

CALENDAR OF ECONOMIC EVENTS: 1964

A calendar of economic events for the year 1955 to 1959 was published in the *National Institute Economic Review* no. 8, March 1960; for 1960 in *Review* no. 14, March 1961; for 1961 in *Review* no. 19, February 1962; for 1962 in *Review* no. 23, February 1963; and for 1963 in *Review* no. 27, February 1964. Wage claims and settlements made in 1958 were summarised in *Review* no. 12, November 1960, chart 3, page 7; those made in the years 1959 to 1961 were summarised in *Review* no. 19, February 1962, chart 3, page 9; those made in 1962 were shown in *Review* no. 23, February 1963, chart 6, page 12; those made in 1963 were shown in *Review* no. 27, chart 8, page 25; and those made in 1964 are shown in chart 5 on page 24. HMSO and other references are given where appropriate.

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| <p>Jan. 1 Central African Federation ends.</p> <p>1 Sir Charles Guthrie becomes Chairman of BOAC and orders review of its aircraft needs.</p> <p>7 Cuban Government signs £3½ million contract with Leyland Motor Corporation for 400 buses and spare parts.</p> <p>7 Reserve deposit ratios of Australian Trading Banks increased from 10.8 to 12 per cent. (<i>Further increased to 14 per cent in February and 15.5 per cent on 4 March.</i>)</p> <p>11 Talks open between Ministry of Labour and Managing Director of Steel Company of Wales on Port Talbot strike which began on 23 December 1963. (<i>See 2nd February for end of strike.</i>)</p> <p>11 BOAC cuts fares to Caribbean and parts of South America following pact for cheaper North Atlantic fares.</p> <p>15 Commons Estimates Committee urges stronger Treasury control over Anglo-French Concord expenditures.</p> <p>15 Conference on Cyprus opens in London.</p> <p>17 16-nation fisheries conference in London issues draft European Fishing Agreement providing for a 12-mile limit, with permission for 'traditional fishing nations' to approach within 6 miles of the coast.</p> <p>21 Law Lords in <i>Rookes vs. Barnard</i> case decide that BOAC employee who lost his job through union action is entitled to damages from the union officials concerned.</p> <p>21 President Johnson submits a 'Budget of economy and progress' to Congress, embodying substantial cuts in defence expenditures and increased spending on health and education.</p> <p>24 Government announces independent inquiry into profits earned by Ferranti on guided missile work following report of the Auditor General.</p> <p>24 3-year wage agreement for Scottish Building workers announced. Wages to be paid at hourly rates broadly similar to the 'super rates' hitherto paid only in London and Liverpool.</p> <p>24 Central Electricity Generating Board announce overall price of bulk electricity to Area Boards to be increased by 3½ per cent from 1 April.</p> <p>27 Minister of Education announces decision to raise school-leaving age to 16 in the autumn of 1970, thereby adding 350 thousand pupils and calling for more teachers and buildings.</p> <p>29 Greece agrees to the despatch of International Force to Cyprus.</p> <p>30 Swedish Bank Rate raised from 4 to 4½ per cent.</p> | <p>Feb. 2 Steel Company of Wales strike at Port Talbot ends after 41 days; working committee to report on craftsmen's work in relation to productivity and profitability. (<i>See 11 January.</i>)</p> <p>3 Ford Motor Company cuts Anglia prices by £24 to £36; the first cut in car prices since 1952.</p> <p>5 Recurrent grants to universities raised by £20.5 million for next 3 years, and building starts by £15 million in 1964.</p> <p>5 Trades Union Congress rejects NEDC draft of a prices and incomes policy statement.</p> <p>6 Mr. Quintin Hogg appointed Secretary of State for Education and Science, responsible for supervising the whole field of education, to be divided between 2 Ministers of State: one, Sir Edward Boyle, retaining his Cabinet seat, to be responsible for schools, the second, a member of the House of Lords but not in the Cabinet, to be responsible for the universities and civil science.