

CONTENTS

|   |   |      |
|---|---|------|
| Editorial notes: Wilson and Page            | 1 | Page |
| The Sino-Soviet Split                       | 2 | Page |
| London Labour and the Greek Royal Visit     | 3 | Page |
| The T.G.W.U. in Conference                  | 4 | Page |
| Australian Spies for Foreign Active         | 5 | Page |
| Flying Start for Schools GND                | 6 | Page |
| Poling Organises its own Women's Conference | 7 | Page |
| Blackout Committee Organises its Plans      | 8 | Page |

# THE BULLETIN

An Information Service  
for  
Socialists

Published by: International Book  
4, Lane St.,  
11, Alfred St. Central,  
Nottingham.

Subscription Rates: 12/6 for six months  
25/- for one year  
(34 issues)  
(48 issues)

Vol. 3. No. 2

July 16th, 1963.

PRICE FOURPENCE

C O N T E N T S

|      |   |  |
|------|---|--|
| Page | 1 | Editorial notes: Wilson and Wage Restraint<br>The Sino/Soviet Split  |
| Page | 2 | London Labour and the Greek Royal Visit<br>The T.G.W.U. in Conference  |
| Page | 3 | Australian Spies for Peace Active<br>Flying Start for Schools CND  |
| Page | 4 | Peking Organises its own Women's Conference  |
| Page | 5 | Dissident Communists Organise in Italy<br>Czechs in Comecon Dispute<br>Mongolians Reiterate Support for Khrushchov<br>Slovak Writers in Revolt   |
| Page | 6 | Korean and Chinese Medical Aid for Algeria<br>Ben Bella on Agrarian Reform<br><u>Economist says Ben Bella Loyal to Tripoli Programme</u><br>Chinese say Algeria Provides Inspiring Example<br>Literacy Campaign in Algeria |
| Page | 7 | Negro Struggle in the U.S. Spreads and Deepens   |
| Page | 8 | Further Fall in Industrial Capital Expenditure   |

Letter to Readers

Some weeks ago we reproduced, in good faith, parts of a report from The Observer which reported increasing trade between China and South Africa. On July 15th the Hsinhua News Agency was authorised to make a statement which reiterated that the Government of the People's Republic of China would continue to have no economic and trade ties whatever with the South African colonial authorities. We therefore feel obliged to draw attention to this denial. So far as we know the British press has not reported the statement.

Next week we shall reproduce the statement in full. In the meantime we would ask anyone who, on the basis of our report, publicised the story about Chinese trade with South Africa to draw attention to the Chinese statement.

Published by: International Bookshop,  
4, Dane St.,  
Alfred St. Central,  
Nottingham.

Produced  
by  
voluntary  
Labour.

Subscription Rates: 12/6 for six months (24 issues)  
25/- for one year (48 issues)



WILSON AND WAGE RESTRAINT: According to the Economist (13/7/63) Wilson's speech at the TGWU conference indicated his desire for a "honeymoon period" with the unions after he takes power, in which the union leaderships will collaborate with the government in keeping down costs "in order to be able to expand demand..". What Wilson offers in exchange is some kind of restraint on profits and unearned income. This is not original - it is in essence the 'guiding light' policy of Selwyn Lloyd. Coming from Wilson however these arguments require some examination.

It must be said bluntly that what Wilson's economic policies amount to (and the more farsseeing of the bourgeois papers recognise this) is that the Labour Party be given the job that the Tories have signally failed to do, i.e., to carry out a thoroughgoing rationalisation of British industry in face of the more advanced economies of its rivals. The talk about Labour's special relationship with the trade unions, etc., is a round-about way of saying that a Labour government would find it easier to hold down wages, to head-off redundancy struggles arising from the rationalisation of industry, to ensure the T.U. leaders collaborating in economic planning, etc..

On the other hand, it must be reiterated that any move to hold down wages whilst the capitalist class is in control of the commanding heights of industry, whilst capitalist property relations dominate is an attempt to redivide the 'national cake' at the expense of the working class. Only when decisive steps have been taken along the road of expropriating the capitalist class, only when there is a government which is determined to carry out a complete socialist programme of socialisation of the means of production can there be any talk by working class organisations of restraint of wages.

