344	36,452	34,309	31,528	29,285	29,520	29,935
	Women	2,418	2,339	2,224	2,595	2,594	2,741	2,428	1,976	1,874	1,709	1,879	1,959
	Juveniles	4,005	3,724	3,360	4,352	4,085	3,796	3,830	3,305	3,182	3,098	3,674	3,905
	Total ...	48,610	47,307	46,833	47,688	45,690	44,881	42,710	39,590	36,584	34,092	35,073	35,799
South West Durham	Men	9,772	9,658	9,575	9,562	9,503	9,563	9,347	9,085	8,762	8,230	8,023	7,847
	Women	228	217	193	219	198	279	169	145	139	122	119	147
	Juveniles	1,278	1,214	1,165	1,419	1,341	1,278	1,229	1,172	997	847	1,111	1,084
	Total ...	11,278	11,089	10,933	11,200	11,042	11,120	10,745	10,402	9,898	9,199	9,253	9,078
Tyneside ...	Men	51,044	50,914	51,146	51,418	50,103	49,491	46,405	44,960	43,975	41,320	42,206	42,389
	Women	4,353	4,294	3,935	4,094	4,586	4,732	4,473	3,904	3,520	3,394	3,451	3,862
	Juveniles	5,330	4,738	4,516	6,100	5,215	4,667	5,008	4,136	3,543	3,709	4,706	4,688
	Total ...	60,727	59,946	59,597	62,212	59,904	58,890	55,886	53,000	51,038	48,423	50,363	50,939



South Wales	... Men ...	74,016	74,210	72,694	70,618	67,143	65,459	62,570	60,123	57,181	54,290	53,711	52,523
	Women	2,486	2,495	2,253	2,595	2,551	2,573	2,355	2,009	1,865	1,739	1,695	1,870
	Juveniles	8,295	7,606	7,039	7,483	7,319	6,709	6,973	6,538	5,919	5,458	5,858	6,665
	Total ...	84,797	84,311	81,986	80,696	77,013	74,741	71,898	68,670	64,965	61,487	61,264	61,058
TOTAL SPECIAL AREAS ...	Men	186,874	186,207	185,036	182,589	175,776	172,573	163,781	156,984	149,459	140,640	140,729	140,108
	Women	10,110	10,061	9,260	10,767	10,544	10,922	9,953	8,443	7,804	7,296	7,490	8,214
	Juveniles	20,010	18,395	17,163	20,512	19,051	17,486	18,023	15,975	14,337	13,863	16,081	17,103
	TOTAL ...	217,004	214,663	211,459	213,868	205,371	200,981	191,757	181,402	171,600	161,799	164,300	165,425

NOTES—(1) Persons aged 18 and over are shown as Men or Women ; persons under 18 are shown as Juveniles.

(2) The figures in respect of the Special Areas are the totals for the Ministry of Labour Local Office Areas which are wholly or mainly within the Special Areas.

APPENDIX V.

ANALYSIS ACCORDING TO THE LENGTH OF THEIR LAST SPELL OF REGISTERED UNEMPLOYMENT OF WHOLLY UNEMPLOYED MEN (AGED 18-64) APPLYING FOR INSURANCE BENEFIT OR UNEMPLOYMENT ALLOWANCES WHO WERE ON THE REGISTERS OF EMPLOYMENT EXCHANGES SERVING ANY PART OF THE SPECIAL AREAS (ENGLAND AND WALES) AT 26TH JULY, 1937.

Area.	Date.	Claimants and Applicants (men aged 18-64) who have been on the register for :—										
		Less than 3 months.	3 months but less than 6 months.	6 months but less than 9 months.	9 months but less than 12 months.	1 year but less than 2 years.	2 years but less than 3 years.	3 years but less than 4 years.	4 years but less than 5 years.	5 years or more.	Total.	1 year or over.
West Cumberland (Men).	At 26th July, 1937 ... ..	1,397	713	475	505	1,229	680	434	355	1,455	7,243	4,153
	Increase (+) or Decrease (—) on July, 1936.	— 366	+ 27	— 33	—1,349	—	+ 9	— 123	— 355	+ 277	— 1,913	— 192
	2nd Appointed day and Agricultural claimants at 19th April, 1937.*	123	33	16	4	108†	—	—	—	—	284	108
Durham and Tyneside (Men).	At 26th July, 1937 ... ..	18,067	7,801	5,599	4,424	12,971	5,974	4,509	3,369	9,910	72,624	36,733
	Increase (+) or Decrease (—) on July, 1936.	—2,450	—1,325	—1,250	—1,583	—1,257	—2,719	—1,947	—3,615	— 200	—16,346	— 9,738
	2nd Appointed day and Agricultural claimants at 19th April, 1937.*	1,218	542	275	155	4,709†	—	—	—	—	6,899	4,709

South Wales (Men).	At 26th July, 1937 ...	15,192	6,834	5,406	4,950	10,336	7,039	5,029	4,302	12,397	71,485	39,103
	Increase (+) or Decrease (-) on July, 1936.	-4,211	-3,927	-1,836	-2,495	-6,189	-3,037	-2,612	-3,280	+ 73	-27,514	-15,045
	2nd Appointed day and Agricultural claimants at 19th April, 1937.*	736	302	129	66	1,106†	—	—	—	—	2,339	1,106
Total Special Areas (Men).	At 26th July, 1937 ...	34,656	15,348	11,480	9,879	24,536	13,693	9,972	8,026	23,762	151,352	79,989
	Increase (+) or Decrease (-) on July, 1936.	-7,027	-5,225	-3,119	-5,427	-7,446	-5,747	-4,682	-7,250	+ 150	-45,773	-24,975
	2nd Appointed day and Agricultural claimants at 19th April, 1937.*	2,077	877	420	225	5,923†	—	—	—	—	9,522	5,923

\* An analysis by duration of unemployment at 19th April, 1937, is shown here of additional persons who became entitled to benefit or allowances on the 2nd Appointed Day, i.e., 1st April, 1937. A similar analysis at 26th July is not available. The figures shown include a small number of claimants for benefit in agriculture.

† One year or longer.

APPENDIX VI.

TRANSFERENCE FROM THE SPECIAL AREAS (ENGLAND AND WALES) DURING THE 12 MONTHS FROM SEPTEMBER, 1936, TO AUGUST, 1937.