</p> <p>6 500 thousand civil servants accept 3-year pay pact involving 3 per cent rise in 1964 and 3½ per cent in each of the two succeeding years.</p> <p>6 Minister of Transport announces conclusion of Channel Tunnel railway agreement between British and French Governments at an estimated cost of £160 million, subject to settlement of major economic, technical and organisational problems.</p> <p>6 Armed Forces to receive average pay rise of 7½ per cent from 1 April.</p> <p>10 London Transport Board bus and tube minimum fares increase from 3d. to 4d.</p> <p>12 TUC Economic Committee calls for capital gains tax and higher taxes on profits to pave way for an incomes policy.</p> <p>13 Defence White Paper states total spending on defence will rise to more than £2 thousand million for 1964/5, the highest level since the war. (<i>Cmnd. 2270.</i>)</p> <p>18 US stops aid to Britain, France, Yugoslavia, Spain and Morocco for trading with Cuba.</p> <p>21 New £10 notes bearing the Queen's portrait issued.</p> <p>24 Central Electricity Generating Board awards £106 million nuclear power station contract to English Electric consortium. This is the biggest ever nuclear power station contract.</p> <p>25 Government bill on Resale Price Maintenance introduced. It includes a provision to prevent 'loss leading' and lays down three conditions for exemption, i.e. cases where:—</p> <p style="margin-left: 2em;">(a) a substantial reduction will occur in the variety or quality of goods; or</p> <p style="margin-left: 2em;">(b) there will be a substantial loss of retail outlets; or</p> <p style="margin-left: 2em;">(c) there will be a cessation or substantial reduction of necessary services.</p> |
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- Feb. 25** Common Market countries agree to create a single executive for the European Community to incorporate the functions of the three existing executives of the Common Market, Euratom and the Coal and Steel Community.
- 27** UK Bank Rate raised from 4 to 5 per cent: the first of the Government's measures to reduce the rate of economic expansion.
- 27** Unofficial strike at BMC subsidiary over transfer of labour to other work causes major hold-ups at BMC and Rover factories.
- 28** Power unions reject Electricity Council's offer of 2½ per cent rise in basic annual salary from 1 February 1965, a 40-hour week in 1966, 7s. a week more for craftsmen after 2 years' service and longer holidays for all men with 2 or more years service. (See 23 March, 1 April.)
- Mar. 3** Minister of Transport agrees to 21 closure proposals under Dr. Beeching's re-shaping plan for British Railways resulting in a saving of £800 thousand a year.
- 4** Four basic industries—coal, cement, chemicals and oil—inform the National Economic Development Council that they do not expect to make general price increases during 1964.
- 4** Week-old strike at BMC subsidiary plant over labour mobility ends: half of workers moved to other departments to be returned.
- 5** White Paper on *Monopolies, mergers and restrictive practices* published, announcing new Registrar of Monopolies to take over from the Monopolies Commission. (Cmd. 2299.)
- 5** British Railways Board refuses union claim for 40-hour week for railway men on grounds that industry generally works a 42-hour week.
- 6** Engineering workers claim pay increase and reduction in working week from 42 hours to 40 hours; and dockers claim pay increase.
- 6** Ford and Rover labour disputes end with offers of increased pay for shift work and modified bonus systems.
- 9** Government to spend extra £22.3 million on universities and scientific research above the current allocation of £110.6 million during 1964/5, amounting to £3.6 million more than the 1963/4 allocation. (Civil Estimates 1964/5, Class VII, HC 101-VII, (1963/4).)
