CONFIDENTIAL ANNEXES AND "NO CIRCULATION" RECORDS

1946

C.M.(46) 70th Conclusions - World Food Supplies: Canadian Wheat Contract and Supplies. (C.A.)

80th Conclusions, Minute 2 - Bread Rationing. (C.A.)

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95th Conclusions - Charitable Funds. (N.C.R.)

97th Conclusions - Debate on the Address: Foreign Policy Amendment. (N.C.R.)

104th Conclusions, Minute 3 - India: Constitutional Position. (C.A.)

108th Conclusions - India: Constitutional Position. (C.A.)
WORLD FOOD
SUPPLIES

Canadian
Wheat
Contract
and
Supplies

(Previous
Reference:
C.M. (46) 69th
Conclusions,
Minute 2)

(a) the memorandum by the Minister of Food (C.P. (46) 286) covering copies of minutes addressed by the Lord President of the Council and the Minister of Food to the Prime Minister suggesting that, in view of the information contained in telegram AMAZE 7488 from the British Food Mission in Washington, the introduction of bread rationing should be suspended; and

(b) a note by the Additional Secretary to the Cabinet (C.P. (46) 289) circulating a draft of a public statement which the Minister of Food proposed to make if it were decided to suspend the introduction of bread rationing.

THE MINISTER OF FOOD said that it would probably be convenient if he dealt with the points raised at the preliminary discussion of his proposal at a meeting of Ministers on the previous day.

It had been suggested that, as an alternative to the suspension of rationing, the flour extraction rate should be reduced. A reduction from 90 per cent to 85 per cent would call for an additional 25,000 tons of wheat a month and for technical reasons there could be no question of lowering the rate until September. Thus, whatever decision was reached about the introduction of rationing, the date on which the extraction rate could be lowered would not be affected. He was, however, most anxious to bring the rate down to 85 per cent as soon as possible, and he saw no reason why it should not be possible to do this in September, even though the introduction of rationing were to be suspended.

It had been urged that, since the figures given in AMAZE 7488 were no more than a tentative guess, the Cabinet would not be justified in altering their decision. It was true that the Canadian Wheat Board's estimate of probable shipments was given with certain reservations, but the fact that he now had even a tentative programme of shipments gave him a very much firmer basis on which to work than he had ever had before. The British Food Mission in Washington were satisfied that the shipment of the 1,000,000 tons of wheat which the United States Government had undertaken to send to the United Kingdom was well up to schedule and that there was no need whatever to ask for any further guarantee of delivery. They had also assured him that the United States Administration saw no reason to
suppose that there would be any hold up of shipments owing to strikes during the next few weeks. While, therefore, there could be no absolute certainty that strikes would not take place or that some catastrophic change in the weather would not ruin the North American harvest, he felt that the risk was not such as to justify the immediate introduction of rationing in face of the new promise of additional Canadian supplies during the critical months of August and September. He had verified that these supplies would still leave United Kingdom imports below the figure fixed by the International Emergency Food Council, so that there could be no question of our having to obtain the consent of the Council before we could secure them. He did not believe that the suspension of the introduction of rationing would embarrass the United States Administration. Indeed, when he had been in Washington Mr. Clinton Anderson had on two occasions expressed the hope that bread rationing would not be introduced in the United Kingdom. With regard to Germany, the Chancellor of the Duchy of Lancaster had stated at the meeting of the World Food Supplies Committee on 12th July (W. F. S. (46) 14th Meeting, Minute 1) that at 18th August there would be a deficit of 55,000 tons of wheat in the British zone. The Control Commission had, however, estimated that by 30th August 100,000 tons of wheat would be available from the harvest in the British zone, and it should surely be possible to cover the estimated deficit at 18th August by making strenuous efforts to secure early deliveries from German farms. The Chancellor of the Duchy had also stated that only 74,000 tons of wheat were in sight from the United States. But in fact the United States Government intended to send 60,000 tons in July and a further 80,000 tons in August and these quantities might be raised to 120,000 tons each month. He could not, therefore, believe that there was a real danger of breakdown in the British zone in August and it seemed clear that thereafter the whole position would be altered owing to the good European harvest and the establishment of economic co-operation between the British and American zones. In the last three days an offer of 30,000 tons of wheat from Turkey had been received and there had been indications that Roumania and even Russia might have wheat for export. This did not affect the immediate position, but it was significant of the hopeful prospects for the European harvest. He begged the Cabinet not to underrate the inconvenience and dislocation which would arise if rationing were introduced. It was true that the organised opposition of the bakers had collapsed, but their preparations for operating the scheme had been inadequate and until their shops had mastered the coupon system there would inevitably be long queues of customers waiting to be served. He had considered the possibility of advising bakers to give customers bread even though they were unable to produce coupons, but he was convinced that any relaxation of this kind would rapidly make the scheme unworkable. It would be frivolous to introduce bread rationing unless there were convincing reasons for doing so and he was now satisfied, on the new facts before him, that bread rationing could not be regarded as necessary for the purpose of safeguarding our supplies. He was likely to be able to announce the signature of the Canadian wheat contract on Monday or Tuesday and, although this affected only the long term position, it would obviously be regarded as making the United Kingdom supply position more secure. He did not believe that there was any collusion between Mr. Gardiner and the Opposition, but it was clear that the...
Opposition already had an inkling of the fresh facts given in AMAZE 7488 and it would be disastrous to attempt to withhold this information from them. Once the new figures had been disclosed he did not see how he could defend the introduction of rationing. It would naturally be extremely embarrassing for him to have to announce the suspension of the rationing scheme, but it would be infinitely better to face this immediate difficulty than to persist in introducing the scheme and be subsequently compelled to admit that its introduction had not been necessary.