Scheme.	—	Durham and Tyneside.					West Cumberland.					South Wales.					Total Special Areas (England and Wales).								
		Sept. 1936.	4th Qtr. 1936.	1st Qtr. 1937.	2nd Qtr. 1937.	July and Aug. 1937.	Total	Sept. 1936.	4th Qtr. 1936.	1st Qtr. 1937.	2nd Qtr. 1937.	July and Aug. 1937.	Total	Sept. 1936.	4th Qtr. 1936.	1st Qtr. 1937.	2nd Qtr. 1937.	July and Aug. 1937.	Total	Sept. 1936.	4th Qtr. 1936.	1st Qtr. 1937.	2nd Qtr. 1937.	July and Aug. 1937.	Total
Ministry of Labour Adult Transference Scheme.	Men Women	659 109	1,440 436	1,428 609	1,852 842	1,283 301	6,662 2,297	36 11	131 46	192 92	194 100	91 23	644 272	576 94	1,263 312	1,741 503	1,480 835	918 348	5,978 2,094	1,271 214	2,834 794	3,361 1,206	3,526 1,777	2,292 672	12,284 4,663
Ministry of Labour Juvenile Transference Scheme.	Boys Girls	177 130	527 405	503 312	437 479	206 265	1,850 1,791	29 21	62 46	95 68	126 86	73 26	387 247	304 153	806 366	673 468	609 589	244 371	2,638 1,947	510 304	1,395 817	1,273 1,048	1,172 1,154	525 662	4,875 3,985
Voluntary Schemes with Ministry of Labour or Special Areas Grants.	Men Women Boys Girls	60 — — —	144 — 44 86	104 — 26 62	163 1 23 49	81 1 19* 47*	552 # 112 244	7 — — —	2 — — —	15 — — —	15 — — —	5 — — —	44 — — —	3 — — —	18 — — —	27 — — —	21 — — —	9 — — —	78 — — —	70 — — —	164 — 44 86	146 — 26 62	199 1 23 49	95 1 19* 47*	674 2 112 244
Total ... ..	Men Women Boys Girls	719 109 177 130	1,584 436 571 491	1,532 609 520 374	2,015 843 460 528	1,364 302 225 312	7,214 2,299 1,962 2,035	43 11 29 21	133 46 62 46	207 92 95 68	209 100 126 86	96 23 75 26	688 272 387 247	579 94 304 153	1,281 312 806 366	1,768 505 673 468	1,501 348 609 589	927 348 244 371	6,056 2,094 2,638 1,947	1,341 214 510 304	2,998 794 1,439 903	3,507 1,778 1,293 1,110	3,725 672 544 709	2,387 623 1,993 1,203	13,958 4,665 4,987 4,229
By Land Settlement Association Limited.	Men	49	78	61	107	63	349	—	1	1	—	—	2	—	—	—	—	—	40	79	62	107	63	351	
Total ... ..	Persons	1,175	3,160	3,305	3,953	2,266	12,859	104	288	463	521	220	1,596	1,130	2,765	3,416	3,534	1,890	12,735	2,409	6,213	7,184	8,008	4,376	28,190
Men who are known to have found work for themselves.	Men	1,723†	1,192	1,146	1,351	—	5,412	137†	154	146	122	—	619	3,132†	2,070	1,800	1,752	—	8,754	4,992†	3,416	3,092	3,285	—	14,785
GRAND TOTAL ...	Persons	2,898	4,352	4,451	5,304	2,266	19,271	241	442	609	703	220	2,215	4,262	4,835	5,216	5,286	1,890	21,480	7,401	9,629	10,276	12,293	4,376	42,925

102

\* Third Quarter, 1937.  
 † These figures refer to the third Quarter of 1936.  
 In about 7,800 cases, the removal of the whole household has been effected.

## APPENDIX VII.

VOLUNTARY (LOCAL AMENITIES) SCHEMES APPROVED FOR  
GRANT DURING THE YEAR ENDED 30TH SEPTEMBER, 1937.

Name of Organisers.	Nature of Scheme.	Amount Granted.
		£
<i>Durham and Tyneside Area.</i>		
Craghead Social Service Centre	Bowling green and tennis court ...	446
Durham, St. Oswald's Church- yard Renovation Com- mittee.	* (1) Putting in good order a disused churchyard which is near beauty spots. (2) Extension of scheme to include second churchyard.	145 146
Eden Pit Unemployment Com- mittee.	Building a pavilion on original scheme.	220
Felling Committee of Social Service.	(1) Erection of Social Centre and layout of grounds at Coldwell Street. (2) Construction of putting green and sunken rose garden at Bill Quay.	456 263
Hamsteels (Quebec), Seven- oaks, Community Centre.	Laying out cricket pitch and building a pavilion.	255
Hebburn Council of Social Service.	* Laying out shrubbery, etc., in Centre grounds.	250
Jarrow Stadium Sports Com- mittee.	Construction of running and bicycle tracks.	637
Leamside Gymnasium and Social Service Centre.	Construction of football pitch and children's playground.	611
Leasingthorne Social Service Centre.	Laying out grounds round Social Service Centre and providing fitting setting for village war memorial.	230
South Hylton Social Service Committee.	Construction of rockery, orna- mental pool and quoit pitches.	148
Spennymoor and District Voluntary Amenities Schemes Council.	Carrying out of supplementary pieces of work to improve original scheme.	66
Tyneside Council of Social Service.	Draining, levelling and turfing land for football pitch at Willington Quay.	292
Witton Gilbert Social Service Club.	Construction of pavilion and fencing.	175
Witton Park Welfare Com- mittee.	Beautifying a part of Committee's land left untouched by original scheme.	668
<i>South Wales Area.</i>		
Abersychan Football and Physical Culture Club.	Drainage and other improvements on original playing field scheme.	343
Blaenllechau Welfare Associa- tion.	Construction of football field, tennis court and children's playground.	1,378
Cefnpennar Welfare Associa- tion.	Improvements to recreation ground.	653

Name of Organisers.	Nature of Scheme.	Amount Granted.
<i>South Wales Area—cont.</i>		£
Cilfynydd Welfare Association.	Construction of football ground	937
Cwmdowns, Newbridge, British Legion.	Preparation of playground for football, cricket, paddling pool and equipment.	594
Garn-yr-Erw Welfare Association.	*Construction of fence and gates and repairing approach road to original scheme.	88
Llanelly Hill Welfare Association.	Provision of putting green and various improvements to existing Welfare Institute.	287
Machen Recreation Welfare Association.	Improvements to recreation ground (mainly the erection of river walls to prevent erosion and flooding) and construction of pavilion, fence and hedge.	753
Wattstown Welfare Association.	Making up and finishing road through grounds.	251
<i>West Cumberland Area.</i>		
Egremont Voluntary Schemes Committee.	*Laying down tennis courts and constructing children's playground.	603
Garrigill Recreation Committee.	Provision of football and cricket pitches, putting green, tennis court and pavilion.	335
Workington Local Amenities Committee.	Erection of huts and laying out of bowling green.	285
	Total ...	11,515

\* Completed Scheme.