- 10** Resale Price Maintenance bill passes second reading in Commons but 21 Government members vote against it while another 20 abstain.
- 11** President Nkrumah launches ambitious 7-year development plan for Ghana, envisaging £130 million a year of investment from abroad.
- 13** Swiss Parliament approves 3-year anti-inflation programme covering credit and capital control, 1-year ban on non-essential construction and restrictions on foreign workers.
- 15** Italy receives new credit facilities of \$1 thousand million from US and European Banks to strengthen lira and revive confidence in addition to \$225 million already obtained from the IMF.
- 16** President Johnson submits \$1 thousand million 'attack on poverty' bill to US Congress. Programme to be directed by new Office of Economic Opportunity. (Bill passed by Senate on 11 August.)
- Mar. 16** Ford Motor Company renews offer of third week's holiday for 49,000 manual workers by 1967 in return for guarantee by the unions that more overtime will be worked at the plants.
- 17** Japan raises Bank Rate from 5.84 to 6.57 per cent.
- 18** Union of Post Office workers calls 1-day strike for 16th April, and bans overtime for 2 weeks in protest over failure of Post Office to improve the 11 per cent over 3 years pay offer.
- 18** Annual Farm Price Review published announcing value of guarantees to be raised by £31 million for 1964/5 while costs are expected to rise by only £24 million. Total agricultural subsidies for the year estimated at £327 million.
- 23** National ban on overtime and work-to-rule in support of wage claim for Electricity Supply Industry begins.
- 23** United Nations Conference on Trade and Development opens in Geneva. (See 16 June.)
- Apr. 1** South Eastern Electricity Board increases charges on tariffs mainly affecting large industrial and commercial concerns, and also standing charges for domestic users, as result of 3½ per cent increase in price of bulk power from the Central Electricity Generating Board.
- 1** Overtime ban and work-to-rule in Electricity Supply Industry ends. Government appoints Court of Inquiry into pay dispute headed by Sir Colin Pearson. (See 28 February and 23 March.)
- 2** Dispute between American Federal Maritime Commission and British shipowners over the form of cargo transport contracts which US shipping lines sign with UK customers reaches inter-Governmental level. Minister of Transport promises to take any actions necessary to preserve British rights.
- 3** Treasury announces changes in Exchange Control regulations whereby property purchases in countries outside the sterling area will be made through the investment dollar market.
- 6** First trade agreement under new Board of Trade scheme to liberalise trade with the Soviet bloc signed with Czechoslovakia.
- 7** Treasury announces salary increases for Chairmen of 4 nationalised industries—National Coal Board, Electricity Council, Atomic Energy Commission and the Central Electricity Generating Board—together with salary increases for other officials of nationalised industries.
- 7** US Federal grand jury indicts 8 major American steel companies on charges of conspiring to fix steel prices.
- 8** Chancellor's suggestion for immediate joint talks to seek Settlement of Post Office pay dispute rejected by the union.
- 9** Labour Party gains control of new Greater London Council with majority of 64 seats to the Conservatives' 36.
- 13** Prime Minister of Southern Rhodesia, Mr. Winston Field, resigns over disagreements on policy. Mr. Ian Smith takes over and states his intention of using strong measures to obtain independence for Southern Rhodesia.
- 14** Post Office strike and overtime ban called-off after union accepts Chancellor's offer to set up an *ad hoc* committee of inquiry.

