CONCLUSIONS of a Meeting of the Cabinet held at 10 Downing Street, S.W. 1, on Thursday, 26th June, 1958 at 11 a.m.

Present:
The Right Hon. R. A. BUTLER, M.P., Secretary of State for the Home Department and Lord Privy Seal (in the Chair).
The Right Hon. VISCOUNT KILMUIR, Lord Chancellor.
The Right Hon. VISCOUNT HAILSHAM, Q.C., Lord President of the Council.
The Right Hon. D. HEATHCOAT AMORY, M.P., Chancellor of the Exchequer.
The Right Hon. ALAN LENNOX-BOYD, M.P., Secretary of State for the Colonies (Items 1-6).
The Right Hon. J. A. SELWYN LLOYD, Q.C., M.P., Secretary of State for Foreign Affairs.
The Right Hon. THE EARL OF HOME, Secretary of State for Commonwealth Relations.
The Right Hon. JOHN MACLAY, M.P., Secretary of State for Scotland (Items 1-6).
The Right Hon. F. T. DUNCAN SANDYS, M.P., Minister of Defence.
The Right Hon. IAIN MACLEOD, M.P., Minister of Labour and National Service.
The Right Hon. LORD MILLS, Minister of Power.
The Right Hon. HENRY BROOKE, M.P., Minister of Housing and Local Government and Minister for Welsh Affairs.
The Right Hon. H. WATKINSON, M.P., Minister of Transport and Civil Aviation.
The Right Hon. JOHN HARE, M.P., Minister of Agriculture, Fisheries and Food.
The Right Hon. GEOFFREY LLOYD, M.P., Minister of Education.
Dr. The Right Hon. CHARLES HILL, M.P., Chancellor of the Duchy of Lancaster.

The following were also present:
The Right Hon. THE EARL OF SELKIRK, First Lord of the Admiralty (Item 5).

Secretariat:
The Right Hon. Sir NORMAN BROOK.
Mr. B. ST. J. TREND.
Mr. M. REED.
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1. The Cabinet were informed of the business to be taken in the House of Commons in the following week. On 30th June, in Committee of Supply, there would be a debate on the cotton industry with special reference to the import of textiles from Hong Kong. Among Government supporters in the House of Commons there was widespread sympathy with the attitude of the Lancashire cotton industry towards these imports. It was therefore important that the Colonial aspect of the problem should be clearly stated in the course of the debate.

2. The Home Secretary recalled that on 7th October, 1957, the Cabinet had approved a proposal for the repeal of Section 88 of the Representation of the People Act, 1949, which restricted the number of cars that might be used on behalf of a candidate to take voters to the poll at a Parliamentary election. This provision had been enacted when a Labour Government was in office; and it had now been ascertained that the Labour Opposition would strongly resist its repeal. At this stage of the session it would be inexpedient to introduce controversial legislation on this subject, and it was therefore proposed to defer its introduction until the beginning of the following session.

   In discussion there was some difference of opinion on the expediency of proceeding with this legislation in the face of opposition by other political Parties. There was, however, general agreement that it would be impracticable to pass the Bill in the current session.

   The Cabinet—

   Agreed that legislation to repeal Section 88 of the Representation of the People Act, 1949, should not be introduced in the current session of Parliament.

3. The Cabinet were informed that the Committee of Privileges had unanimously decided to recommend that no action should be taken on their earlier finding that the London Electricity Board had committed a breach of privilege in threatening to take proceedings for libel against Mr. G. R. Strauss, M.P. There should be no difficulty in persuading the House of Commons to carry a motion incorporating this recommendation. But the House would also be free to consider the Committee's original report. The Attorney-General, who had dissented from the findings in that report, would be obliged to speak against it. He was likely to have the support of some new members of the Committee, and it was possible that the House might reject the report.

   The Cabinet—

   Took note of this statement.