Many on the left have gone slow on their struggle to commit the Labour Party to socialist policies since the election of Wilson as leader. They feel that to pursue the struggle will jeopardise possible election victory, to this argument we must counter that the election of Labour government which will carry out in essence an anti-working class policy will be even more disastrous than another election defeat. Only the existence of a strong left wing which in the eyes of the mass of Labour supporters is a real alternative to the right wing will prevent very dangerous demoralisation and disillusionment. Of course, the left must judge its tactics according to the mood of the country and that of the mass of Labour supporters, but a struggle against right wing policies carried out now will help lay the basis for a viable mass left wing after the election of a Labour government. This struggle must and can be waged without the left artificially separating itself from those who see in Wilson an improvement on Gaitskell or from those who see in the coming Labour government a solution to many working class problems.

THE SINO/SOVIET SPLIT: There is no need to reiterate the arguments we have put forward many times in the Bulletin on this dispute. The cards are now down, all pretence has been dropped as to who the main protagonists are in the arguments. Whilst, Khrushchov and co. are wining and dining with Tory Lord Hailsham and the millionaire Harriman "in a very friendly atmosphere", their relations with their fellow Communist, fellow "Marxist-Leninists" could hardly be worse. The record of the Chinese in the latest stages of the polemic - although by no means faultless, e.g., their misrepresentation of the Yugoslav positions - is much better than that of the Russians. The latter have been unwilling to reproduce Chinese material and conducted a campaign against the Chinese merely for putting forward their point of view; the Russians, too, have not ceased to misrepresent the essential views of the Chinese. However, the discussion itself will lead to a revitalisation of Marxist thought on a world scale and many of those who have become "Macites", (or even, in some cases, "Khrushchovites") have taken the first step on the road to creative Marxism.



LONDON LABOUR AND THE GREEK ROYAL VISIT

from a Lambeth correspondent

On 26th June, Hackney Metropolitan Borough Council unanimously resolved that a message be sent to the Greek Embassy requesting that the proposed state visit by the Greek Royal family be cancelled. The Labour group on the Westminster City Council followed up by asking the Westminster Council not to submit an "Address of Welcome" to the Greek Royal family.

This was the background to the tabling of two questions in the London County Council on July 2nd, suggesting that the LCC follows the example of Hackney. A bitter and heated dispute in the Labour group led by a 32:18 vote to a decision to submit an "Address of Welcome" to the Greek state visitors. This was pushed through by Sir Isaac Hayward and his cohorts despite the fact that the Executive Committee of the London Labour Party had commended a Hackney Central resolution, to the LCC L.P. group, which called on the LCC to refuse to participate in the proceedings to welcome the visitors. In an unprecedented back-bench revolt, no less than 21 members of the Labour group supported an adjournment motion to call attention to the unsatisfactory nature of replies to questions on the state visit. There were a few abstentions as well. The Right Wing voted with the Tories; the result was 84:21.

A fortnight later, on July 16th, the leader of the Council, Sir Isaac Hayward announced to the Labour group that the Policy Committee had decided on disciplinary action against the chief "offenders" in the affair. No less than three junior whips and three vice-chairman of key committees are likely to be disciplined by removal from their positions.

Constituency parties, particularly in the North and East of London, can safely be expected to deluge the London Labour Party and the LCC with demands for support for the 21 members who remained loyal to the London Labour Party decisions and faithful to the workers and people of London in their refusal to be a party to the disgrace of a Labour-controlled LCC addressing a loyal welcome to the Greek Royal family, the symbols of anti-Communism and anti-democracy in Greece.

THE T.G.W.U. IN CONFERENCE

from a London correspondence

Apart from the much-publicised reaffirmation of unilateralism, the Transport and General Workers Union conference at Scarborough has discussed a wide variety of subjects. A defeat of the platform took place on Wednesday July 10th, a rare event in this union. The motion in question instructed the executive to inquire into all cases where employers refuse to recognise the TGWU; to authorise support on a national basis for any group which cannot achieve recognition on its own; and to publicise cases of victimisation against individuals or groups trying to form union branches. Opposing the motion, Harry Nicholas, the assistant general secretary, said he did so not because he was against its general tone but simply because it said the unions gave "insufficient support and encouragement" to workers who were deterred from joining by their employers. P. Melia, of London, supporting motion, gave a list of important companies which "put up considerable opposition to the recognition of clerical trade unionism": ICI, Distillers, Courtaulds, British Nylon Spinners, Morgan Crucible, Chloride Batteries, and others. The motion was carried by 312 votes to 248.