Apr. 14 Mr. Maudling presents deflationary Budget aimed at reducing the growth rate of the economy to 4 per cent from the 5.6 per cent reached during 1963. Measures include:

Increased indirect taxation to total £103½ million in 1964/5, including 10 per cent rise in duty on tobacco and alcoholic drinks.

No increases in Government expenditure.

Encouragement of savings by:

- (1) Introducing new 5 per cent National Development Bonds in place of Defence Bonds with a life of 5 years and maturity bonus of £2 per cent.
- (2) Increasing the limit on holdings of National Savings Certificates from £300 to £600 and of Premium Bonds from £600 to £1,000.
- (3) Carrying out a detailed study aimed at devising a contractual savings scheme for operation by the National Savings Movement.

	<i>Estimated full year effect</i> (£ million)
Income tax and profits tax	+ 5 (1)
Customs and Excise	+ 95½
Miscellaneous revenue	+ 15
	+ 115½
Total net effect	+ 115½

(1) £1 million profits tax.

- 15** Phelps Brown Committee of Inquiry on London busmen's pay dispute recommends in its *Report* (HMSO) substantial improvements in pay and conditions together with improved operating methods. Estimated net cost to the London Transport Board about £4½ million a year.
- 16** Committee of Public Accounts reports on Ferranti's profit on Bloodhound missile contract. An estimated profit of 63 per cent on the cost was made, compared with Ministry of Aviation's intended profit of 7 per cent. Committee consider the profit excessive and Ferranti agrees to make a refund. (*See 29 April.*) (*Second Report, HC 183 (1963-64).*)
- 16** White Paper announces agreement between the UK and Australia, Canada, US and the Argentine to fix a minimum import price for cereals. (*Foreign Office Miscellaneous No. 10 (1964), Cmnd. 2339.*)
- 21** Common Market countries' Council of Ministers agree on framework for the foundations of a common energy policy.
- 22** Italian Government introduces restrictions on period of payments for imports of durable consumer goods, including cars, to 30 days.
- 23** Britain and Russia renew 1959 trade agreement for a further 5 years.
- 26** Canadian Royal Commission on Banking and Finance recommends that monetary controls should be applied to non-bank intermediaries.
- 27** ICI and Courtaulds agree to sever links in an exchange involving £140 million: Courtaulds to transfer its 50 per cent holding in British Nylon Spinners to ICI; and ICI to return its 37.5 per cent holding of Courtauld's ordinary stock.
- 29** Ministry of Aviation announces Ferranti profit on Bloodhound has risen to 113 per cent of capital used, amounting to £5.4 million. Government requests Ferranti to open its books and records for inspection by the Lang Committee, and the Ministry of Aviation to improve its contract procedures with industry. (*See 16 April.*)

May 4 Ministers of the 31 GATT countries meet in Geneva to begin the Kennedy Round of trade negotiations.

9 British Employers' Confederation and Trades Union Congress reject Ministry of Labour proposals for teams to investigate unofficial strikes.

11 Government accepts Lord Franks' recommendations for setting up 2 business schools in London and Manchester and announces its intention of providing them with capital on the same basis as the universities.

13 Conservatives hold marginal seat by small majority at Devizes, but lose Rutherglen to Labour.

15 Court of Inquiry into the Electricity Supply Industry dispute in March publishes report criticising the conduct of both employers and unions and recommends negotiations on the management's 'grand design' for giving the 130 thousand manual workers staff status. (*Cmnd. 2361.*)

27 Pandit Nehru dies, aged 74.

27 TUC and British Employers' Confederation agree to investigate jointly the causes of 12 selected unofficial strikes.

June 1 Yaounde Agreement, linking 18 French speaking African states with the Common Market, comes into force.

2 Lal Bahadur Shastri unanimously elected leader of Congress Party and new Prime Minister of India.

3 Senator Barry Goldwater wins by 2 per cent of votes over Governor Nelson Rockefeller in California primary election.

4 Dutch Bank Rate raised from 4 to 4½ per cent.

5 Labour Party retain Faversham in Parliamentary by-election with greatly increased majority of nearly 5 thousand.

5 Chrysler Corporation bid for 30 per cent ordinary shares and 50 per cent A shares in Rootes Motors, worth £12.3 million, and announce intention of combining Rootes, Chrysler and Dodge operations in future. (*See 29 July.*)

10 Engineering unions reject employers' £200 million a year package deal involving shorter hours, longer holidays and higher minimum earnings, and hold out for a 40-hour week to be granted separately from wage adjustments.

10 Danish Bank Rate raised from 5½ to 6½ per cent.

11 Electricity Area Boards grant 135 thousand electricity supply manual workers pay increases from 5 to 12½ per cent as result of Government Court of Inquiry recommendations.

16 United Nations Trade and Development Conference closes. (*Report published by HMSO, July 1964, Cmnd. 2417.*)

16 British Railways Board annual report for 1963 shows a working deficit of £82 million for the year, amounting to £22 million less than the 1962 deficit.