## APPENDIX VIII.

LIST OF GROUP HOLDINGS CENTRES ESTABLISHED IN EACH COUNTY IN THE SPECIAL AREAS (ENGLAND AND WALES) DURING THE YEAR ENDED 30TH SEPTEMBER, 1937, WITH THE NUMBER OF MEN AT EACH CENTRE.

Name of Centre.	No. of Men.	Name of Centre.	No. of Men.
<i>Durham (30).</i>		<i>Northumberland (1).</i>	
Belmont (No. 2) ...	20	Willington Quay ...	10
Croxdale ...	20	<i>Cumberland (3).</i>	
Gateshead East (No. 2)	15	Dearham (No. 2) ...	5
Toft Hill ...	20	Frizington ...	10
Tow Law (No. 4) ...	10	Harrington ...	9
Tow Law (No. 5) ...	20	TOTAL ...	24
Thornley (No. 2) ...	20		
Seaham Harbour ...	35	<i>Monmouth (6).</i>	
Durham City ...	20	Aberbargoed ...	16
Wooley (No. 2) ...	13	Argoed (Gelynos—extension of original scheme).	8
Hetton-le-Hole (No. 2)	20	Cefn Fforest ...	18
Wheatley Hill (No. 2)...	20	Newbridge ...	16
Edmondsley ...	20	Pontnewydd, Tybox ...	8
Chopwell ...	20	Ynysddu, Alexandra ...	8
Evenwood ...	20	TOTAL ...	74
Great Lumley ...	20		
Leamside ...	20	<i>Glamorgan (10).</i>	
Elemore Lane ...	20	Caerau, North Street ...	22
Fatfield ...	12	Caerau, Railway Terrace	16
Holmside ...	20	Cefn Hengoed ...	24
Shildon (No. 3) ...	30	Cwmavon, Old Brick-yard.	17
West Hartlepool (No. 3)	20	Gelli ...	8
West Hartlepool (No. 4)	20	Llanbradach ...	16
Crawcrook ...	20	Penrhawceiber ...	18
Middridge ...	25	Pontypridd ...	14
New Washington (Dobson).	15	Treherbert ...	12
Haswell ...	20	Treorchy, Abergorkey	11
High Hold ...	20	TOTAL ...	158
Usworth (No. 2) ...	10		
Etherley Dene ...	17	GRAND TOTAL ...	848
TOTAL ...	582		

## APPENDIX IX,

WORKS OF PUBLIC UTILITY UNDERTAKEN BY LOCAL AUTHORITIES IN THE SPECIAL AREAS (ENGLAND AND WALES), TOWARDS THE COST OF WHICH GRANTS FROM THE SPECIAL AREAS FUND HAVE BEEN APPROVED DURING THE YEAR ENDED 30TH SEPTEMBER, 1937.

Authority.	Nature of Work.	Location of Work.	Estimated Total Cost of Work.
			£
<i>Durham and Tyneside.</i>			
Barnard Castle R.D.C.	Sewerage scheme...	Parish of Woodland	4,300
Blaydon, Ryton and Whickham Joint Hospital Board.	Provision of New Isolation Hospital.	Normans Riding, Winlaton.	55,000
Boldon U.D.C. ...	Sewerage scheme...	Souter Point, Marsden.	1,107
Boldon U.D.C. ...	Improvement of "the Bents."	Whitburn ... ..	7,502
Durham B.C. ...	Sewerage scheme...	Crossgate Moor ...	5,150
Durham C.C. ...	Provision of quarters for nursing and domestic staff.	Earl's House Sanatorium.	8,000
Durham C.C. ...	Extensions at Sanatorium.	Seaham Hall ...	4,700
Durham R.D.C. ...	Sewerage scheme...	West Rainton ...	15,000
Durham R.D.C. ...	Closet conversion scheme.	Belmont, Sherburn and Shadforth.	2,123
Durham R.D.C. ...	Provision of public conveniences.	West Rainton ...	290
Easington R.D.C. ...	Sewerage scheme...	Limekiln Gi'n and Crimdon Dene.	24,000
Easington R.D.C. ...	Sewerage scheme...	Seaham Parish ...	7,500
Easington R.D.C. ...	Sewerage scheme...	Parish of Dalton-le-Dale.	1,300
Easington R.D.C. ...	Sewerage scheme...	Easington Parish...	3,384
Easington R.D.C. ...	Sewerage scheme...	Easington Parish...	90
Easington R.D.C. ...	Sewerage scheme...	Deaf Hill, Wingate	285
Easington R.D.C. ...	Sewerage scheme...	Thornley ... ..	740
Hartlepool B.C. ...	Sewerage scheme...	Northern Area of the Borough.	8,866
Hartlepool B.C. ...	Sewerage scheme...	Heugh ... ..	320
Hartlepool B.C. ...	Provision of Maternity and Child Welfare Centre.	Frederick Street ...	2,669
Hartlepool B.C. ...	Headland protection scheme.	Hartlepool ...	5,160
Hetton U.D.C. ...	Closet conversion scheme.	Hetton ... ..	1,738
Houghton - le - Spring U.D.C.	Sewerage scheme...	Gillas Lane to Dairy Lane.	2,544
Houghton - le - Spring U.D.C.	Sewerage scheme...	South Biddick ...	12,500



