Economic Journal, Mar. 1940

# T i stand and done humane saves i The Advandation of the Advandation of the

## WAR AND HOUSING

El Maria M

On September 8, 1939, the Ministry of Health decided :---

To defer the holding of inquiries into slum-clearance orders.

Not to approve the erection of further houses, except in the case of national interest.

That houses under construction should only be finished by Local Authorities if they were in an advanced state of construction.

To stop demolition, even in those cases where slumclearance orders had already been confirmed and the Local Authority was bound to proceed with the work.

The Government policy is being questioned by the building industry as well as by the building operatives, who figure as one of the largest groups amongst those who are unemployed. Many local authorities who are not allowed to continue with the housing scheme, and are not even allowed to finish their houses under construction, are also strongly against it, as the latter involves waste. The unfinished houses, being open to wind and weather, are bound to suffer.

The Government, however, has a good argument—that is, the shortage of timber. The timber in this country has to be reserved for war purposes, Government work, shipbuilding and, maybe also, for repairs after enemy air raids.

This is not the appropriate time to discuss the question why more timber has not been stored in this country before the outbreak of the war, for this would not alter the situation.

There was some indignation that, in view of the timber shortage, army huts were, until recently, built exclusively of timber. Furthermore, it is resented that the scarce timber is allowed to be wasted—for example, encasing sandbags—where other materials, cement and bricks, would serve the same purpose.

The Government might, however, reply that building with timber is by far the most efficient method, and that time was not sufficient to allow of the use of alternative materials.

We have to face the fact that the builder without Government work is limited at present to a supply of timber not exceeding.

#### MARCH 1940]

in value £5 a month. There are, however, builders and architects who think they could build with a very limited supply of timber. As a matter of fact, before the war they were already using comparatively little timber in blocks of flats.

In an article, "War-time Building Practice" (*The Builder*, February 9, 1940), R. Cotterel Butler points out :---

"... the walls and floors of light structure may be fabricated, if need be, without the use of either steel or timber of building quality, and without the development of any particularly complex or unusual fabrication system. In roof design, however, this is by no means so simple a case....

"... the most intelligent course to pursue would appear to be the use of light steel reinforcement for main roof members, of steel and other metal mesh for slabs or secondary members and of fibrous reinforcement wherever possible. Maximum economies in steel and the entire elimination of timber of building quality would thus be effected."

## A letter written to The Builder (January 19, 1940) says :----

"... the building could be so designed by the use of precast floors and roofs, concrete staircases, cement skirtings, iron windows, etc., as to leave doors the only item for which wood could not be substituted.

"On a £10,000 job, timber to the value of say £50, would go a long way towards door requirements."

As to bricks, cement, asbestos cement, glass, lime, pipes, sand and gravel, sanitary fireclay, terra-cotta and tiles, the supply, according to *The Builder* (January 19, 1940), is far beyond the demand, and the capacity of these industries is more than sufficient to meet all requirements. Only in structural steel there may be delays in certain sections. Many brick- and tile-works in all parts of the country are said to be closing down or operating short hours.

On the other hand, it may be that in time other building materials will also be reserved for Government works, and skilled labour operatives may also become scarce. The building industry claims that there is at present an adequate supply of such operatives.

Whatever ways and means may be found, however, to substitute timber and make building in war-time possible, war-time conditions would necessitate great reduction in building; anything like normal building activity is out of the question at present.

The controversy which has arisen about this "stop-building"

policy has been mainly approached from the point of view of how it affects the present situation. The position after the war, and the effect of air-raid damage which might occur, have hardly been brought into the discussion. This is a mistake, as it would help to clarify the situation.

It may be that the Government is under the impression that as the housing situation in 1914 was quite different from that at the beginning of this war, so the situation will also be different at the end of the war. Whether this opinion is likely to prove correct is worth examining.

When the Great War came to an end, the shortage of houses was terrific. During the war hardly any building was taking place, and when the soldiers came back they found it impossible to find a house or dwelling. The situation was particularly bad, as the years preceding the war were extremely lean years as regards building. So not only the arrears which had accumulated during the war, but also earlier shortcomings had to be amended to improve the situation.

It was quickly recognised that drastic methods had to be applied to meet the shortage of houses, but there was a shortage of everything connected with the building industry. There was a shortage of building materials as well as a lack of men—especially skilled building operatives. Moreover, the prices of building material, as well as wages, had risen fantastically. To make things worse, the efficiency of labour had greatly deteriorated. The result was that the cost of building rose to bewildering heights. There was scarcely any possibility of getting houses for the working classes who needed them, at a rent they could afford, except by subsidising building. Some of the subsidies introduced at that time still figure in the national budget of to-day, and will remain there for many years to come.

It may be that at the end of this war the slogan will again be heard, "Homes for heroes," but it may well be that the number of homeless people will be much larger this time than after the last war.