16 Kenya, Tanganyika and Uganda announce details of agreement to form a common market.

18 Railway employees put in claim for a further 10.7 per cent pay increase (£30 million a year) 7 months after their last pay increase of 6 per cent was granted.

- June 22** Restrictive Practices Court outlaws price-fixing agreement between British heavy steel manufacturers.
- 22** Cuban Government purchases a further 500 buses from Leyland Motors.
- 24** London bus pay dispute ends with average increase of 38s. a week for 34 thousand busmen which will cost the London Transport Board £5½ million a year.
- 26** Italian centre-left Coalition Government resigns.
- 28** TUC publishes statement on Government White Paper on Monopolies and Mergers (*Cmnd. 2299*) urging the setting up of a committee to study the trend towards large scale industrial and financial mergers over the last 20 years both in the UK and abroad.
- 29** ITV strike commences: union announces stoppage for one week or until television companies resume negotiations for union claim for new salary structure, to cost £2½ million a year, and shorter hours.
- July 1** Germany halves duty on industrial goods imported from the Common Market.
- 1** Prime Minister blames loss of shipbuilding orders for Spanish navy on attitude adopted by the Labour Party in opposing the supply of military or naval equipment to Fascist or Communist countries.
- 2** Swiss Bank Rate raised from 2 to 2½ per cent.
- 2** Belgian Bank Rate raised from 4 to 4½ per cent.
- 3** Courtaulds signs £6 million contract to supply the Soviet Union with synthetic fibres.
- 6** ITV strike ends and negotiations for settlement commence.
- 7** Civil Service Arbitration Tribunal announces reduction in working week to 36-37 hours for 400 thousand civil servants.
- 7** Commonwealth Prime Ministers' Conference opens in London.
- 8** French Government decides to limit the rate of growth of State expenditure to the forecast rate of growth of gross national product.
- 8** Minister of Aviation announces £55 million rise in cost of Anglo-French Concord development project due to modifications. Total cost now estimated at £140 million.
- 10** Postmen start unofficial strikes in London and Birmingham areas resulting in widespread delays. Unofficial action followed breakdown of negotiations between Union of Post Office Workers and the Postmaster General on pay claims by 120 thousand postmen.
- 11** Unofficial postal strikes end, but embargo on overtime continues. Official one-day strike called for 16 July.
- 15** Senator Barry Goldwater nominated Republican candidate for US Presidential election.
- 15** South African Bank Rate raised from 3½ to 4 per cent.
- 16** Official one-day national postal strike, and 2 weeks overtime ban commences.
- 16** Resale Price Maintenance Bill becomes law.
- July 17** Rolls Razor Board decide to wind up the company and its subsidiaries in the absence of Mr. John Bloom. After subsequent attempts to salvage the company Mr. Bloom and full Board confirm decision to liquidate the company.
- 17** Sir Giles Guthrie, Chairman of BOAC, announces details of plans cutting back the airline's activities in an attempt to make operations more profitable, including cancellation of 13 of the 30 VC-10 aircraft ordered by the Corporation.
- 19** Treasury applies to IMF to renew stand-by credit of \$1 thousand million. (*See 28 July.*)
- 24** Postal dispute ends with offer of 6½ per cent rise in wages, back-dated to January, for 120 thousand postmen accepted at a cost to the Government of £6½ million a year.
- 24** Miners vote to accept Coal Board's offer of pay increases ranging from 7s. 6d. to 12s. a week for 300 thousand day-wage earners and craftsmen.
- 28** Lang Committee reports on Ferranti's profit on Bloodhound missile contract and criticises the company for misleading the Ministry of Aviation on the question of profits, which amounted to £5,772,964, representing 82 per cent on costs and 45 per cent on sales. The Ministry of Aviation is criticised for lack of direction and co-ordination. (*Cmnd. 2428.*)
- 28** Minister of Aviation confirms Ferranti's offer to repay £4½ million of the Bloodhound profits to the Government.
- 28** IMF announces renewal for a further 12 months of Britain's stand-by credit for \$1 thousand million. (*See 19 July.*)
- 29** Treasury consents to Chrysler Corporation £12.3 million bid to acquire 30 per cent of Ordinary shares and 50 per cent of A shares in Rootes Motors. (*See 5 June.*)
- Aug. 4** Commercial Television Companies announce pay increase to television craftsmen totalling 16 per cent over 3 years. (*See 29 June and 6 July.*)
- 11** Australian Federal Treasurer presents an anti-inflationary Budget to slow down expansion and cover large increases in Government expenditure.
- 12** Air Transport Licensing Board announces 2½ per cent increases in air fares on UK domestic air routes from 1 November, to meet higher airport charges.
- 25** Ministry of Labour Manpower Research Unit forecasts an increasing shortage of labour in Britain over the next 10 years. (*Manpower Studies No. 1, Pattern of the Future.*)
- 28** President Johnson and Senator Humphrey nominated Democratic candidates for US President and Vice-President.
- Sept. 1** Treasury announces new regulations to enable building societies to grow faster without losing trustee status. Reserve ratio for societies with assets over £100 million reduced from 2½ to 2 per cent.