The next day only two delegates voted against a resolution calling for the abolition of public and fee-paying schools. The resolution pressed for equality of education by introducing a national education scheme based upon the comprehensive principle. Other resolutions carried included one calling for higher wages for nurses; another calling for a vigorous hospital programme to meet the needs of the nation; one that asked the executive to press for the abolition of all health charges; and another which wants a vigorous campaign to ensure a higher level of National Insurance benefits.



1656

The much publicised branch of the CND in Sydney was launched in March 1962. Branches were later established in Queensland, Victoria and West Australia, the Sydney Group has as its Secretary, says the Sydney "Bulletin" in its July 6th number, Mr. R. Gould, the young and energetic secretary of the West Darlinghurst branch of the Australian Labour Party.

Recently, the Sydney CND group received a copy of the Spies For Peace document. Realising its propaganda value, they decided to distribute ~~many~~ copies throughout Australia. The first copies to appear covered seven foolscap pages and were issued with copies of the CND NEWSLETTER No.5, June, 1963. It was circulated in about 750 copies to various organisations and individuals, but at the same time another 500 were issued under the name of SPIES FOR PEACE (Australia) Inc., and urged citizens to seek out official secrets and make them public.

"Who caused the second batch to be distributed is not known" comments the Bulletin. The member of CND Executive who authorised the CND copy of the SPIES FOR PEACE LEAFLET denied all knowledge of the second batch, and commented that: "It was possible ours, the CND one, has breached the Crimes Act, but as far as I can see it is almost certain that the other circular has breached it."

Both Miss McIntyre, who authorised the CND pamphlet, and Mr. Gould have been interviewed by Commonwealth police. Meanwhile the Chairman of the West Australian CND has stated that his group is organising the printing and distribution of a leaflet on the United States Navy Radio Communication Centre to be set up in the desolate far north of Australia to act as a tracking station for United States Polaris submarines. He also stated that if any secrets about the base come to light, the CND will do all it can to publicise them. It should be noted that the Australian Government's decision to establish the base has been the subject for long and heated debate in the Australian Labour Party. The Federal Executive of the A.L.P. only decided after seven day's debate and after several votes, by a margin of only one vote to agree to a compromise right-wing motion which means the A.L.P. supports the establishment of the Base, subject to joint control by Australia, and consultation if it is to be used to launch Polaris rockets.

The Sydney "Bulletin" ends with the following statement: "In any event CND has received more publicity in a week than it would normally have got in a decade; and the Commonwealth police are still investigating every avenue in its search for the distributors of the second batch of the SPIES FOR PEACE PAMPHLET. The Attorney-General, Sir Garfield Barwick, is expected to comment when the facts are assembled".

#### FLYING START FOR SCHOOLS CND

from July Sanity

"...Overwhelming is the only way to describe the response we have had to the Schools Campaign proposal since the article in Sanity last month. Letters have been coming in daily from people in schools all over the country, either wanting to form groups or describing the groups they already have. We are now in touch with supporters in 150 schools from Guernsey to Scotland... The proposal that peace corps could be established in schools as an alternative to the cadet corps is arousing great interest. ....We had our first demonstration on June 1 outside Haberdashers' Aske's School in solidarity with Jonathan Britain and against restrictions imposed on freedom of speech and expression in schools. So the Schools Campaign is truly established. It is the biggest and most exciting step YCND has taken for some time...."



1657

More than 7,000 people gathered at the Great Hall of the people in Peking on July 14th to welcome the visiting women's delegations from Asia, Africa and Latin America. A thundering, standing ovation swept the great hall for several moments when women's leaders from Brazil, Comoro, Indonesia, Mozambique, Nepal, South Vietnam, Venezuela and Zanzibar mounted the platform with leaders of the National Women's Federation of China.

In her speech, the Chinese vice-president of the National Women's Federation declared that the people of China would always be the most reliable friends of their sisters and brothers in Asia, Africa, and Latin America, who were fighting heroically against imperialism and colonialism to safeguard national independence. She said: "We are deeply concerned about your struggle, we know that your struggle and victory are also ours,"

The Indonesian delegate pointed out that experience showed that: "The struggle for women's emancipation and family happiness cannot be separated from the struggle for national independence. So long as Imperialism exists in the world, the peoples of the world cannot enjoy happiness." The Mozambique delegate praised the Chinese people because: "In your victory you have not forgotten nor closed your ears to the cries of those who are still struggling for their national independence. You have always condemned the twin enemies of peace: Imperialism and colonialism." She condemned the Portuguese colonialists for the crimes they had committed in Mozambique. The Nepalese delegate pointed out that there was great friendship between China and Nepal and that they had settled the boundary question in a friendly way.