Authority.	Nature of Work.	Location of Work.	Estimated Total Cost of Work.
			£
<i>Durham and Tyneside</i> —cont.			
Houghton - le - Spring U.D.C.	Closet conversion scheme.	Herrington West and Morton Grange.	4,500
Houghton - le - Spring U.D.C.	Closet conversion scheme.	Silksworth and Newbottle.	2,852
Houghton - le - Spring U.D.C.	Provision of public conveniences.	Colliery Row ...	525
Houghton - le - Spring U.D.C.	Provision of public conveniences.	Shiney Row ...	350
Lanchester R.D.C. ...	Sewerage scheme...	Village of Cornsay	718
Lanchester R.D.C. ...	Sewerage scheme...	Pear Tree Village	450
Lanchester R.D.C. ...	Sewerage scheme...	Old Hedley Hope	303
Lanchester R.D.C. ...	Sewerage scheme...	East Hedley Hope	753
Lanchester R.D.C. ...	Sewerage scheme...	Hedley Hill Colliery	202
Lanchester R.D.C. ...	Sewerage scheme...	Hollinside Terrace	250
Lanchester R.D.C. ...	Closet conversion scheme.	Parishes of Cornsay, Hedley Hope and Lanchester.	1,022
Lanchester R.D.C. ...	Provision of public conveniences.	Langley Park ...	367
Poole Joint Sana- torium Committee.	Purchase of Poole Sanatorium for administrative and staff quarters and erection of new sanatorium.	Nunthorpe, Middles- brough.	240,250
Seaham Harbour U.D.C.	Culverting stream	Dowdon Dene Burn	5,355
Sedgefield R.D.C. ...	Sewerage scheme...	Ferryhill ...	1,200
Sedgefield R.D.C. ...	Sewerage scheme...	Ferryhill, Southside	1,100
Sedgefield R.D.C. ...	Sewerage scheme...	Fishburn ...	7,244
South Shields C.B.C.	Re-construction of approaches to foreshore.	Frenchman's Bay	430
South Shields C.B.C.	Re-construction of approaches to foreshore.	Marsden Bay ...	2,500
South Shields C.B.C.	Sewerage scheme...	Harton Area ...	14,870
South Shields C.B.C.	Sewerage scheme...	Grosvenor Road ...	6,000
South Shields C.B.C.	Provision of New Isolation Hospital.	Cleadon ...	42,000
South Shields C.B.C.	Provision of New Maternity Block.	Harton Public Assistance Insti- tution.	12,000
Spennymoor U.D.C.	Culverting stream	Low Grange Road and Merrington Lane.	1,056
Stanley U.D.C. ...	Sewerage scheme...	Dipton ...	6,945
Sunderland C.B.C. ...	Sewerage scheme...	Hylton Road ...	10,235
Sunderland C.B.C. ...	Sewerage scheme...	Fowler Terrace ...	2,060

Authority.	Nature of Work.	Location of Work.	Estimated Total Cost of Work.
<i>Durham and Tyneside</i>			£
—cont.			
Sunderland C.B.C. ...	Sewerage scheme...	Seaburn Beach ...	24,139
Sunderland C.B.C. ...	Sewerage scheme...	Back Rothsay Street, Sunderland ...	1,600
Sunderland C.B.C. ...	Provision of incinerator for refuse disposal.	Sunderland ...	4,780
Tynemouth C.B.C. ...	Sewerage scheme...	Northern Area of Borough.	19,950
Tynemouth C.B.C. ...	Improvements to open - air swimming pool.	Tynemouth ...	4,678
Washington U.D.C....	Privy conversion scheme.	North Biddick ...	352
West Hartlepool C.B.C.	Provision of branch sewer.	Southern Area of the Borough.	8,780
West Hartlepool C.B.C.	Provision of Tuberculosis Pavilion.	West Hartlepool ...	7,166
West Rainton P.C. ...	Provision of Burial Ground.	West Rainton ...	1,379
Whickham U.D.C. ...	Sewerage scheme...	Ellison Road ...	7,622
Whickham U.D.C. ...	Provision of public conveniences.	Dunston ...	530
TOTAL ...			£620,781
<i>West Cumberland.</i>			
Alston-with-Garrigill R.D.C.	Sewerage scheme...	Alston ...	12,600
Border Joint Hospital Board.	Extensions to Isolation Hospital.	Longtown ...	1,522
Cockermouth R.D.C.	Sewerage scheme...	Plumbland ...	7,037
Cockermouth R.D.C.	Sewerage scheme...	Parish of Gilcruix...	4,768
Cockermouth R.D.C.	Sewerage scheme...	Parish of Brigham	1,732
Cockermouth R.D.C.	Sewerage scheme...	Village of Tallentire: Parish of Bridekirk.	2,804
Cockermouth R.D.C.	Sewerage scheme...	Village of Bridekirk: Parish of Bridekirk.	1,373
Cumberland C.C. ...	Provision of Tuberculosis Sanatorium.	Cumberland ...	80,000
Ennerdale R.D.C. ...	Sewerage scheme...	Gosforth ...	10,190
Ennerdale R.D.C. ...	Sewerage scheme...	Village of Calderbridge: Parish of St. Bridgets Beckermet.	5,546
Ennerdale R.D.C. ...	Sewerage scheme...	Parish of Haile ...	1,810

Authority.	Nature of Work.	Location of Work.	Estimated Total Cost of Work.
<i>West Cumberland—</i> cont.			£
Ennerdale R.D.C. ...	Sewerage scheme...	Villages of Padstow and Keekle: Parish of Weddicar.	1,505
Ennerdale R.D.C. ...	Provision of public conveniences.	Egremont ... ..	745
Millom R.D.C. ...	Sewerage scheme...	Muncaster... ..	115
Wigton R.D.C. ...	Sewerage scheme...	Holme Abbey ... ..	6,120
Wigton R.D.C. ...	Sewerage scheme...	Westnewton ... ..	4,600
Wigton R.D.C. ...	Sewerage scheme...	Kirkbridge and Holme East Waver.	6,910
Wigton R.D.C. ...	Sewerage scheme...	Blennerhasset, Torpenhow and Allhallows.	4,660
		TOTAL ... ..	£154,037
<i>South Wales.</i>			
Aberdare U.D.C. ...	Sewerage scheme...	Hirwaun Housing site.	356
Aberdare U.D.C. ...	Provision of maternity and child welfare centre.	Aberdare ... ..	8,860
Aberdare U.D.C. ...	Provision of open-air swimming pool.	Rock Gardens, Aberdare.	6,953
Aberdare U.D.C. } Merthyr Tydfil } C.B.C. } Mountain Ash } U.D.C. }	Joint sewage disposal scheme.	Abercynon ... ..	20,000
Abertillery U.D.C. ...	Flood prevention scheme.	Penrhiwgarreg ... ..	2,190
Abertillery U.D.C. ...	Provision of a mortuary.	Aberbeeg Public Cemetery.	1,729
Abertillery and District Water Board.	Improvements to water supply.	Giles Farm ... ..	752
Abertillery and District Water Board.	Improvements to water supply.	Cwmtillery ... ..	560
Bedwelty U.D.C. ...	Sewerage scheme...	Cefn Fforest ... ..	180
Blaenavon U.D.C. } Cwmbran U.D.C. } Pontypool U.D.C. }	Joint sewerage scheme.	Eastern Valleys of Monmouthshire.	254,000
Bridgend U.D.C. ...	Surface water drainage scheme.	South Ward ... ..	8,959
Brynmawr U.D.C.	Improvements to water supply.	Brynmawr ... ..	41
Brynmawr U.D.C. } Crickhowell R.D.C. } Vaynor and Penderyn R.D.C. }	Provision of New Isolation Hospital	Brecon ... ..	13,000