THE PRIME MINISTER said that when the Cabinet had considered the matter on 16th July it had been agreed that the deciding factor was not what would be available from Canada after September but what was likely to be the United Kingdom stock position at the critical period at the end of August. It had been felt that it would be prudent to introduce bread rationing because the United States Government might fail to deliver the supplies which they had promised or might be prevented from doing so because of railway or maritime strikes. The Cabinet had also had in mind that we could not be absolutely sure that the United Kingdom crop would not suffer through bad weather. These uncertainties still remained, and the only new factor was the probability that some additional Canadian wheat would be delivered to the United Kingdom in August and September. Looking to the fact that during August and September we should be working on a much narrower margin than ever before, he felt that the situation had not changed sufficiently to justify suspending the scheme. The decision to impose bread rationing had made a very great impression in the United States and he felt sure that the suspension of the scheme would alienate American opinion. As to Germany, it was admitted that the ration level in the British zone was pitifully low and, despite what the Minister of Food had said, the Cabinet could not exclude the possibility of a breakdown which might well lead the United States Government to divert to Germany wheat destined for the United Kingdom. Nor could the position of India and other British territories in the Far East be ignored. If the Minister of Food found it possible to bring the rationing scheme to an end after, say, six weeks or two months, this would be all to the good; but to suspend the introduction of the scheme at the present stage would convict the Government of vacillation and would make it difficult, if not impossible, to introduce it at a later date, should the situation change for the worse. He saw no reason why the Minister of Food should not reveal the new figures and take the line that, while they were encouraging, the position was still sufficiently uncertain to justify the Government in adhering to their decision.

THE LORD PRESIDENT OF THE COUNCIL said that it should be recognised that the Cabinet had never been able to take decisions with regard to food supplies on a basis of absolute certainty. It was therefore no answer to the Minister of Food to say that the figures given in AMAZE 7488 were not absolutely firm. The real test was whether, if those figures had been available at the time, the Cabinet would have decided in favour of bread rationing on 27th June or would have confirmed their decision on 16th July. In his view the original decision would have been against rationing and he doubted whether even on 16th July they would have confirmed the decision, though
the Parliamentary situation then would have made it very awkward to go back on it. It was undeniable that the scheme would impose very great inconvenience, and even hardship, on the long-suffering housewife; and when the full facts came out - and it would be impossible to conceal them - the Government would be in much more serious trouble than if they suspended the scheme now. He accordingly felt that the Cabinet ought to accept the advice of the Minister of Food and his officials and suspend the scheme, even though this might expose them to the accusation of inconsistency. He was not afraid of such criticism, since he believed that in a matter of this kind the public expected the Government to fit changing conditions. So far as the United States was concerned, he did not believe that the efforts which they were making to raise their wheat exports had been entirely prompted by the British decision to ration bread, and, indeed, when he had been in Washington both Mr. Clayton and Mr. Clinton Anderson had made it clear to him that they did not wish to see bread rationing introduced in the United Kingdom. As for Germany, it had been definitely agreed at the meeting of the World Food Supplies Committee on 12th July that no more United Kingdom supplies should be sent to Germany and he remained convinced that the right course was to face the United States with the consequences of a breakdown in the British zone in Germany.

The Chancellor of the Exchequer said that the new information given in AMAZE 7436 did not seem to him to give the Cabinet a sufficiently secure basis on which to change the decision which they had already reached. He was confirmed in this view by an interview given to the "Sunday Chronicle" by Mr. McLvor, the Chairman of the Canadian Wheat Board, which made it clear that the Canadian crop prospects were still uncertain. He agreed that there should be no question of diverting United Kingdom supplies to Germany, but he feared that if the rationing scheme were suspended the pressure to do so would be irresistible. So far as concerned the political aspect, it seemed to him that to suspend the scheme at this stage would spread dismay among Government supporters in Parliament. He agreed that the figures in AMAZE 7436 should be disclosed, but he saw no reason why the Minister of Food in giving them should not make it clear that, while they made the outlook more hopeful, they did not provide a sure enough basis on which to suspend the operation of the scheme.

The Secretary of State for War said that he feared that if the scheme were suspended the United States would relax their efforts to supply us. We could not now rely on United States supplies with the same assurance as during the war when the United Kingdom was a base for military operations. Moreover, to withdraw the scheme at this stage would greatly discourage Government supporters in the constituencies who had been making loyal efforts to defend it.

The Secretary of State for the Colonies asked for an assurance regarding the supplies to British dependencies in Asia, such as Ceylon, Malaya and Hong Kong. Most of the inhabitants of these countries were leading a hand to mouth existence on a very small ration of cereals, and he suggested that they should be among the first to benefit by an improvement in available supplies.
THE MINISTER OF FOOD said that the saving which would be affected by bread rationing in the United Kingdom would not affect the possibility of assisting these territories. On the other hand, if the present hopes of a considerable improvement in the world conditions were not disappointed, the chances of their receiving larger supplies in the autumn were good.

THE MINISTER OF HEALTH said that he was most anxious as to the effect on opinion in the United States of a decision not to impose bread rationing. He appreciated that the Administration might welcome such a decision, but it would remove the urge to export as much wheat as possible to the United Kingdom and the Continent and make the Administration much more likely to yield to pressure from the isolationist groups whose influence was very formidable.

The sole change in the situation since 16th July was a change of prediction. It was now predicted that the Canadian harvest would be larger, but until this prediction had been turned into a reality, the only safe course, in view of the very narrow margin of safety on which we were working, was to bring rationing into force. The additional supplies now promised from Canada in the immediate future amounted to less than a week's consumption. Did the Cabinet believe that they could retain public confidence if they suspended the scheme because of this relatively minor change in the situation? Moreover, if the scheme were suspended, it would be impossible for the Government to introduce it except in the gravest emergency. The decision to ration bread had raised the moral stature of the United Kingdom throughout the world. If that decision were now reversed all that would be lost. Again, though the imposition of rationing would cause inconvenience and even hardship, the Cabinet should not forget that in the relief at its removal in two or three months' time these difficulties would largely be forgotten.