A delegate from Venezuela declared in her speech that our primary task was to struggle against Imperialism: "The fundamental form of struggle in Venezuela is armed struggle." The people of Venezuela, she went on, were rising to defend their national sovereignty, and oppose U.S. Imperialism. "The conditions in our countries have compelled us to fight in defence of our sovereignty and the very life of our people".

The Zanzibar delegate said: "I am dissatisfied and dismayed by the World Congress of Women held in Moscow. What should have been a wonderful opportunity to discuss our common problems with progressive women from all over the world turned out to be, in my opinion, a conspiracy to stifle any real discussion and non-conformist views." Other delegates, from Brazil and elsewhere voiced their dissatisfaction with the Moscow Congress. The Indonesian delegate said: "Imperialism headed by the U.S.A. will not disarm voluntarily, we must be brave and always encourage and assist those who fight against colonialism, feudalism, and imperialism."

The delegate from Brazil said: "Brazil is an underdeveloped state under the oppression of foreign trusts and enslavement by U.S. economic policy. Now we have before us the People's Republic of China as a lesson and an example. ...The poverty-stricken and hungry peasants are endeavouring to rid themselves of their shackles and take the road of national liberation."



DISSIDENT COMMUNISTS ORGANISE IN ITALYBased on Guardian reports

Following the reference to them in the Soviet "open letter" at the week end, Italy's "Chinese" Communists are making use of the publicity to further their own cause. They are now planning to call their own national congress in the Autumn. Last summer Communists in Padua published three pamphlets entitled "Long Live Leninism" which criticised the leadership of Italian C.P. from a left point of view.

Four Paduan party executives and three other members were expelled for breach of party discipline. Since then they have been busily advocating their views, finding some success apparently among the Y.C.L.. The Paduan "Chinese" deny the existence of any of Mao's agents in their midst. "We took our stand over a year ago," they said in a statement issued on 15th July, "first within the Party, then outside. We feel that the moment is ripe for the foundation of a Marxist Leninist party in Italy which will battle for the overthrow of the bourgeois state, for the installation of dictatorship of the proletariat, and the creation of a Socialist society." The dissidents held their first private conference in Rome about two months ago, when 70 representatives turned up from various parts of Italy.

CZECHS IN COMECON DISPUTEfrom a London correspondent

The Financial Times of July 10th reported: "Another acrimonious dispute over economic policy broke out at a recent meeting of the Comecon in Budapest...The Czechoslovakian delegation complained that their country had been forced to restrict the output of their consumer goods industry to the needs of the Communist world, whereas before the war exports in this field to the West had been substantial. Czechoslovakia also complained that she had been forced to send goods to the underdeveloped countries for which satisfactory payment has never been made...."

"Rumania and Hungary complained about the poor quality of recent deliveries from Russia. Rumania said it will not hesitate to make its own business arrangements with China, although following the Kremlin in politics."

MONGOLIANS REITERATE SUPPORT FOR KHRUSHCHOVfrom a London correspondent

According to a Times report, Mr. D. Tsengemid, the Mongolian Ambassador to China, said at a Peking reception celebrating the 42nd anniversary of the Mongolian revolution: "...The general line of foreign policy of all socialist countries, including the People's Republic of Mongolia, is to carry out unremittingly the principle of peaceful coexistence..." He also opposed the current Chinese policy towards Comecon, Mongolian participation "in the Comecon and the further expansion of its economic cooperation with other members of that council are a reliable guarantee for our country's smooth building on a material and technical base for socialism.."

SLOVAK WRITERS IN REVOLT

The July 13th Economist carried a long article on the discontent of the Slovak writers and intellectuals. Among the facts it reported was a speech by Professor Hysko, at the Slovak writers congress in April, in which he directly accused Mr. Siroky, the prime minister of Czechoslovakia, of partial responsibility for the rigged trials of Slovak Communists in the early 1950s. At the Slovak journalists' congress held in May, one minutes silence was observed in honour of Clementis and two other Slovak victims of the trials. According to Radio Bratislava the congress displayed an "uncompromising" attitude in condemnation of the personality cult. Despite a counterattack by the Stalinist leadership of the Czechoslovak C.P., the intellectuals have stuck to their guns. The latest issue of the Slovak literary weekly Kulturny Zivot announced that the struggle would go on: "It is not" the editor wrote "a brief campaign, but a historical and revolutionary process."