4. The Home Secretary said that the Lord Chamberlain had informed him that it was The Queen's pleasure that, subject to the special responsibilities of the Minister of Civil Aviation, Ministers should no longer feel any obligation to go to London Airport when members of the Royal Family were leaving this country by air on official visits overseas. Her Majesty thought it unnecessary that Ministers should spend the time involved in making the journey to and from the Airport. She would prefer that any necessary leave-taking by Ministers should take place at the residence of the member of the Royal Family concerned. The same procedure would apply when members of the Royal Family were returning to this country by air from a visit overseas.
SECRET

It was noted that the arrangements now proposed would further the efforts which were being made to establish a convention that Ministers from Commonwealth or foreign countries arriving in this country by air could suitably be received elsewhere than at London Airport.

The Cabinet—

Took note that the Home Secretary would arrange for a note to be circulated to Ministers on the procedure to be followed on these occasions.

5. The Cabinet had before them:—

(i) A memorandum by the Foreign Secretary (C. (58) 126) recommending that the Conventions on the Territorial Sea, the High Seas, Fisheries Conservation and the Continental Shelf, adopted by the recent International Conference on the Law of the Sea, together with an Optional Protocol on the submission of disputes arising under the Conventions to the International Court of Justice, should be signed on behalf of Her Majesty's Government with a view to their later ratification.

(ii) A memorandum by the Attorney-General (C. (58) 121) on the tactics to be adopted at the next international discussion on the breadth of territorial waters.

The Attorney-General supported the recommendation that Her Majesty's Government should sign the four Conventions and the Optional Protocol. In particular, acceptance of the Articles dealing with the freedom of all nations to fish on the high seas would reinforce our opposition to the Icelandic Government's claim to extended fishing rights, and signature of the Conventions would improve our position generally at the next international discussion on the breadth of territorial waters without committing us on that issue.

Discussion showed that there was general agreement with this view. The following main points were made:—

(a) Article 19 of the Convention on the Territorial Sea, which dealt with the arrest of persons and the conduct of investigations on board foreign ships passing through the territorial sea, would require legislation in respect of England and Wales. The Bill would be technical and non-controversial and would not be required before the Convention was ratified.

(b) Article 5(8) of the Convention on the Continental Shelf, which required the consent of the coastal State to scientific research on the Shelf, might inconvenience and delay research. Further consideration should be given to the desirability of attaching a reservation to our acceptance of this Article at the time of ratification.

(c) The Government had in general been prepared to accept the jurisdiction of the International Court in disputes under Conventions to which we were a party. Signature of the Optional Protocol should, on balance, strengthen our position if other nations sought to put an unacceptable interpretation on any of the Conventions.

The Cabinet—

(1) Agreed that the Geneva Conventions on the Territorial Sea, the High Seas, Fisheries Conservation and the Continental Shelf, together with the Optional Protocol on the settlement of disputes under these Conventions, should be signed on behalf of Her Majesty's Government with a view to ratification in due course.

SECRET
The Attorney-General recalled that the last International Conference on the Law of the Sea had concluded that the United Nations should study the advisability of convening a further conference on the unresolved issues of the breadth of the territorial sea and exclusive fishing rights. It would be to our advantage to endorse this conclusion and to canvass support for our policy among the other members of the Commonwealth in advance, since an international agreement offered the only prospect of forestalling unilateral action by individual countries. A further conference might, admittedly, fail to establish such an agreement or even recommend the adoption of a twelve-mile limit to the territorial sea. But these risks would be reduced if agreement could be secured that the issue of exclusive fishing rights should be dealt with separately at a series of regional conferences rather than on a single world-wide basis. There was no hope of securing agreement to the retention of a three-mile limit to territorial waters and, if a further conference was convened, we should again support the proposal of the United States Government for a six-mile limit. The innocent passage of warships, though not of aircraft, through territorial waters and international straits was secured by the new Convention on the Territorial Sea, and to that extent a six-mile limit could be regarded as acceptable from the strategic point of view.

In discussion it was emphasised that, if there was to be international agreement on a six-mile limit to the territorial sea, it would be very important to secure, if possible, recognition of the right of innocent passage for military aircraft, which would otherwise be denied access to the Mediterranean, Aden, Singapore and Hong Kong. It was suggested that, if the possibility of establishing this right was in doubt, it might be preferable to oppose a further conference and to resist as far as possible any unilateral claims to extended territorial waters which might subsequently be made.