THE LORD CHANCELLOR said that he was impressed by the fact that owing to the additional supplies promised from Canada, United Kingdom stocks at 31st August would be increased from 513,000 tons to 593,000 tons and at 30th September from 590,000 tons to 693,000 tons. Though, like all figures of future stocks, these figures were estimates, it was clear that the Minister of Food regarded them as considerably firmer and more reliable than the lower figures which the Cabinet had previously had before them. Whatever the decision of the Cabinet might be, he urged that there should be no attempt to conceal the new figures given in A.M.A.2.E. Their disclosure need not be incompatible with a decision to continue the rationing scheme since it could be stressed that they were admittedly only a "tentative guess".

THE MINISTER OF AGRICULTURE AND FISHERIES recalled that the primary object of the decision to introduce bread rationing had been that we might have an insurance in case the United States defaulted on her shipments during the next critical two or three months and in case we did not get during that period what we expected from the home harvest. It now appeared unlikely that the United States would default on her shipments and, in addition, there were prospects of improved quantities from Canada. The only serious uncertainty remaining was the yield of the home harvest. If, therefore, the object
of rationing was to have in existence a machine whereby consumption could be reduced if it became necessary, and if it no longer appeared likely that a reduction of consumption would be necessary, then, he suggested, circumstances had so far changed that the earlier decision could be reconsidered. He himself had always impressed upon the Cabinet the disadvantage of a high extraction rate which reduced animal feeding stuffs and he thought that the extraction rate should be reduced as soon as possible. The Minister of Food, however, was now able to say that it should be possible to reduce the extraction rate in September even if rationing were not imposed. This being so, he now took the view that the scheme should be suspended.

THE MINISTER OF FUEL AND POWER suggested that, besides the uncertainty as to the yield of the home harvest, there was still uncertainty as to the yield of the Canadian crop, which had not yet been harvested. It was by no means impossible that adverse weather would seriously reduce the Canadian yield and it would be a mistake to put too much reliance on the new estimates now before the Cabinet. The experience of the last few months had not increased his confidence in the reliability of such estimates.

THE SECRETARY OF STATE FOR FOREIGN AFFAIRS said that in the last six weeks the prospects of the European harvests had considerably improved. The crops in the Ukraine and in the Danube Basin were likely to be heavy; the North African harvest had been remarkable, and the French harvest was expected to be good. Greece, and perhaps Italy, seemed to him to be the only countries which would require substantial imports.

As regards our own supplies, he had always been in favour of taking some risk before imposing bread rationing. He had himself thought that the risks were such as could be taken even when the low point of our wheat stocks was expected to be just over 500,000 tons. If there was now reasonable ground to hope that they would not fall below 594,000 tons, there did not seem to be a case for rationing. There was no doubt that rationing would be a burden on the public, and though the response to the scheme so far had been good, he advised the Cabinet not to strain the loyalty of their supporters by imposing a burden which could not be shown to be amply justified. It would be much easier to defend a change of policy now than it would have been before the very satisfactory conclusion to the debate in Parliament on 18th July. He did not suggest that the scheme should be scrapped altogether - only that its operation should be suspended for a while, until the Cabinet were able to assure themselves that the more hopeful predictions would be realised.

THE FIRST LORD OF THE ADMIRALTY said that the Cabinet should give full weight to the possibility of labour disputes in Canada or the United States. There was a threat of a strike on the Canadian railways within the next two or three weeks, and a demand by the Canadian Seamen's Union for an increase in wages, which if it led to a strike would interrupt traffic on the Great Lakes and seriously affect wheat shipments to the United Kingdom. Further, the removal of price control in the United States had led the Conference of Industrial Organisations to demand that wages should follow prices. Thus there was a
very serious risk of major disturbances in the United States, and he was strongly against any suspension of the rationing scheme. He was glad to know that the long-term Canadian wheat contract could now be regarded as safe, but what would be the effect of its signature on opinion in the United States coupled with the announcement that bread rationing was not to be imposed? Would it not make the United States much less responsive to our requests for help from them? The Cabinet should never forget that when the Government was responsible for all imports they must work on a higher level of stocks than was necessary when there was a free market, since they had to cover themselves not only against economic uncertainties but also against the often greater risk of political embarrassment. It seemed to him that the present troubles had largely arisen through neglect of this principle.

THE PRESIDENT OF THE BOARD OF TRADE said that bread rationing was a precautionary measure in case further economies became necessary. This contingency now seemed much more unlikely. In view of this and of the hardship of rationing he thought that, whatever the political consequences, the Cabinet would be fully justified in revising their earlier decision.

THE MINISTER OF LABOUR AND NATIONAL SERVICE said that he was advised by the local officers of the Ministry of Labour that the rationing scheme was unlikely to work smoothly for the first week or two. If rationing could be postponed, many of the difficulties could be got over before it was introduced.

In further discussion THE SECRETARY OF STATE FOR DOMINION AFFAIRS and THE HOME SECRETARY urged that the new information before the Cabinet did not afford a sufficiently reliable basis for a decision to suspend the scheme, and THE PARLIAMENTARY SECRETARY TO THE TREASURY said that he was convinced that, if the scheme were suspended, it would be impossible to bring it into force at a later date.

THE LORD PRESIDENT said that he did not agree that it would be impossible to introduce the scheme at a later date if there were any new development such as a major strike in Canada or the United States, which obviously altered the situation. The Government had constantly assured Parliament that they would be guided by the facts and on the facts, which were quite as firm as those on which the earlier decision to ration had been taken, it seemed to him that the case for suspension was overwhelming. These facts were certain to become known and the Government would find it very difficult to defend themselves against the charge of obstinacy if, in the face of them, rationing were maintained.