1659

On July 12th a shipment of 69 boxes of medicaments and textiles - a gift from the Korean people to the Algerian government - was handed over by the Korean Ambassador to the attache of the Algerian Ministry of Labour and Social Affairs. In a speech, the Ambassador thanked the Algerian government and people for their support to the Korean people in their struggle for the evacuation of U.S. troops from South Korea and the peaceful reunification of Korea. The following day, a second group of seven members of a Chinese medical team arrived. The team has been sent by the Chinese government at the request of the Algerian Ministry of public health. The first group of the team had arrived on April 16th.

#### BEN BELLA ON AGRARIAN REFORM

Speaking in Batna (Eastern Algeria), Ben Bella said: "1,700,000 hectares" (approx. 4 million acres) "of land have been taken over from the colonists and we are preparing agrarian laws which would return to our peasants not only land of the French colonists but that of Algerians who had become inordinately rich...but much time and effort are needed to bring about a real agrarian reform and a powerful industry." He expressed the opinion that colonialism would not allow Algeria to proceed with construction smoothly.

#### ECONOMIST SAYS BEN BELLA HAS REMAINED LOYAL TO TRIPOLI PROGRAMME

Writing in the Economist of 13th July, their special correspondent has this to say: "In his speeches, and even more in conversation, Mr. Benbella shows himself aware that there are dangers in single-party rule.....The departure of the French has helped him make a good start with land reform (though the appropriate law is not yet ready.) So far, no matter what his enemies may say, he has stuck faithfully to the programme drawn up by the party's council at Tripoli in June, 1962, which is the bible of the revolution..."

#### CHINESE SAY ALGERIA PROVIDES INSPIRING EXAMPLE

The July 5th Renmin Ribao, in an article celebrating independent Algeria's first anniversary, declared that the revolutionary struggles of the Algerian people had furnished a new inspiring example for the Asian, African and Latin American peoples. Ruthlessly oppressed by imperialism, the Algerian people had at long last found the path of struggle - to oppose the counter-revolutionary armed forces of imperialism with the revolutionary armed force of the people. The independence of Algeria once again proved that in our era all oppressed peoples...would in the long run defeat the enemy, no matter how strong he might be, so long as they persisted in unity and in struggle, so long as they despised the enemy strategically and took him seriously tactically.

#### LITERACY CAMPAIGN IN ALGERIA

based on Hsinhua report

A nation-wide campaign to wipe out illiteracy, a legacy of French colonial domination, started in Algeria on July 15th. After 132 years of French rule about 73% of the adult population are illiterate. About 100,000 students, teachers, and functionaries have enlisted as volunteer teachers. In the past few days members of the national commission in charge of the campaign have toured the country making preparations. The campaign will give priority to wiping out illiteracy among members of the management committees in industry and agriculture.

The Peuple, organ of the FLN, has published a series of articles explaining the significance of the campaign and acquainting readers with the experience of literacy campaigns in countries such as China, Vietnam and Cuba. Algerian television has devoted a special programme to the campaign. As part of the campaign it put on a Vietnamese documentary film on the literacy campaign in that country.



We have reproduced here extracts from a Militant article which give an idea of the depth and extensiveness of the Negro struggle in the U.S.:

July 2nd. Demonstrations by negroes continue in both North and South. Concessions have been won in some areas, but in others the movement is meeting stiff opposition and delaying tactics from racist officials. The Philadelphia movement for more jobs for negroes pioneered a significant experiment in demonstration techniques on June 24th. A 4-hour general work stoppage by the city's negroes was called "to mourn for Medgar Evers". The stoppage was called by Cecil Moore, local National Association for the Advancement of Coloured People leader, and was supported by the Congress of Racial Equality and an alliance of ministers. The city's top AFL-CIO officials opposed it, but some local unions gave support. City officials at first threatened reprisals against city employees joining the stoppage but later changed their tune. While it is difficult to estimate just how many actually stayed off their jobs that morning, observers in Philadelphia generally agreed that it was a significant number. Some 4,000 people picketed the city hall.