On the other hand, the majority of other nations could be expected to acquiesce in unilateral claims of this nature, with the result that they would in time become hardly less valid in international law than formal convention. An agreed de-limitation of territorial waters would be to our advantage in other respects and would leave unaffected the right of passage of aircraft, which we should seek to negotiate as a separate issue. This possibility might be explored further with the United States and with the other members of the Commonwealth before we committed ourselves to endorsing the proposal for a further conference on the breadth of territorial waters.

In further discussion some doubt was expressed about the expediency of handling the question of exclusive fishing rights at separate regional conferences. Moderate opinion on this subject tended to be concentrated in Europe, and if a conference dealing with a non-European region agreed on an exclusive fishery limit of twelve miles or more, Iceland, Denmark and other European countries might be encouraged to refuse agreement to any narrower limit. On the other hand, regional conferences, by taking account of the differing conditions and requirements of local fishing industries, should reduce the pressure for a general extension of the limit of territorial waters to twelve miles.

The Home Secretary, summing up the discussion, said that, before the Cabinet could reach a final decision on their policy in this matter, the issues raised during the discussion should be given more detailed consideration. The result of this examination should, if possible, be submitted to the Cabinet during the first half of July.

The Cabinet—
(2) Took note that the Home Secretary would recommend to the Prime Minister the appointment of a Ministerial Committee, under the chairmanship of the Lord
Chancellor, to give further urgent consideration to the
issues discussed in C. (58) 121.

The Minister of Agriculture said that the British Trawlers
Federation proposed to send representatives to Iceland in order to
assess the reaction of local opinion to the Icelandic Government’s
declared intention to claim extended fishing rights and to emphasise
the disadvantages to Iceland of pursuing this claim.

In discussion it was recognised that the Federation could not be
prevented from sending representatives to Iceland for this purpose.
Such a mission might, however, be regarded by the Icelandic
Government as a sign of weakening on the part of Her Majesty’s
Government and, if it was to go, its departure should be deferred
until well after 30th June, when the new Icelandic regulations were
to be published.

The Cabinet—

(3) Invited the Minister of Agriculture to try to dissuade the
British Trawlers Federation from sending representatives
to Iceland, at least until some time after 30th June.

6. The Cabinet had before them a memorandum by the Colonial
Secretary (C. (58) 131) on future policy towards the Aden Protectorate.

The Colonial Secretary recalled that in 1956 the Cabinet had
approved in principle proposals for the establishment of a federation
in the Western Aden Protectorate but these proposals had been
frustrated by the rivalry and suspicion which had existed at the time
between the Rulers of the States concerned. Recent events, however,
had caused those Rulers who were most friendly to this country and
most determined in their opposition to the Yemen to overcome their
jealousies sufficiently to agree among themselves on the desirability
of federation. They had now asked us to help them to give effect to
this policy and to give military and financial assistance to the
federation when established. They contemplated that the federation
should enter into treaty relations with the United Kingdom and should
be as closely bound to it as were the individual States at present; but
they also hoped that we would be prepared, in launching the
federation, to make it clear that it would be expected to achieve
independence in due course and thereafter to enter into a new kind
of treaty relation with the United Kingdom.

The proposals which had been worked out in response to this
initiative were outlined in C. (58) 131. They had been discussed
and approved by the Colonial Policy Committee. They would involve
some increase of expenditure; but this should be outweighed by the
advantages of securing greater cohesion among the States concerned.

The Colony itself would not be immediately affected by the
establishment of a federation and would continue gradually to
develop its own system of internal self-government. It would be
desirable that the island of Perim and, possibly, the Kuria and
Muria islands should now be separated from the Colony as
unobtrusively as possible and administered henceforward by the
Governor as a separate unit and that further consideration should be
given to the possibility of excising at a later stage a part of the
Colony itself to constitute a permanent military base.