THE PRIME MINISTER said that he agreed that the facts must be made public and he saw no reason why in giving them the Minister of Food should not indicate that there was good hope that the rationing scheme would not have to be maintained in force for long. He did not think, however, that these facts constituted either on economic or on political grounds, a convincing case for suspending the rationing scheme; and he was satisfied that the introduction of rationing as a measure of
insurance was still amply justified. The fact that risks which were insured against often did not materialise did not invalidate the principle of insurance. Not to proceed with rationing now at the eleventh hour would cause dismay among the Government’s supporters and would undermine the confidence of the public in the Ministry of Food, which was a most valuable asset. He felt, therefore, that the Cabinet should decide to proceed with the rationing scheme. At the same time, he fully recognised the burden which this would entail for the Minister of Food and he was confident that all his colleagues would give the Minister their support in the discharge of his difficult task.

The Cabinet -

(1) Reaffirmed their decision that bread rationing should be introduced forthwith.

(2) Agreed that the information given in telegram AMAZE 7488 should be published.
The Cabinet had before them a Note by the Secretary (C.R. (46) 336) covering a minute submitted to the Prime Minister by the Minister of Food regarding the continuance of bread rationing in the United Kingdom.

The Minister of Food said that the stocks of wheat in the United Kingdom were now much larger than had at one time been expected. At the end of September he expected to have in stock 669,000 tons of wheat and 314,000 tons of flour. The early harvest in Canada had added about 100,000 tons to our stocks; and despite the very adverse weather it seemed that the yield from the United Kingdom harvest would not be far below the figure on which his estimate of stocks had been based. Administratively the rationing scheme was not wholly satisfactory; it would be difficult to enforce the collection of bread units on the bakers and, if bread were widely obtained without surrender of bread units, the points scheme for other foods could be undermined. He appreciated that the shortage of cereals in some other countries was still serious, but in all the circumstances he took the view that the balance of advantage lay on the side of discontinuing bread rationing in the United Kingdom at the end of the current rationing period on 14th September. Rationing could be reimposed if the situation next spring or summer warranted such a course.

In discussion Ministers were reminded that the two factors which had mainly influenced them in their decision to introduce bread rationing had been the uncertainty of the harvest weather in the United Kingdom and the possibility of strikes in the North American seaports. On both these counts there was still great uncertainty.

As regards the United Kingdom harvest, the Minister of Agriculture said that, while the estimated weight of the crop of wheat, barley, and oats was slightly in excess of the average for the last ten years, it was impossible to say what proportion of this crop would be harvested in millable condition. Nor was it possible to say how soon the millable grain harvested would reach the mills. Some 60,000 tons had been delivered during August and, given good weather, a further 200,000 tons might be delivered by the end of September.

As regards the strikes in North America, if these were confined to the United States the direct effect on United Kingdom supplies might be small as we were only counting on receiving a further 80,000 tons from the United States; but there was the
risk that the strikes might spread to Canada and account must also be taken of their effect on the other countries which were relying on supplies from the United States.

For both these reasons, therefore, Ministers felt that it would be preferable to retain bread rationing in this country until the outlook was more certain.

The political arguments were also in favour of its retention. It was by now fairly well accepted by the public; and there was grave political risk in abolishing it at a moment when the United Kingdom harvest was so obviously precarious. Moreover, account must be taken of the food situation in other parts of the world for which we had a responsibility.

THE SECRETARY OF STATE FOR INDIA emphasised the serious situation which was likely to arise in India during the next few months and the LORD PRIVY SEAL spoke of the paramount importance of maintaining a ration level of at least 1,550 calories in the British and American zones in Germany throughout the next year, if there was to be any economic rehabilitation there. Finally, Ministers also felt that, once bread rationing had been removed in this country, it would be very difficult to reimpose it.

For all these reasons the Cabinet favoured the continuance of bread rationing at least for one further rationing period.

THE MINISTER OF AGRICULTURE urged that, if any relaxation of restrictions were possible, the first step should be to reduce the extraction rate of flour so as to make a larger quantity of feeding-stuffs available for animals. While the abolition of bread rationing would increase consumption by some 40,000 tons a month, a 5 per cent. reduction of the extraction rate would involve an increased consumption of only 25,000 tons. As at present arranged, the major cut in feeding-stuffs rations would begin early in October. This would inevitably lead to a large reduction in the numbers of pigs and poultry kept and in the yield of milk. It would not be possible to make good for these losses for a long time. It was important, therefore, if any alleviation were possible, that it should be announced at once so that farmers should know that the full October cut would not be imposed.

In further discussion, attention was also called to the substantial reduction in consumption which bread rationing had in fact achieved. Consumption had fallen from 104,000 tons of flour a week to figures between 63,000 tons and 82,000 tons. There was general support for the suggestion, made by the Minister of Food in his minute to the Prime Minister, that a scheme might be worked out under which, by restriction of deliveries by the millers, consumption would be kept more or less voluntarily at a level of 90,000 tons a week.
The Cabinet -

(1) Agreed that bread rationing should be continued for at least one further rationing period; and that if before the end of that period the Minister of Food considered that it could then be abolished, he should submit the matter to the Cabinet again.

(2) Agreed that the extraction rate should be reduced from 90 per cent to 85 per cent and that an announcement to this effect should be made as soon as practicable.

(3) Invited the Minister of Food to consider whether an approach could usefully be made, in confidence, to the millers with the object of securing that the termination of bread rationing did not result in an immediate return to former levels of consumption of flour. In making any such approach it would be important not to imply that the Government were intending to abolish bread rationing on any particular date.

Cabinet Office, S.W.1.

10th September, 1946.
C.M.(46) 36TH CONCLUSIONS

14th October, 1946 - 11.30 a.m.

THE PRIME MINISTER said that an informal approach had been made to H.M. Ambassador at Nanking (reported in Nanking Telegram No. 528 of 17th September), on behalf of Generalissimo Chiang Kai-shek, with a view to ascertaining whether His Majesty's Government would provide him with arms to enable him to continue hostilities against the Communists. This approach showed that the Generalissimo's Government had abandoned the idea of coming to terms with the Communists and were not collaborating fully with the United States Government in the attempt to halt the civil war. It also showed that the United States authorities were reducing their supplies of war material as a means of bringing pressure to bear on the Generalissimo's Government. The Foreign Secretary had mentioned this approach in a conversation which he had held with the United States Secretary of State in Paris on 13th October (Paris Telegram No. 930 of 14th October). Mr. Byrnes had been glad to receive this information and had indicated that the conduct of the Generalissimo's Government, in their relations with the United States Government, had been increasingly unsatisfactory. As a result, the United States Government were now considering whether they should not withdraw all their forces from North China. The Foreign Secretary had informed Mr. Byrnes that this confirmed him in his view that His Majesty's Government should not encourage the Generalissimo to hope that he could obtain any supply of
arms from Great Britain; and he would advise that the request made through H.M. Ambassador at Nanking should be rejected.