- Sept. 1** Italian Government adopts new economic measures including turnover tax increase from 3.3 to 4 per cent on all manufactured goods except foodstuffs, fertilizers, pesticides and agricultural machinery; 2 per cent welfare charges transferred to the Government from employers and increased equalisation tax on imports.
- 2** Commonwealth Finance Ministers 3-day meeting in Kuala Lumpur ends in agreement on continued need for increasing aid to developing countries.
- 3** Secretary of State for Education and Science announces Government's £83 million allocation to University Grants Committee over the period 1966-69 for buildings for universities and colleges of advanced technology.
- 7** International Monetary Fund annual meeting opens in Tokyo.
- 10** Governors of the IMF agree to a general 25 per cent increase in quotas and to the creation of a World Bank centre for conciliation and arbitration of disputes between foreign investors and governments.
- 11** Labour Party General Election Manifesto published.
- 12** Talks between Prime Minister and Mr. Ian Smith end in agreement that independence will only be granted to Southern Rhodesia by general consent of the majority of the population.
- 17** Conservative Party General Election Manifesto published.
- 23** Canadian Finance Minister announces new limits of 25 per cent of issued shares on non-resident shareholdings in Canadian banks and insurance companies. This is aimed at restricting US investment in Canada.
- 25** Dissolution of Parliament.
- 29** 300 inspectors at Hardy Spicer, key vehicle industry components factory, strike for more pay. (*See 3 October.*)
- Oct. 3** Strike of inspectors at Hardy Spicers ends with agreement on pay increase of 5d. an hour. (*See 29 September.*)
- 12** Unofficial strike on London Underground begins in protest over introduction of new timetable to take account of shortage of staff.
- 14** 3-day unofficial London Underground strike ends; services return to normal.
- 15** Labour Party wins General Election with overall majority of 5 seats: Labour 317 seats, Conservatives 302, Liberals 9, Speaker 1.
- 16** Following meeting of the Communist Party Central Committee on 14 October, Kremlin announces resignation of Mr. Nikita Khrushchev as First Secretary of the Soviet Communist Party and Prime Minister of the Soviet Union. Mr. L. I. Brezhnev elected First Secretary and Mr. Alexei Kosygin Prime Minister.
- 16** Mr. Harold Wilson asked to form a Government.
- 16** China explodes her first nuclear device.
- 19** Railway Union leaders reject offers of 5 per cent increase in wages and claim a rise of 9.4 per cent.
- Oct. 23** British and Zambian (Northern Rhodesian) Governments pay British South Africa Company £2 million each in compensation for loss of its mineral rights to the Zambian Government on 24 October.
- 24** Northern Rhodesia achieves independence as new state of Zambia.
- 26** Government publishes White Paper announcing measures for reducing the balance of payments deficit estimated at £700-£800 million for 1964 (*The Economic Situation*, HMSO). These include:
- (1) Immediate surcharge of 15 per cent on all imports of manufactures and semi-manufactures: estimated increased revenue, £100 million a year.
 - (2) A new system of export rebates involving indirect taxes including duty on oil, petrol and vehicle licences paid by exporters, amounting to about £70 million a year.
 - (3) Discussions with the IMF about the use of UK drawing rights.
 - (4) Re-examination of the economic viability of the Concord supersonic airliner project.
- 26** Southern Rhodesian tribal chiefs and headmen, in the absence of British observers, vote unanimously for independence under the present Constitution. British Government expresses disapproval of the method of consultation, and refuses to recognise the vote for independence.
- 27** After critical reception by EFTA of the 15 per cent import surcharge, the Government defends its action in a letter to the GATT Council invoking Article 12 of the Agreement which allows Parties in balance of payments difficulties to resort to tariff restrictions. (*See 30 October and 19 November.*)
- 27** 85 thousand policemen of all ranks receive pay increases ranging from 7.1 per cent to 7.45 per cent, backdated to September.
- 29** Ministry of Labour appoints a Committee of Inquiry to investigate dock disputes headed by Lord Devlin. (*See 20 November.*)
- 29** Prime Minister of Southern Rhodesia announces that the approaching electoral referendum will not be regarded as a mandate for declaring independence. (*See 6 November.*)
- 30** Council of GATT, following strong criticism and complaints, decides to set up a group consisting of EEC and 11 other nations to examine with Britain the effects of the 15 per cent imports surcharge. (*See 27 October and 19 November.*)
- Nov. 3** State Opening of Parliament.
- 3** Lyndon B. Johnson elected President of the United States of America with 44 States (486 electoral votes) to Senator Barry Goldwater's 6 States (52 electoral votes).
- 4** Government bans all new office building in Greater London, except where a special Office of Development Permit is granted by the Board of Trade.
- 4** Minister of Transport announces that no more railway lines or stations will be closed under the Beeching Plan until the Government has prepared regional co-ordinated transport proposals.
- 6** 3 rail unions reject pay offers of 4 to 6 per cent and decide to send their claims to arbitration.
- 6** Southern Rhodesians vote for independence under the present Constitution by 58,091 votes to 6,090 against. (*See 29 October.*)