Authority.	Nature of Work.	Location of Work.	Estimated Total Cost of Work.
			£
<i>South Wales</i> —cont. Brynmawr Development Committee.	Improvements to open - air swimming pool.	Brynmawr ...	4,312
Caerphilly U.D.C. ...	Extensions to Isolation Hospital.	Energlyn ...	4,570
Cowbridge R.D.C. ...	Sewerage scheme	Llanharry ...	9,500
Cowbridge R.D.C. ...	Closet conversion scheme.	Peterston - super - Montem.	230
Crickhowell R.D.C....	Sewerage scheme	Crickhowell ...	480
Cwmbran U.D.C. ...	Sewerage scheme	Blackbird's Area	5,424
Ebbw Vale U.D.C.	Provision of river training walls	Cwm ...	8,229
Gellygaer U.D.C. ...	Provision of open-air swimming pool.	Bargoed Park ...	7,893
Glamorgan C.C. ...	Extensions to Mental Hospital.	Hensol Castle, Pontyclun.	150,000
Glamorgan C.C. ...	New maternity block, special department and nurses' hostel.	Bridgend Infirmary	41,353
Glamorgan C.C. ...	Provision of new operating theatre, X-ray department, etc.	Penrhiwtyn Infirmary, Neath.	9,850
Glyncorrwg U.D.C.	Provision of open-air swimming pool.	Cymmer ...	6,956
Llantrisant and Llantwit Fardre R.D.C.	Sewerage scheme	Llantrisant ...	7,250
Llantrisant and Llantwit Fardre R.D.C.	Construction of culvert.	Ashdale Road, Penrhiw Fer.	1,500
Llantrisant and Llantwit Fardre R.D.C.	Provision of maternity and child welfare centre.	Talbot ...	1,385
Llantrisant and Llantwit Fardre R.D.C.	Provision of maternity and child welfare centre.	Gilfach Goch ...	1,380
Llantrisant and Llantwit Fardre R.D.C.	Provision of maternity and child welfare centre.	Beddau ...	1,300
Llantrisant and Llantwit Fardre R.D.C.	Provision of mortuary and post-mortem station.	Cefn-y-Parc, Llantrisant.	1,169
Maesteg U.D.C. ...	Improvements at the Isolation Hospital.	Maesteg ...	1,675
Merthyr Tydfil C.B.C.	Sewerage scheme	Troedyrhiw ...	2,160
Mid - Glamorgan Water Board.	Roofing of reservoirs.	Southerndown and Flemingsdown.	3,300

Authority.	Nature of Work.	Location of Work.	Estimated Total Cost of Work.
			£
<i>South Wales—cont.</i>			
Mid - Glamorgan Water Board.	Renewal of water mains.	Tondu, Brynmenyn and Penybryn.	3,000
Mid - Glamorgan Water Board.	Improvements to water supply.	Evanstown, Gilfach Goch.	2,600
Mid - Glamorgan Water Board.	Improvements to water supply.	Garreg, Blaengarw	480
Mynyddislwyn U.D.C.	Construction of open - air swimming pool.	Pontllanfraith ...	6,768
Nantyglo and Blaina U.D.C.	Sewerage scheme	Llwyd-Coed, Nantyglo.	900
Nantyglo and Blaina U.D.C.	Sewerage scheme	Club Row ...	1,767
Nantyglo and Blaina U.D.C.	Sewerage scheme	Bristol House to Coalbrookvale.	700
Nantyglo and Blaina U.D.C.	Culverting river ...	Ebbw Fach River, near Market Road, Nantyglo.	1,594
Nantyglo and Blaina U.D.C.	Culverting river ...	Ebbw Fach River near Shop Row., Nantyglo.	1,720
Nantyglo and Blaina U.D.C.	Culverting river ...	Near Blaina Central School.	4,797
Neath Hospital Committee.	Provision of New Isolation Hospital.	Tonna Uchaf ...	37,641
Neath R.D.C. ...	Sewerage scheme	Clyne ...	17,861
Ogmore and Garw U.D.C.	Sewerage scheme	Garreg, Blaengarw	680
Ogmore and Garw U.D.C.	Sewerage scheme	Bettws and Shwt	4,100
Ogmore and Garw U.D.C.	Sewerage scheme	Penybryn and Brynmenyn.	1,900
Ogmore and Garw U.D.C.	Sewerage scheme	Brynmenyn ...	40,000
Penybont R.D.C. ...	Sewerage scheme	Laleston Parish ...	7,000
Penybont R.D.C. ...	Sewerage scheme	Wick Parish ...	8,500
Penybont R.D.C. ...	Sewerage scheme	Village of Heol ...	2,500
Penybont R.D.C. ...	Sewerage scheme	Llangynwyd Village	2,000
Penybont R.D.C. ...	Sewerage scheme	Abergarwand Brynmenyn.	1,200
Penybont R.D.C. ...	Provision of public conveniences.	Marlas Road, Pyle	450
Penybont Main Sewerage Board.	Reconstruction of main sewer, etc.	Between Aberkenfig and the sea outfall at Ogmore.	210,750
Port Talbot B.C. ...	Sewerage scheme	Vivian Park, Aberavon.	24,000
Rhondda U.D.C. ...	Sewerage scheme	Cwmparc and Treorchy.	2,413
Rhondda U.D.C. ...	Sewerage scheme	Trebanog ...	2,529