The Prime Minister said that he had already informed the Foreign Secretary that he supported the line which he had taken in his conversation with Mr. Byrnes.

The Cabinet -

Endorsed the view of the Prime Minister and Foreign Secretary that His Majesty's Government should refuse to accede to this request for the supply of arms to Generalissimo Chiang Kai-shek's Government.

Cabinet Office, S.W. 1.
The Cabinet had before them memoranda by the Lord President (C.P. (46) 391) and the Secretary of State for Dominion Affairs (C.P. (46) 391) regarding conversations which the Lord President had held with Irish Ministers during his recent visit to Eire and Northern Ireland.

Discussion turned mainly on the conversations which the Lord President had had with Mr. de Valera and, after his return to London, with the Prime Minister of Northern Ireland on the question of Partition.

THE LORD PRESIDENT said that it was evident from his conversation that Mr. de Valera believed that Partition was now the outstanding issue preventing the restoration of fully free and friendly relations between this country and Eire and that it would be a good thing if this issue could be settled. He had clearly implied that, if we were ready to accept the principle of a United Ireland — apparently this would have to come first — he would for his part be ready to agree that Northern Ireland should have her own Parliament, provided that the powers in respect of Northern Ireland which were now reserved to the Government at Westminster were transferred to the new Government of the United Ireland. He would agree that such a United Ireland should remain a member of the British Commonwealth, though he would insist that it should have the status of a Republic. He could not
accept the status of a Dominion or the concept of allegiance to a common Crown. He would, however, be prepared that a United Ireland should enter into agreements for military co-operation with other members of the Commonwealth.

The Lord President said that Mr. de Valera had clearly expected him to say something on this question. After making it clear that he had no authority to discuss the matter on behalf of His Majesty's Government and was expressing only his personal views, he had said that in his opinion the wisest course for all concerned was to avoid precipitating the issue of Partition. There was no prospect of securing Northern Ireland's consent, in anything like the early future, to any scheme for a United Ireland. Nor had the atmosphere for discussion of this issue been improved by Eire's neutrality in the war and by her denials of allegiance to the common Crown. He would therefore prefer to maintain a policy of developing close co-operative relations in matters of common concern but to avoid precipitating the issue of Partition. This, if raised, would lead to violent controversy which could bring no advantage to any of the parties concerned. Mr. de Valera had indicated that in that event the difficulties in the relations between this country and Eire would have to continue.

The Lord President said that he had subsequently been able to give an account of this conversation to the Prime Minister of Northern Ireland. The latter had said that, if the issue were raised, there would be a storm in Ulster. Public opinion
there would insist on two points:— (i) that, before a United Ireland was established, Eire should enter the British Commonwealth, declare allegiance to the Crown, and undertake specified military obligations; and (ii) that some provision should be made to ensure that Roman Catholic priests would no longer intervene improperly in State affairs. For their part, the Northern Ireland Government would be resolutely opposed to the opening of any discussions on the Partition issue.

THE SECRETARY OF STATE FOR DOMINION AFFAIRS said that he was grateful to the Lord President for giving the Cabinet this account of his conversations, and he congratulated him on the skill with which he had conducted his interview with Mr. de Valera.

The Secretary of State strongly endorsed the view that it would be inopportune to raise the Partition issue. As a result of Eire's record in the late war, Mr. de Valera was in difficulties, particularly with those who had previously supported him in the United States; and it would obviously suit him to revive the Irish controversy on a basis which would enable him to rally his earlier sympathizers and supporters. This, no doubt, was among the considerations which influenced him in seeking to raise again the issue of Partition. From our point of view, however, it was equally clear that we should be well-advised to avoid a revival of this controversy.
The Secretary of State recalled that, soon after the Government's assumption of office, he had submitted a memorandum (C.P. (45) 152) recommending that our general policy towards Eire should be quickly and unobtrusively to restore friendly relations by losing no opportunity of promoting intercourse and co-operation in practical matters. The Cabinet had approved that policy on 18th September, 1945; and he was glad to be able to report that satisfactory progress had since been made along these lines. He hoped that Ministers would continue to take such opportunities as offered for promoting closer relations with Eire. In particular, he hoped that the Ministry of Agriculture would be ready to advise or assist representatives of the Eire Government visiting this country with a view to increasing the level of food production in Eire.

THE HOME SECRETARY said that he saw no prospect of any softening of Northern Ireland's attitude towards the conception of a United Ireland. He strongly supported the view that we should do nothing to precipitate discussion of the Partition issue.

THE MINISTER OF HEALTH pointed out that there were some sections of opinion in Eire which would be opposed to the creation of a United Ireland. The protectionist policy adopted by the Eire Government had had the effect of creating, in Dublin and other industrial centres, vested interests in the retention of Partition.
The Cabinet -
Took note, with approval, of the memoranda circulated by the Lord President and the Secretary of State for Dominion Affairs and of the statements made in the course of the discussion.

Cabinet Office, S.W.1.

Copies to:— Prime Minister
Secretary of State for Dominion Affairs
Home Secretary
Lord President.
THE MINISTER OF HEALTH said that he had recently been asked whether any financial assistance could be given to those who had suffered loss through the heavy flooding which had occurred in Salford in September. There could be no question of affording any relief from public funds; and, from enquiries which he had made, he doubted whether the applicants would qualify for assistance from any of the main charitable funds, such as the Lord Mayor's Fund.