- Nov. 8** Paris Club places \$400 million at the disposal of the IMF for Britain to draw on.
- 10** Prime Minister of Australia announces increase of 40 per cent over the next 3 years in Australian defence expenditure.
- 11** Chancellor of the Exchequer presents his first Budget aimed at reducing the deficit and providing increased social insurance benefits. New measures include:—
- (1) Increase in duty on petrol by 6d. a gallon, effective immediately.
 - (2) Increase in the standard rate of income tax by 6d. in the £ from April 1965.
 - (3) A new Corporation Tax, to take the place of company income tax and profits tax, to come into operation in April 1965.
 - (4) Increase in pensions by 12s. 6d. a week to make £4 for a single retired person and for married couples by 21s. to make £6 10s. a week. Widow's pension increased from 10s. to 30s. a week and earnings rule abolished. Increases to become operative on 29 March 1965.
 - (5) Increase in National Insurance contributions by 2s. a week for men and 3s. 3d. for employers of men; for women the increase will be 1s. 9d. and 2s. 10d. for the employers.
- | | <i>Estimated
full year
effect
(£ million)</i> |
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| Inland Revenue | + 122 |
| Customs and Excise (petrol duty) .. | + 93 |
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| | + 215 |
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- 12** Road Haulage Association announces 2½ per cent increase in their recommended rates for independent hauliers as a result of the increase in fuel oil tax.
- 16** Lawrence Committee recommendations on MPs pay accepted, but the Government proposes to grant only half the recommended amount to Ministers. Annual cost of increases £1.1 million. (*Cmnd. 2516.*)
- 17** Government places embargo on all exports of arms to South Africa, but postpones decision on Hawker Siddeley contract for Buccaneer naval aircraft. (*See 25 November.*)
- 18** Government's draft 'statement of intention' on prices and incomes policy delivered to the TUC and employers' organisations. (*See 9 and 16 December.*)
- 19** Government announces replacement of the Chancellor of the Exchequer by Mr. George Brown, Minister for Economic Affairs, as Chairman of NEDC in order to free the Chancellor and Treasury to concentrate on reforming the tax system.
- 19** EFTA Ministerial council meets to discuss Britain's 15 per cent import surcharge. Foreign Secretary and President of the Board of Trade fail to satisfy other Ministers of the necessity for imposing the surcharge without prior consultation with trading partners. (*See 27 and 30 October.*)
- 20** Devlin Committee reports on first part of its brief that dockers' wages should be raised by 5 per cent for piece workers and 10 per cent (9s. 2d. a week) for time workers. Cost to the employers—£3.6 million a year. (*Cmnd. 2523.*) (*See 29 October.*)