Authority.	Nature of Work.	Location of Work.	Estimated Total Cost of Work.
			£
<i>South Wales—cont.</i>			
Rhondda U.D.C. ...	Extension of main sewer, etc.	Pontrhondda to Treorchy.	4,318
Rhondda U.D.C. ...	Re-construction of main sewer.	Wattstown to Pontygwaith.	9,645
Rhondda U.D.C. ...	Surface water drainage scheme.	Williamstown ...	2,403
Rhondda U.D.C. ...	Surface water drainage scheme.	Penygraig ...	5,663
Rhondda U.D.C. ...	Storm water drainage scheme.	Tylorstown ...	13,000
Rhondda U.D.C. ...	Storm water drainage scheme.	Mardy ...	4,096
Rhondda U.D.C. ...	Construction of open channel for watercourses.	Tynybedw, Treorchy.	2,552
Rhondda U.D.C. ...	Culverting river ...	Gelli Brook between Bwlfa Colliery Tip and Rhondda River.	8,078
Rhondda U.D.C. ...	Culverting river ...	Nantyclydach ...	6,600
Rhondda U.D.C. ...	Culverting river ...	Rickards Arms, Trebanog.	430
Rhondda U.D.C. ...	Culverting river ...	Blaencwm... ..	3,932
Rhondda U.D.C. ...	Provision of joint maternity and child welfare and school clinics.	Ystrad ... ..	4,945
Risca U.D.C. ...	River training walls	Stores Field, Risca and Fields Road, Pontymister.	1,150
Tredegar U.D.C. ...	Provision of public conveniences.	Bedwellty Park ...	1,150
Vaynor and Penderyn R.D.C.	Sewerage scheme...	Penderyn ... ..	4,656
Vaynor and Penderyn R.D.C.	Sewerage scheme...	Pontsticill... ..	3,718
Vaynor and Penderyn R.D.C.	Sewerage scheme...	Pontneathvaughan	4,202
Western Valleys (Mon.) Sewerage Board.	Diversion of trunk sewer.	Newbridge, Rose Heyworth, Nine Mile Point and Bedwellty Pits.	17,475
		TOTAL ...	£1,073,359
	GRAND TOTAL for	the 3 special areas...	£1,848,177

## APPENDIX X.

HOSPITAL AND SIMILAR WORKS UNDERTAKEN BY VOLUNTARY ORGANISATIONS IN THE SPECIAL AREAS (ENGLAND AND WALES), TOWARDS THE COST OF WHICH GRANTS FROM THE SPECIAL AREAS FUND HAVE BEEN APPROVED DURING THE YEAR ENDED 30TH SEPTEMBER, 1937.

Organisation.	Nature of Work.	Location of Work.	Estimated Total Cost of Work.
<i>Durham and Tyneside.</i>			£
Bishop Auckland and District Cottage Hospital Committee.	Extensions and improvements.	Bishop Auckland	20,000
Sunderland Royal Infirmary Committee.	Construction of new out-patients' department, nurses' home, ward block and accommodation for domestic staff.	Sunderland ...	101,664
Wallsend Infirmary Committee.	Construction of new maternity block, additional staff accommodation, etc.	Wallsend... ..	10,300
Emergency Open Air Nurseries Committee.	Adaptation of an existing building for nursery school.	New Brancepeth, Durham.	1,040
Emergency Open Air Nurseries Committee.	Provision of a residential open-air nursery school.	Haydon Bridge, Northumberland.	6,000
<i>West Cumberland.</i>			
Whitehaven and West Cumberland Hospital Committee.	Erection and equipment of new hospital.	Whitehaven ...	149,500
<i>South Wales.</i>			
Aberdare and District General Hospital Board.	Provision of X-ray and other equipment.	Aberdare... ..	685
Abertysswg Workmen's Hospital Committee.	Extensions and equipment.	Abertysswg ...	1,611
Blaina and District Hospital Committee.	Extensions and equipment.	Blaina ... ..	894
Crickhowell War Memorial Hospital Committee.	Purchase, adaptation and equipment of "Greenhill" for hospital purposes.	Crickhowell ...	6,918

Authority.	Nature of Work.	Location of Work.	Estimated Total Cost of Work.
			£
<i>South Wales—cont.</i>			
Rhondda U.D.C. ...	Extension of main sewer, etc.	Pontrhondda to Treorchy.	4,318
Rhondda U.D.C. ...	Re-construction of main sewer.	Wattstown to Pontygwaith.	9,645
Rhondda U.D.C. ...	Surface water drainage scheme.	Williamstown ...	2,403
Rhondda U.D.C. ...	Surface water drainage scheme.	Penygraig ...	5,663
Rhondda U.D.C. ...	Storm water drainage scheme.	Tylorstown ...	13,000
Rhondda U.D.C. ...	Storm water drainage scheme.	Mardy ...	4,096
Rhondda U.D.C. ...	Construction of open channel for watercourses.	Tynybedw, Treorchy.	2,552
Rhondda U.D.C. ...	Culverting river ...	Gelli Brook between Bwlfa Colliery Tip and Rhondda River.	8,078
Rhondda U.D.C. ...	Culverting river ...	Nantyclydach ...	6,600
Rhondda U.D.C. ...	Culverting river ...	Rickards Arms, Trebanog.	430
Rhondda U.D.C. ...	Culverting river ...	Blaencwm... ..	3,932
Rhondda U.D.C. ...	Provision of joint maternity and child welfare and school clinics.	Ystrad ... ..	4,945
Risca U.D.C. ...	River training walls	Stores Field, Risca and Fields Road, Pontymister.	1,150
Tredegar U.D.C. ...	Provision of public conveniences.	Bedwellty Park ...	1,150
Vaynor and Penderyn R.D.C.	Sewerage scheme...	Penderyn ... ..	4,656
Vaynor and Penderyn R.D.C.	Sewerage scheme...	Pontsticill... ..	3,718
Vaynor and Penderyn R.D.C.	Sewerage scheme...	Pontneathvaughan	4,202
Western Valleys (Mon.) Sewerage Board.	Diversion of trunk sewer.	Newbridge, Rose Heyworth, Nine Mile Point and Bedwellty Pits.	17,475
TOTAL ...			1,073,359
GRAND TOTAL for the 3 special areas...			1,848,177



## APPENDIX X.

HOSPITAL AND SIMILAR WORKS UNDERTAKEN BY VOLUNTARY ORGANISATIONS IN THE SPECIAL AREAS (ENGLAND AND WALES), TOWARDS THE COST OF WHICH GRANTS FROM THE SPECIAL AREAS FUND HAVE BEEN APPROVED DURING THE YEAR ENDED 30TH SEPTEMBER, 1937.