These enquiries had, however, led him to consider whether the Government should not institute some special investigation into the constitution and administration of these charitable funds. They held substantial sums of money, and he was not satisfied that these were being employed to the best advantage.

It was the view of the Cabinet that this would not be an opportune time for the Government to take the initiative in proposing such an investigation. If a demand for such an investigation were made by private Members and appeared to command a substantial measure of support in the House of Commons, the Government might then take the matter up. But it would be inexpedient for Ministers to take any initiative at the present time, even to the extent of encouraging private Members to raise the matter in the House of Commons.
The Prime Minister reminded the Cabinet that H.R.H. Princess Elizabeth would become 21 years of age on 21st April, 1947. A private individual had made the suggestion that subscriptions should be invited towards a national present to the Princess. The Prime Minister said that this suggestion did not seem to him to be a happy one and he felt sure that it should not be given any official encouragement. He had, however, been considering whether the Cabinet should themselves make some presentation to the Princess or take some other action in recognition of her 21st birthday; and he would be glad to have his colleagues' views on this point. He had ascertained that the precedents did not call for any resolution or action by Parliament in recognition of the coming-of-age of the heir to the Throne.

In discussion, it was suggested that by virtue of the Regency Act, 1933, Princess Elizabeth could be regarded as having come of age on her eighteenth birthday and that it would therefore be inappropriate to take formal cognisance of her 21st birthday. It was, however, the general view of the Cabinet that, if the Royal Family proposed to celebrate the Princess' 21st birthday, it would be fitting for His Majesty's Ministers to take some

* This suggestion was in any event misconceived. The Act of 1933 merely enabled the heir apparent or presumptive to act as a Counsellor of State from age eighteen. It did not alter the fact that the heir to the Throne, like any other subject, does not become of full age until 21.
appropriate means of recognising it. Discussion showed that the Cabinet's preference would have been for entertaining the Princess at a dinner at 10, Downing Street rather than giving her a present. It was, however, pointed out that under present arrangements Her Royal Highness would be in South Africa on the actual date of her birthday.

THE PRIME MINISTER said that, in the light of the Cabinet's discussion he would make further enquiries about the arrangements contemplated by the Royal Family for celebrating the 21st birthday of Princess Elizabeth.
In the Debate on the Motion for an Address in reply to the King's Speech a number of Government supporters had tabled an Amendment in the following terms:

"And express the urgent hope that His Majesty's Government will so review and recast its conduct of International Affairs as to afford the utmost encouragement to, and collaboration with, all Nations and Groups striving to secure full Socialist planning and control of the world's resources and thus provide a democratic and constructive Socialist alternative to an otherwise inevitable conflict between American Capitalism and Soviet Communism in which all hope of World Government would be destroyed."

Those supporting this Amendment, while they did not propose to press it to a division, were anxious to have an opportunity of expressing their views in the debate; and Mr. Speaker had decided to call the Amendment.

THE PRIME MINISTER said that this group of Members had chosen a most inopportune moment for the public expression of their views, and the debate could not fail to be embarrassing to the Government in their relations with the United States. It was also unfortunate that this group should have chosen to raise these issues by way of formal Amendment to the Address and should have persisted in this course in spite of
the advice given to them on the Government's behalf. This issue of Party discipline would have to be dealt with at an early meeting of the Parliamentary Labour Party.

THE MINISTER OF FUEL AND POWER said that he could not condone the action of this group in raising these issues by way of an Amendment to the Address. While the Coalition Government had been in office, he had at times been severely critical of their policy; but, in spite of this, he had made it a rule never to associate himself with any formal amendment in debates on the Address. At the same time, the Cabinet should recognise that this Amendment reflected a feeling of uneasiness in the Party about the Government's foreign policy; and he thought that this uneasiness was shared to some extent by members of the Government. He himself had thought it necessary on two occasions to question particular aspects of foreign policy. He had submitted to the Cabinet a memorandum on policy towards Germany which, in his view, had been fully justified by subsequent events. He had also informed the Prime Minister of doubts which he entertained of Government policy in the Middle East; but the Prime Minister had not thought it advisable to bring that issue forward for discussion by the Cabinet. Ministers who were not members of the Defence Committee were not perhaps fully informed of all the strategic considerations which were being taken into account in the formulation of
foreign policy. It would be helpful if the Cabinet itself could be given more opportunities for full and general discussions on foreign policy.

THE PRIME MINISTER said that he would consider means of enabling the Cabinet to hold more frequent discussions on matters of foreign policy.

THE PRIME MINISTER said that he was particularly concerned to find that about half-a-dozen Parliamentary Private Secretaries to Ministers had added their names to this Amendment to the Address. As he had said, he regarded it as a breach of Party discipline for back bench supporters of the Government to express their criticism of Government policy by way of an Amendment to the Address, which was tantamount to a formal expression of lack of confidence in the Government. It was an even more serious matter for Parliamentary Private Secretaries to lend their support to such an amendment. They had access to some information which was not available to back bench Members and held positions of trust, if not of responsibility. Acceptance of these posts involved loyalty to the individual Minister whom they served and to the Government as a whole. A Parliamentary Private Secretary who found himself in disagreement with Government policy to such an extent as to wish to support a hostile Amendment to the Address should, in his view, resign his position. It was for consideration whether the Parliamentary Private Secretaries who had supported
this Amendment should be required to resign their posts.

In discussion there was general support for the view expressed by the Prime Minister. Parliamentary Private Secretaries were not members of the Government and were not therefore bound by the doctrine of collective responsibility. They must, like other Government supporters, be allowed a reasonable discretion to express criticisms of particular aspects of Government policy; and there need not be any absolute rule which would prevent a Parliamentary Private Secretary from speaking in the House against the Government or even, in an extreme case, voting against the Government. He must, however, be careful to consider whether on any particular occasion such action would involve disloyalty to his Minister or embarrassment to the Government as a whole. And it must not be overlooked that, in view of the close relations between a Parliamentary Private Secretary and his Minister, public criticism of another Minister by a Parliamentary Private Secretary might result in lack of confidence between Ministers and possibly friction within the Cabinet.