It is true that the housing situation at the beginning of this war is different from the situation of 1914 in so far as these last years saw a building boom of great extent. Nearly a third of the existing houses in England and Wales have been built since the Armistice. This is a great achievement. The four million new houses in England and Wales may have contributed to the Government's decision to stop civilian building at the outset of this war; and yet, although the housing situation looks brighter at the moment compared with the beginning of the last war, it is misleading to assume that things will also compare favourably at the end of this war with the post-war situation of 1919. This might only be the case if the present war were to be a very short one.

To begin with, the very fact that building has stopped will be a serious obstacle for future building. No one is inclined to send his son as an apprentice into a trade which is at present prohibited and which has thousands of unemployed. But this very shortage of trained operatives in the building industry was one of the greatest disasters after the last war. It took years before these shortcomings could be amended. Only after hard bargaining was an arrangement made with the Trade Unions that demobilised soldiers could be trained as building craftsmen although they had passed the ordinary age for this training.

There is also a fixed relationship of the numbers of the different craftsmen required in the building industry without which there would be all kinds of delays and which would contribute to increased building costs. The crippling of the building industry which the Government policy must entail is bound to bring about a disintegration of the industry which will have farreaching effects when building is resumed.

Apart from some large contractors, the building trade mainly consists of small firms, each employing only a few workmen. But the small local builder cannot stand a long period of inactivity. He has no large capital reserves. Even in peace time the small builder was hard pressed, and this trade figured very high on the bankruptcy lists. But if the small builders increasingly go out of business, new builders will spring up, less familiar with local requirements, on the resumption of building, employing new men with all the attendant consequences.

There is a factor in this war which might make building a much more urgent necessity than last time. It is the possibility of large-scale destruction by incendiary bombs. Yet this factor of possible destruction seems to be used as an argument for cessation of building during the war, but one could argue that this possibility justified more building rather than stopping it. As far as *private capital* is concerned, there is, of course, no chance that house-building will continue during the war. However, during recent years private enterprise has not been concerned with housing for the working classes.

Is it possible to forecast the future demand which will arise after a war of a certain duration—say two or three years? After previous forecasts of future housing demands, one is warned against over-valuing such predictions. On the other hand, the failure of former estimates may serve for a more critical future one.

After the last war the housing shortage was estimated at about half a million, a figure, as we know now, quite inadequate to meet the demand. The housing census for 1931 estimated that 1,200,000 new dwellings would be required by 1941, and about 1,700,000 dwellings to reach saturation point. These figures refer to England and Wales only. Yet between 1931 and 1939 more than 2,300,000 houses had been completed in England and Wales of which the rateable value did not exceed £78, or £105 in Greater London. That is to say up till 1939 at least 600,000 more dwellings had been built than the highest estimate of the housing census for 1931 gave for saturation point. Nevertheless there still is a great shortage of decent dwellings.

In the report of the Ministry of Health of August 1939 it was stated that there were still 472,000 slum houses which could only be satisfactorily dealt with by demolition. Moreover, 258,792 dwellings were overcrowded and should be dealt with. The Ministry of Health mentioned that the completion of this programme will keep the Local Authorities occupied for some time yet.

The housing census for 1931 cannot, however, be blamed for lack of foresight. Various events have contributed to the demand for houses in a way which could hardly have been foreseen. The great activity of the building societies, together with an upswing in the trade cycle and low interest rates, gave a great stimulus to the construction of cottages as well as blocks of flats. Furthermore, new laws were passed, one to facilitate slum clearance, the other for abatement of overcrowding.

As a result, a rising standard of housing has been adopted. The war, or, to be more exact, the housing policy in this war, has caused a relaxation.

The greatest demand for houses since 1921 has arisen from the increase in families (family in the sense of the census takes into account every lodger, not boarding with the family). The population of England and Wales has risen from 37,900,000 to 39,900,000 between 1921 and 1931—roughly 5 per cent.

The number of families has risen by 17 per cent. during the same period—*i.e.* from 8,700,000 families to 10,200,000 families. This increase of 1,500,000 families was accompanied by an increase of 1,400,000 houses. That is to say, up till 1931 the housing

situation was no better than it was in 1921, the time of great shortage, as the number of sharing families had not decreased. Improvement, however, has taken place in the numerical density per occupied room, owing to the greater number of small families.

There were therefore large arrears to be made up for families sharing a house and who were only waiting for the opportunity to get a home of their own. But this is not all; since 1933 the balance of migration changed into an influx of several hundreds of thousands into this country.

The effective demand for houses is dependent on various factors. Age composition of the population, migration, location of industry and migration of it, even fashion plays a certain rôle. The economic factor may, of course, be the decisive factor for the demand. A great percentage of the working people cannot afford to pay the economic rent. Without subsidies (chiefly rent rebates) they could not be transferred from slum houses into decent dwellings. Since the last war, private enterprise, as already mentioned, has built scarcely any houses for the unskilled working classes. It does not pay. It was left to the authorities to provide new houses for the bulk of the working classes who had to be rehoused.

In consequence, it is almost impossible to estimate the future effective demand for houses. What can, however, be roughly estimated is the need for houses resulting from the changing size and age composition of population.