- 23** UK Bank Rate raised from 5 to 7 per cent, the highest level since October 1961.
- 23** US Federal Reserve approves increase in discount rates of 5 major US Banks from 3½ to 4 per cent.
- Nov. 24** Canadian Bank Rate raised from 4 to 4½ per cent.
- 25** Bank of England announces arrangements for credits of \$3 thousand million from the Central Banks of 8 European countries, Canada, the US and Japan and the Bank for International Settlements in addition to credit arrangements already made with the Basle Club and the IMF.
- 25** Government agrees to allow delivery of 16 Buccaneer naval aircraft to South Africa but cancels the option of an order for 14 more aircraft. (*See 17 November.*)
- Dec. 2** Government sets up *ad hoc* committee of senior civil servants under Sir Thomas Padmore to investigate delays and congestion in the docks and to make proposals for dealing with the situation.
- 6** Signor Antonio Segni, President of the Italian Republic, resigns. (*See 28 December.*)
- 7** Engineering employers' and unions' agreement to reduce the working week for 3 million engineering workers and 250 thousand shipyard workers from 42 to 41 hours becomes effective. (*See 10 December.*)
- 7** Prime Minister and President Johnson begin general discussions in Washington.
- 7** South African Bank Rate raised from 4 to 4½ per cent.
- 7** Minister of Labour announces inquiry into the role of trade unions and employers' associations in modern society.
- 8** Bank of England directs London Clearing Banks in using curb on bank advances which they may undertake, to limit loans for property development, hire purchase and personal use.
- 9** TUC Economic Committee accepts Mr. Brown's final draft of a 'statement of intent' on a national incomes and prices policy. (*See 18 November and 16 December.*)
- 9** Minister of Aviation announces the Government's decision to set up a committee headed by Lord Plowden to examine the future place of the aircraft industry in the national economy.
- 10** Confederation of Shipbuilding and Engineering Unions approves a 3-year package deal on wages, hours and holidays for 3 million engineering workers, to cost £320 million.
- 14** Railways Board and NUR accept Railway Staff National Tribunal award of 9 per cent pay increase for 283 thousand operating workers which will cost the Board £18 million a year.
- 16** Joint 'statement of intent' on an incomes and prices policy signed by the Government, TUC and employers' organisations. (*See 18 November and 9 December.*)
- 16** Japan reduces ratio of commercial bank deposit reserve holdings from 3 to 1.5 per cent.
- 18** GATT Council declares UK 15 per cent imports surcharge a violation of the Treaty. (*See 27 and 30 October.*)
- 28** Signor Giuseppe Saragat elected President of the Italian Republic after 21 ballots had been taken over 13 days. (*See 6 December.*)
- 30** John Brown signs contract for new 58 thousand ton Cunard liner to cost £23 million.