Discussion then turned on the question whether the Parliamentary Private Secretaries who had supported this Amendment to the Address should be required at once to resign their appointments, or whether it would suffice to warn them that if any similar occasion arose in the future they would
have to choose between resigning their positions or refraining from publicly supporting such criticism of the Government. It was pointed out that several of those concerned had been unaware of the impropriety of their conduct, and that in these circumstances the position could best be met by a warning. The point was also made that, if all these Parliamentary Private Secretaries were required simultaneously to resign, it would be assumed that this action had been taken in pursuance of a collective decision of the Government and this would tend to arouse further dissatisfaction in the Parliamentary Party. The balance of opinion in the Cabinet was in favour of explaining to those concerned the nature of the obligations involved by acceptance of the position of Parliamentary Private Secretary, and warning them that they could not expect to retain that position if, on another such occasion, they associated themselves with a concerted attack on Government policy. The Ministers concerned undertook to give such a warning to their Parliamentary Private Secretaries. The Prime Minister said that he would ask the Minister of Food (who was not present at the Cabinet's meeting) to deal similarly with his Parliamentary Private Secretary, who was among those who had supported the Amendment.

Cabinet Office, S.W.1.

Copy to Prime Minister.
In the course of the Cabinet's discussion on the results of the recent visit of Indian leaders to this country, THE PRIME MINISTER said that it was impossible to be confident that the main political Parties in India had any real will to reach agreement between themselves. Pandit Nehru's present policy seemed to be to secure complete domination by Congress throughout the government of India. If a constitution was framed which had this effect, there would certainly be strong reactions from the Muslims. Provinces with a Muslim majority might refuse to join a central Government on such terms at all; and the ultimate result of Congress policy might be the establishment of that Pakistan which they so much disliked. The Prime Minister warned the Cabinet that the situation might so develop as to result in civil war in India, with all the bloodshed which that would entail. There seemed to be little realisation among Indian leaders of the risk that ordered government might collapse.

The Cabinet felt that, however much the Indian politicians might abuse the British Raj, there was always at the back of their minds the sense that the Army was there and would be able to deal with civil disorder. This dulled their sense of responsibility for the consequences of their political policies. Apart from this, however, such confidence in the authority of the Army was no longer fully justified. The strength of the British Forces in India was not great. And the Indian Army, though the Commander-in-Chief had great personal influence with it, could not fairly be expected to prove a reliable instrument for maintaining public order in conditions tantamount to civil war. One thing was quite certain viz., that we could not put back the clock and introduce a period of firm British rule. Neither the military nor the administrative machine in India was any longer capable of this.

Some Ministers felt that in the event our only course might prove to be to evacuate India and to leave the Indians to find, after a period no doubt of chaos, their own solution to their own problems. The Cabinet were assured that plans were being made for evacuating, in an extreme emergency, both British troops and civilians from India. Other Ministers felt, however, that even if such evacuation were practicable as a military operation - and it would not be an easy
operation to carry out - it was not, politically, realistic to suppose that we should be able to adopt that course. Would it be acceptable to Parliament and to public opinion that we should leave India in chaos, having obtained no guarantee of fair treatment for the Muslims or for the other minorities? That would indeed be an inglorious end to our long association with India. World opinion would regard it as a policy of scuttle unworthy of a great Power.

There was general agreement that so grave a decision could not be taken without the most anxious thought. The decision need not be prejudged at this stage. Matters might not reach so serious a pass. It was certainly the wish of the great masses of the Indian people that there should continue to be ordered government throughout India and the leaders of the political Parties in India might well be forced to take account of this.

For the moment, the important thing was to secure that these leaders faced the difficulties which inevitably accompanied major constitutional changes in India. We should do anything that we could to bring home to them the heavy weight of responsibility which rested on them.

Cabinet Office, S.W.1.

11th December, 1946.
C.M.(46) 106th CONCLUSIONS
Confidential Annex
(31st December, 1946 - 11 a.m.)

INDIA

The Cabinet considered memoranda by the Prime Minister (C.P. (46) 456) and the Minister of Defence (C.P. (46) 468) on the constitutional position in India.

THE PRIME MINISTER, in amplification of his memorandum, informed the Cabinet of the discussions which the India and Burma Committee had had with the Viceroy since the departure of the Indian representatives. The Viceroy had urged that, if it became clear that the Muslim League would not co-operate in the work of the Constituent Assembly and that the plan of the Cabinet Mission could not be carried through, we should have in readiness a definite policy which would then be announced. In the Viceroy's opinion we should not be able to enforce British rule in India beyond 31st March, 1948. The Committee had considered that an announcement of our intention to leave India by a specific date might have the effect of bringing the two communities together. It would also have the advantage that it would make it possible for us to take the first steps towards our departure. They therefore proposed that a statement should be made on the lines of the draft annexed to C.P. (46) 456. Legislation must be deferred until the final stage of our departure. It was therefore proposed that Parliament should be invited to pass a resolution endorsing the statement of policy, so as to provide some Parliamentary sanction enabling the Government to proceed with the gradual devolution of their authority in India.

The Prime Minister explained that the Viceroy had at first suggested that the initial steps towards our departure should take the form of complete withdrawal from the four Southern Provinces. After discussion, however, it had been agreed that, while British troops might be withdrawn from those areas and British officials serving there posted to other parts of the country, it would be necessary, in the initial stages, to maintain the present constitutional forms.
Discussion turned first on the question whether it would be wise to announce in the near future a precise date for our withdrawal from India. Was it wise to commit ourselves to a precise date when we had no assurance that there would by then be a representative authority to whom we could hand over power? It might be that if we left India at that date we should leave only chaos and the prospect of civil war behind us. It was also necessary to consider the effect of such an announcement on other parts of the Empire and on world opinion in general. Some Ministers felt that an announcement in the terms of the draft attached to C.P. (46) 456 might be regarded as the beginning of the liquidation of the British Empire; and it would be bound to have serious repercussions in Burma, Malaya and elsewhere. Nor must we forget that a breakdown of ordered central Government in India would provide opportunities to her neighbours, which they would not be slow to take, to interest themselves in Indian affairs. We might well find that in this area lay the seeds of a future world conflict.