According to population estimates for England and Wales compiled by Dr. E. Charles, the population of England and Wales will vary only slightly in the next three years. The average annual increase is roughly 27,000. Yet the number of adults (an adult in this case being taken to be any person over 19 years of age) will increase :---

> From 1939 to 1940 by 175,000 ,, 1940 ,, 1941 ,, 285,000 ,, 1941 ,, 1942 ,, 262,000

These figures have been arrived at by taking Dr. Charles' estimates <sup>1</sup> for the size of population of the coming years and deducting the numbers of children up to 19 years of age.

In 1941 there will be (ceteris paribus) 460,000 adults more in

<sup>1</sup> London and Cambridge Economic Service, special memorandum No. 40.

The assumption on which the estimates are based is that fertility and mortality rates continue to be the same as in 1933. The reality has proved to be only slightly different.

#### THE ECONOMIC JOURNAL.

[MARCH

England and Wales than in 1939, and in 1942 there will be 722,000 adults more than in 1939. That is to say, by the change of age composition alone there would be a need for roughly 180,000 new dwellings after a two years' war, or 290,000 after a three years' war. To this have to be added the arrears in slum clearance and abatement of overcrowding : that is, 730,000 dwellings.

In the above figures no account is taken of the fact that migration of industry during war-time must result in empty houses in certain areas accompanied by a shortage of houses in others. This disproportion will continue unless perhaps the process should be reversed. Furthermore, it should be remembered that in the coming decade the ageing of population as well as the replacement of old houses will make about 200,000 dwellings necessary annually.

The above can only be taken as a rough estimate based on the assumption that no destruction of houses or loss of life by enemy action will occur. It is also based on the assumption that the newly required standard of housing adopted in recent years will be upheld. No allowance is made for demolition of houses which, during the war, will become unfit for habitation.

### CONCLUSIONS

On the whole the cessation of usual building during the war will have to be accepted in view of the timber shortage, apart from other considerations. But slight concessions could and should be made. There should be greater elasticity, with economising on timber for certain Government works wherever this is possible and its diversion to building for civilian needs. The evacuation of industry and population from the big cities into the country has caused vacancies in some places and shortage of accommodation in others.

1. The housing needs in those towns into which industry has emigrated should therefore be satisfied as far as possible. This encouragement for industry to stay outside big towns can be of the greatest value.

2. Houses in present circumstances are bound to be neglected; the longer the war lasts the more this will be felt. The maintenance and repair of houses should be provided for, so as to avoid any further unnecessary deterioration. It is advisable that houses under construction should be completed at the earliest possible date. At least,

 $\bigcirc$ 

one should permit the Local Authorities to complete houses which are half finished.

3. We have not the slightest idea what indiscriminate air bombardment on our large cities may mean. It would be unwise to neglect the possibilities of such a catastrophe, with its attendant consequences. Would it not be better policy to provide accommodation in time for those who may be rendered homeless? And should we decide to do so, let us start immediately, as long as men are still available. The immediate, if limited, resumption of building would also help towards the training of apprentices who would be useful in case of air raids as well as after the war.

4. It is also essential that building material which is manufactured in the country, such as bricks and tiles, etc., ' should be stored in large quantities. Financial obstacles will have to be overcome with Government aid.

5. Whatever may be done during the war, it is imperative that the potential post-war situation should be taken into consideration.

6. It should be seen to that the building industry does not disintegrate further. In any case, it should be ensured that after the war the building industry will have the operatives it needs.

7. Apprenticeship should not be forgotten, and young boys should be encouraged to enter the trade. Special provision should be made for the maintenance and training below war age to compensate for the failure of normal demand. The discussion with the Trade Unions regarding training of demobilised soldiers as building operatives after the war should take place before the war has ended, not afterwards.

8. The lack of material experienced after the last war can be partly avoided by standardisation of building material. Steps should be taken, however, before the shortage materialises.

9. The planning for housing after the war should start at once, and the location of industry problem should be tackled as well. The unique opportunity now, when industry is on the move, should not be missed.

10. It is also necessary to have the advice of the building trade so as to avoid the pitfalls of the last time. Research work on building by groups of architects should have every support. By this much money can be saved and mistakes prevented.

No. 197.—VOL. L.

[MARCH 1940

This is not all, but it would be a start. Building will prove of the utmost importance in the post-war period, not only in satisfying the needs after the lull occasioned by the war, but also in providing an incentive to switch over to peace-time occupation when war industry comes to an end.

Those who argue that the period after the war is not the right time to amend shortcomings in housing, may be reminded that it was after the last war (and a lost war) that Austria and Germany achieved more in housing than in any period before or afterwards.

Summing up, it seems that little can be done for housing at present. More could be done to forestall lack of home-manufactured building materials in case of air raids. But most of all could be done to alleviate the difficulties which are bound to crop up after the war, when a well-planned housing programme should play a decisive part.

M. J. Elsas

London.