In Mississippi, voter-registration and direct-action campaigns continued in the face of increasing violence and police harassment. In Itta Bena, Miss, on June 18th a smoke bomb was thrown at a voter-registration meeting. Negroes walked out of the meeting to go to the police to protest at the lack of police protection, 58 were then and there arrested on charges of "breach of the peace". 29 of the group - the others were children between ten and 17 years of age - were convicted and sentenced to six months in jail and a 500 dollar fine each, with bonds set at 500 and 750 dollars for men and women respectively. Robert Moses, director of the Student Non-violent Co-ordinating Committee's voter-registration project in Mississippi appealed for financial aid to bail the people out. In Clarksdale, over 20 people were arrested last month for picketing against segregation at the library, city hall, and the Bell Telephone Co.

In Albany, only seven out of a staff of 26 SNCC workers remained out of jail as of June 26th. Police have been arresting the staff members on such charges as "investigation of vagrancy". Greensboro birthplace of the sit-in movement which swept the South has become an "open-city", with virtually all public facilities desegregated according to CORE. Desegregation followed two waves of massive demonstrations in May and June.

June 27th. Canton, Mississippi. Ben Lewis a white gas-station attendant was arrested yesterday on charges of shooting at five young negroes here two days ago following a CORE voter-registration meeting. The five were hit by shotgun pellets - as police stood by and watched - and were taken to hospital for treatment. The charges against Lewis are "unlawfully pointing and unlawfully discharging a firearm."

Danville Police raided the church headquarters. Civil-rights leaders seeking persons indicted on June 21st charged with conspiracy to riot. Almost 100 people were arrested in Danville demonstrations in May and June, and some 40 persons were injured by police clubs and fire hoses.

July 1st. Gadsden, Alabama. The Gadsden Transit Company has promised to begin total desegregation of its buses. City officials promised to bring about the withdrawal of state troopers and Negro leaders have suspended demonstrations in the hope of further progress. Some 500 demonstrators were arrested here recently. Some of them were shocked by electric prod poles - both outside and inside the jails. Club-swinging state troopers initiated the violence and the use of prod poles on June 19th.



The following report, based upon an article in the July 12th issue of Board Of Trade Journal, is of importance because it shows the very serious decline in capital expenditure by British capitalism. This decline is symptomatic of a lack of confidence and means a very considerable slowing down in the process of modernisation of British industry.. The decline is even more pronounced if we compare the figures for the first quarter of 1962 with the same quarter of 1963. These reveal a decline in manufacturing of no less than 20% in capital expenditure with no change in distributive and services. (This is, in itself an indication of the moribund and parasitic nature of capitalism - because distributive and service industries cover such non-productive sectors as wholesaling, and retail distribution, banking, insurance, property, catering, etc.).

Final results for the first quarter of 1963 show that the volume of industry's capital expenditure (at 1958 prices and after seasonal adjustments) declined by about 5% from its level in the last quarter of 1962.

This further fall continued a decline which has persisted since expenditure reached a peak in the third quarter of 1961. Each of the 2 broad sectors of industry reached their peak of expenditure in this quarter, but the decline in the expenditure of manufacturing industry - like the preceding rise - has been much steeper than for the distributive and service industries. This differing experience continued in the first quarter of 1963, when the fall in expenditure of about 8% of manufacturing industry was accompanied by virtually no change in the expenditure of the distributive and service industries. The total decline of about 5% in the first quarter reflects a reduction of about 8% in expenditure on plant and machinery and of about 4% in expenditure on new building work, only slightly offset by a rise in expenditure on vehicles.

Revised estimates for the first quarter of 1963 show that the volume of capital expenditure by manufacturing industry, at 1958 prices - seasonally adjusted - fell by about 8% between the fourth quarter of 1962 and the first quarter of 1963. This fall probably reflects to some extent, the abnormal climatic conditions experienced during the early months of the year, but in the case of manufacturing industry the effect of the weather is not thought to be great because the main contribution to the fall was in expenditure on plant and machinery (the revised figures show a fall of about 11%) rather than in new building work (where the fall in expenditure was about 4% only).

Detailed figures for individual groups show that the bulk of the 8% decline in the total capital expenditure was in metal manufacturing (primarily iron and steel). Although spread over most industry groups, the decline in expenditure was not by any means even. In the case of the "engineering, shipbuilding and metal goods" group of industries, for example, the first quarter figures show a rise for the first time for some 6 quarters. Although too much should not be read in to these seasonally adjusted figures, this rise may perhaps mark a turning point in expenditure in this sector.

The figures for the distributive and service industries show that there was no significant change in the expenditure of the two quarters - expenditure having been £210 millions compared with £211 millions in the previous quarter. The figures for new building work show a fall of 5% (probably accounted for by the bad weather); on vehicles a rise of 4%, and on plant, no change.