The Foreign Secretary thought that the announcement proposed would have serious repercussions in the Middle East. He recalled that in the negotiations with Egypt we had claimed that it would not be practicable for us to withdraw our troops from that country before 1949. How should we reconcile this claim with a statement that we were prepared to evacuate the whole of India by the spring of 1948?

The general feeling of the Cabinet was that withdrawal from India need not appear to be forced upon us by our weakness nor to be the first step in the dissolution of the Empire. On the contrary this action must be shown to be the logical conclusion, which we welcomed, of a policy followed by successive Governments for many years. It was too late to reverse the whole direction of our Indian policy, even if we had had any desire to do so, and there was no reason to fear special repercussions from the completion of that policy. Our main objective now was to bring the principal communities in India to co-operate, so that there should be a properly representative authority to whom we could hand over power. If the Viceroy was correct in his estimate that we should in any case be unable to continue effectively to rule India beyond the early part of 1948, and if the announcement of our intention to leave India by a specified date might have the effect of bringing the communities together, then it would be well to derive whatever advantage we could from the early announcement of action which would, in fact, be inevitable.

The Cabinet then considered what would be the best method of securing Parliamentary approval for the gradual devolution of authority in India.

The Minister of Defence explained that his object, in putting forward the draft resolution annexed to C.P. (46) 469, was to secure for His Majesty's Government a greater latitude in handling
a fluid situation which might well produce developments which could not be foreseen. For this reason he would wish to avoid making a detailed public statement on all the specific points covered in the draft annexed to C.P. (46) 456, and would prefer to ask Parliament to adopt a resolution on broader lines which would authorise His Majesty's Government to take such steps as might be required to ensure the orderly transfer of power to the appropriate authority or authorities in India.

On the other side it was argued that Parliament would be reluctant to give the Government so wide a discretion as was pre-supposed by the draft resolution annexed to C.P. (46) 456: that the Government spokesmen in the debate on such a resolution would in any event be obliged to give information on most of the specific points covered in the draft statement of policy annexed to C.P. (46) 456: and that the more detailed statement was likely to produce a greater impact on public opinion in India.

The Cabinet's conclusion on this point was that the preferable course would be to make a statement of policy, as proposed by the Prime Minister in C.P. (46) 456, and to invite Parliament to approve that statement. It would, however, be advantageous if the resolution approving the statement could be drawn in such terms as to afford some sanction for departing, during the transition period, from strict compliance with all the obligations resting on His Majesty's Government under the Government of India Act.

Discussion then turned on the form of the draft statement annexed to C.P. (46) 456. The view was expressed that a statement in these terms would give the impression that we were being forced out of India because we were unable to maintain our position there. In fact, our withdrawal would be the final stage in a deliberate policy of encouraging India's development towards self-government, to which successive Governments in this country had subscribed for the last thirty years. It was certainly the desire of the present Government that the Indian people should assume full responsibility of self-government. There was, therefore, no occasion to excuse our withdrawal: we should rather claim credit for taking this initiative in terminating British rule in India and transferring our responsibilities to the representatives of the Indian people. For these reasons it would be preferable that the detailed proposals set out in the draft annexed to C.P. (46) 456 should be set in a wider framework. The statement should recall the main stages in India's evolution towards self-government, as a process to which successive Governments in this country had been committed ever since the end of the last war, and should present the transfer of control to an Indian Government or Governments as the final phase in this process of evolution. The specific proposals for the withdrawal
of British troops and officials should be presented as incidents in that transfer of authority. If the statement were re-cast on these lines, it should be possible to include passages calling upon the Indian people to demonstrate their capacity for self-government and to make adequate provision for safeguarding the rights of minorities.

The Cabinet agreed that the draft statement annexed to C.P. (46) 456 should be re-cast on the lines indicated above.

The Cabinet next considered the timing of such a statement. The India and Burma Committee had contemplated that the statement should not be made until it was known, towards the end of January, whether the Muslim League were unwilling to collaborate in the work of the Constituent Assembly. In support of this proposal for deferring the statement until then, it was pointed out that some members of the Muslim League were dissatisfied with Mr. Jinnah's present attitude and there was some possibility that the League might be brought to agree to participate in the work of the Constituent Assembly. Other developments might occur in India during the next few weeks which might affect the position. Further, there were strong arguments against making such a declaration of policy at a time when Parliament was in recess.

On the other side, it was argued that, as the primary object of the declaration was to force the two Parties in India to face the realities of the situation and find means of collaborating with one another, there was much to be said against postponing it until after the Muslim League had taken a definite decision against collaboration. It was also argued that it was not constitutionally necessary that such a declaration should first be made in Parliament and that, even if it were thought expedient that this should be done, it would be possible to convene Parliament for this purpose before the date on which it was now due to reassemble. This would have the further advantage that Parliamentary time for debating the declaration would not have to be found at the expense of other Government business.

The Cabinet decided to defer for the present their final decision about the timing of the proposed declaration.

The Secretary of State for Dominion Affairs said that it was most important that His Majesty's Government should take Dominion Governments into their confidence in this matter at the earliest possible stage. He hoped that, as soon as the form of the proposed declaration had been settled,
he might be authorised to communicate it to
Dominion Governments, so that they might have
an opportunity for comment before the declaration
was made. This was agreed to.

The Cabinet -

(1) Invited the India and Burma Committee
to revise, in the light of the
Cabinet's discussion, the draft
statement annexed to C.P.(46) 456.

(2) Agreed to resume their discussion of
this matter when a revised draft of
the statement was available.

Cabinet Office, S.W. 1.