Organisation.	Nature of Work.	Location of Work.	Estimated Total Cost of Work.
			£
<i>Durham and Tyneside.</i> Bishop Auckland and District Cottage Hospital Committee.	Extensions and improvements.	Bishop Auckland	20,000
Sunderland Royal Infirmary Committee.	Construction of new out-patients' department, nurses' home, ward block and accommodation for domestic staff.	Sunderland ...	101,664
Wallsend Infirmary Committee.	Construction of new maternity block, additional staff accommodation, etc.	Wallsend... ..	10,300
Emergency Open Air Nurseries Committee.	Adaptation of an existing building for nursery school.	New Brancepeth, Durham.	1,040
Emergency Open Air Nurseries Committee.	Provision of a residential open-air nursery school.	Haydon Bridge, Northumberland.	6,000
<i>West Cumberland.</i> Whitehaven and West Cumberland Hospital Committee.	Erection and equipment of new hospital.	Whitehaven ...	149,500
<i>South Wales.</i> Aberdare and District General Hospital Board.	Provision of X-ray and other equipment.	Aberdare... ..	685
Abertysswg Workmen's Hospital Committee.	Extensions and equipment.	Abertysswg ...	1,611
Blaina and District Hospital Committee.	Extensions and equipment.	Blaina ... ..	894
Crickhowell War Memorial Hospital Committee.	Purchase, adaptation and equipment of "Greenhill" for hospital purposes.	Crickhowell ...	6,918

Organisation.	Nature of Work.	Location of Work.	Estimated Total Cost of Work.
<i>South Wales—cont.</i> Pontypool and District Voluntary Hospital Committee.	Construction of new out-patients' department, nurses' lecture room, fracture room and operating theatre for ear, nose and throat cases, etc.	Pontypool ...	£ 13,096
Pontypridd and District Voluntary Hospital Committee.	Extensions and alterations.	Pontypridd ...	5,036
Rhondda Institution for the Blind.	Provision of additional equipment.	Rhondda... ...	1,117
Rhymney Cottage Hospital Committee.	Provision of new X-ray room, equipment, etc.	Rhymney ...	2,240
Tredegar Park Cottage Hospital Committee.	Extensions and equipment.	Tredegar ...	3,581
TOTAL ...			323,682

## APPENDIX XI.

## PHYSICAL TRAINING CLASSES.

List of Special Areas in England and Wales in which Classes were held by the Ministry of Labour at the expense of the Special Areas Fund and the number of enrolments for the year ended 30th September, 1937.

Areas.	Total enrolments during year.	No. on the rolls of the classes at the end of the year.
<i>England.</i>		
Aspatria ... ..	44	33
Blaydon ... ..	153	52
Chester-le-Street ... ..	480	80
Cleator Moor (prev. at Frizington) ...	138	42
Cockermouth ... ..	38	34
Consett ... ..	341	78
Dunston ... ..	353	54
Egremont ... ..	112	35
Elswick ... ..	92	92
Felling ... ..	713	205
Gateshead ... ..	718	226
Heaton ... ..	549	135
Houghton-le-Spring ... ..	238	87
Jarrow & Hebburn ... ..	411	118
Maryport ... ..	133	33
Newcastle ... ..	577	224
North Shields ... ..	272	59
South Shields ... ..	259	92
Stanley ... ..	447	89
Sunderland ... ..	387	104
West Hartlepool ... ..	522	101
Whitehaven ... ..	197	82
Wingate (1 class at Trimdon Grange now closed).	279	69
Workington ... ..	173	57
	7,626	2,181
<i>Wales.</i>		
Aberdare ... ..	273	132
Abertillery ... ..	53	37
Bargoed ... ..	352	132
Brynmawr ... ..	219	34
Caerphilly ... ..	239	78
Ebbw Vale (now closed) ... ..	26	—
Ferndale ... ..	287	150
Maesteg ... ..	194	81
Merthyr ... ..	296	125
Merthyr Vale (now closed) ... ..	121	—
Mountain Ash ... ..	157	41
Pontlottyn ... ..	84	31
Pontypool ... ..	41	36
Pontypridd ... ..	208	95
Port Talbot ... ..	144	44
Tonypandy ... ..	445	202
Treharris ... ..	84	89
	3,223	1,307
<b>GRAND TOTALS ... ..</b>	<b>10,849</b>	<b>3,488</b>

## APPENDIX XII.

HOUSING SCHEMES APPROVED UP TO 30TH SEPTEMBER, 1937.

(1) The North Eastern Housing Association Limited.

Authority on whose behalf the scheme has been undertaken.	Number of dwellings to be provided.	Location of work.	Estimated total cost of Work.
Barnard Castle U.D.C....	54	Tenfields Housing Estate and Dunelm Square.	£ 20,050
Consett U.D.C. ... ..	209	Bridgehill, Benfieldside ...	89,500
Consett U.D.C. ... ..	72	Ponthead, Leadgate ...	30,272
Crook and Willington U.D.C.	94	Foundry Fields, Crook ...	29,955
Crook and Willington U.D.C.	124	Roddymoor, Crook ...	45,974
Durham B.C. ... ..	32	Sherburn Road, Durham ...	11,524
Durham B.C. ... ..	28	Framwellgate, Durham ...	18,345
Durham B.C. ... ..	305	Sherburn Road, Durham ...	126,590
Easington R.D.C. ... ..	100	South Hetton ... ..	40,717
Easington R.D.C. ... ..	252	Shotton ... ..	92,391
Easington R.D.C. ... ..	224	Murton ... ..	87,274
Easington R.D.C. ... ..	105	Haswell ... ..	46,400
Easington R.D.C. ... ..	110	Deaf Hill, Trimdon ...	44,067
Gateshead C.B.C. ... ..	572	Deckham Hall Estate ...	181,000
Gateshead C.B.C. ... ..	204	Wrekenton ... ..	80,394
Hartlepool B.C....	150	West View, Hartlepool ...	65,610
Hebburn U.D.C. ... ..	130	Hebburn ... ..	56,200
Shildon U.D.C. ... ..	100	Red House Estate, Shildon	42,600
South Shields C.B.C. ...	468	Prince Edward Road ...	163,733
South Shields C.B.C. ...	76	Boldon Land and Harton Colliery.	30,986
South Shields C.B.C. ...	40	Cornwallis Square, Commercial Road and Windmill Hill.	} 43,350
South Shields C.B.C. ...	46		
South Shields C.B.C. ...	18	Mile End Road ... ..	9,940
Spennymoor U.D.C. ... ..	106	Racecourse Housing Estate	35,250
Spennymoor U.D.C. ... ..	130	Brewery Fields and Wraith School.	46,225
Sunderland C.B.C. ... ..	492	Hylton Lane Estate ...	192,337
Sunderland C.B.C. ... ..	40	Hylton Lane Estate ...	14,605
Sunderland C.B.C. ... ..	22	High Street East ... ..	11,436
Sunderland C.B.C. ... ..	34	High Street East ... ..	26,063
Sunderland C.B.C. ... ..	1,062	Plains Farm Estate ...	439,857
Sunderland C.B.C. ... ..	44	High Street, Sunderland	26,450
Tow Law U.D.C. ... ..	50	Attwood Road and Ironworks Road.	17,650
Tow Law U.D.C. ... ..	36	Attwood Road ... ..	15,850
West Hartlepool C.B.C.	200	Tips Estate and Milbank Estate.	71,879
<b>TOTALS</b> ... ..	<b>5,729</b>		<b>2,254,474</b>

## (2) The Durham Aged Mineworkers' Homes Association.

Number of dwellings to be provided.	Location of Work.	Estimated total cost of work.
8	Marley Hill ... ..	£ 2,500
6	Dean Bank, Ferryhill ... ..	1,920
4	Mainsforth Colliery ... ..	1,280
6	Charlaw and Sacriston ... ..	1,920
6	Kimblesworth ... ..	1,920
6	Bearpark ... ..	2,130
6	Castle Dene, Lumley ... ..	1,740
6	Lambton... ..	1,800
5	Horden ... ..	1,664
4	Crookhall ... ..	1,291
4	Shotton ... ..	1,332
6	Blackhall ... ..	1,800
Totals 67		21,297

## (3) The Northumberland Aged Mineworkers' Homes Association.

Number of dwellings to be provided.	Location of Work.	Estimated total cost of work.
10	Blakelaw Estate, Newcastle-upon-Tyne.	£ 4,000

## (4) Church Army Housing Limited.

Number of dwellings to be provided.	Location of Work.	Estimated total cost of work.
36	Kyle Road, Bensham, Gateshead	£ 19,003

APPENDIX XIII.

STATEMENT SHOWING PROPERTIES ACQUIRED FOR THE SETTLEMENT OF MEN IN OR FROM THE SPECIAL AREAS (ENGLAND AND WALES) UP TO 30TH SEPTEMBER, 1937, AND THE PROGRESS MADE TO THAT DATE IN EACH CASE.

Organising Body and Name of Estate. (1)	Area. (2)	Number of families to be settled. (3)	Number settled by 30.9.37. (4)	Settlers in residence without families. (5)	Total number of persons settled. (6)	Number of Settlers completed training (included in Col. 4). (7)	Remarks. (8)
(1) <i>Land Settlement Association.</i>	Acres.						
(a) Schemes outside the Areas :							
Potton, Beds. ... ..	290	32	26	—	129	21	
Andover, Hants. ... ..	505	43	32	2	143	7	
Fen Drayton, Cambs. ... ..	352	54	32	3	170	13	
Abington, Cambs. ... ..	688	62	32	2	168	—	
Fulney, Lincoln ... ..	122	37	27	5	129	—	
Harrow Hall, Lincoln ... ..	826	58	38	1	191	—	
Snaith and Howden, Yorks.	645	58	31	4	154	—	
Sidlesham, Sussex ... ..	822	154	63	24	356	4	
Foxash, Essex ... ..	750	95	76	1	359	16	
Yeldham, Essex ... ..	667	96	52	14	270	—	
Newbourne Hall, Suffolk...	468	66	20	13	112	—	
Elmesthorpe, Leicester ... ..	344	44	35	7	176	—	
Wyboston ... ..	356	70	15	—	82	1	
Newent, Gloucester ... ..	298	58	—	10	10	—	
Denham Hall, Suffolk ... ..	625	60	—	—	—	—	Possession in October, 1937.
Total (a) ... ..	7,758	987	479	86	2,449	62	
(b) Schemes in Cumberland :							
Crofton Hall, Carlisle ... ..	718	69	53	—	248	—	
Broadwall, Wetheral ... ..	252	24	—	9	9	—	The area includes 285 acres of cleared woodland which will provide an additional 30 holdings when reclaimed.
Dalston, Carlisle ... ..	923	70	24	10	120	—	
Wath Head and Jenkins Cross	351	50	—	—	—	—	Possession in February, 1938.

<b>(c) Schemes in Northumberland:</b>						
Moor Farm, Stannington	302	36	30	5	163	—
Broadlaw Farm, Whalton	316	30	—	—	—	—
<b>Total (c) ... ..</b>	<b>618</b>	<b>66</b>	<b>30</b>	<b>5</b>	<b>163</b>	<b>—</b>
<b>Total (a), (b), and (c)</b>	<b>10,620</b>	<b>1,266</b>	<b>586</b>	<b>110</b>	<b>2,989</b>	<b>62</b>
<b>(2) Durham County Council :</b>						
Bishop Auckland ... ..	332	55	55	—	239	—
Etherley ... ..	48	9	9	—	41	—
Pelton ... ..	87	14	14	—	65	—
Eaglescliffe ... ..	146	25	25	—	128	—
Spennymoor ... ..	53	10	10	—	45	—
Hart ... ..	273	35	—	—	—	—
Hutton Henry ... ..	271	30	—	—	—	—
Etherley (Low Greenfield)	86	13	—	—	—	—
Middridge ... ..	156	20	—	—	—	—
<b>Total (2) ... ..</b>	<b>1,452</b>	<b>211</b>	<b>113</b>	<b>—</b>	<b>518</b>	<b>—</b>
<b>(3) Glamorgan County Council :</b>						
Flemingston ... ..	111	20	20	—	95	—
<b>(4) Welsh Land Settlement Society:</b>						
Boverton, Glamorgan ... ..	650	60	60	—	236	60
Sealand, Flint ... ..	851	80	18	60	137	—
Llanfair Discoed, Mon. ... ..	282	38	—	—	—	—
Rosemarket, Pembroke ... ..	378	42	—	42	42	—
Leechpool, Monmouth ... ..	329	40	—	40	40	—
<b>Total (4) ... ..</b>	<b>2,490</b>	<b>260</b>	<b>78</b>	<b>142</b>	<b>455</b>	<b>60</b>
<b>Grand Total ... ..</b>	<b>14,673</b>	<b>1,757</b>	<b>797</b>	<b>252</b>	<b>4,057</b>	<b>122</b>

Co-operative Farming Scheme.  
 Co-operative Farming Scheme.  
 Co-operative Farming Scheme.  
 Small Holdings Scheme.  
 Small Holdings Scheme in conjunction with the Monmouthshire County Council.

*Note.*—This Statement does not include two non-residential schemes of full time holdings in Durham, one at Wooley (9 holdings) and the other at Sacriston (3 holdings) and a similar scheme at Mealsgate, Cumberland (4 holdings).