Discussion showed that there was general support for these
proposals. Some doubt was expressed, however, whether the
relatively powerful and stable Arab State which they would promote
might in certain circumstances prove more damaging to our interests
than the weak and divided political units which at present shared the
territory involved. It would therefore be essential to make it clear
from the outset that, although the federation might hope to achieve
independence in due course, this did not imply that we contemplated surrendering control over the defence policy and external relations of the States concerned at any time in the foreseeable future. It would also be desirable, in view of the strategic importance of Aden, that no interval should elapse between the establishment of the federation and the conclusion of a new defence treaty satisfactory to ourselves. If possible, the provisions relating to defence should be incorporated in the constitutional document establishing the federation.

The Chancellor of the Exchequer said that, while endorsing the proposals in principle, he would need to give further consideration to their financial implications. At present the maintenance of our position in Aden entailed expenditure of some £3½ millions a year. The establishment of a federation, if pursued simultaneously with the programme of social and economic development now under consideration, would increase this figure to between £5 and £6 millions a year. It would be necessary to consider whether the individual States themselves could make some contribution towards this expenditure and whether the burden on the Exchequer could also be reduced by some deferral of the development programme. The Rulers should not be allowed at this stage to suppose that we would necessarily be ready to incur expenditure of the order of £6 millions a year in support of their policy.

The Cabinet—

(1) Took note that the Home Secretary would report to the Prime Minister that, in principle, they recommended approval of the proposals outlined in C. (58) 131.

(2) Invited the Colonial Secretary, subject to the Prime Minister’s approval, to inform the Rulers of the States concerned that Her Majesty’s Government favoured the formation of a federation in the Western Aden Protectorate.

(3) Invited the Colonial Secretary to discuss further with the Chancellor of the Exchequer the extent to which it might be possible for Her Majesty’s Government to undertake to provide financial support for such a federation.

(4) Invited the Colonial Secretary, in consultation with the Minister of Defence, to examine further the method by which a defence treaty could best be concluded with the federation without risk to our essential strategic interests in Aden.

7. The Cabinet had before them a memorandum by the Foreign Secretary (C. (58) 127) discussing the attitude which the Government should adopt towards the World Youth Festival to be held in Vienna in July 1959.

The Foreign Secretary said that World Youth Festivals, which were held every few years, were consistently used in the interests of Communist propaganda. We had therefore condemned them in principle and had discouraged organisations and individuals in this country from taking any part in them. Since the forthcoming festival would be held outside the Soviet bloc, it would be less open to objection in this respect; and it would also be easier for us to arrange for the Western point of view to be actively represented during the discussions. While, therefore, we should maintain our policy of denouncing these conferences and advising reputable organisations to refrain from participating in them, we might adopt, in connection with the projected conference in Vienna, a rather less discouraging attitude than on other occasions towards young people wishing to attend the conference as individuals.

SECRET
In discussion there was general agreement with this proposal.

The Cabinet—

Approved, in principle, the proposals in C. (58) 127.

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8. The Cabinet had before them a memorandum by the Minister of Labour (C. (58) 122) reporting the unanimous recommendation of the Committee on Wages Policy that Defence Regulation 58AA, together with the Industrial Disputes Order, should be annulled at the end of the year.

The Minister of Labour said that the system of compulsory arbitration in industrial disputes, which had been a logical corollary of the prohibition of strike action during the war, had become increasingly less important since that prohibition had been withdrawn. The system could not operate without the agreement of both sides of industry; and, although the Trades Union Congress were in favour of its continuance, the British Employers' Confederation were firmly opposed to it. Moreover, there were relatively few cases in which resort to compulsory arbitration could now be reconciled with the accepted principles of free collective bargaining; and it was more in keeping with those principles that industrial disputes should be settled, on a voluntary basis, by reference to the Industrial Court. There was, admittedly, sufficient agreement between the two sides of industry to make it reasonable to suppose that non-controversial legislation could be enacted to continue that part of the existing Order which related to "issues," i.e., to questions whether terms and conditions not less favourable than those negotiated by the established machinery of a particular industry should be enforced upon an individual employer. But the question of "issues" was too small to exert any significant effect on industrial relations; and legislation limited to this alone would serve little useful purpose.

Since Defence Regulation 58AA derived from the Supplies and Services Act, 1945, which would need to be renewed for other purposes on 10th December, it would be necessary to revoke the Regulation by a specific Order in Council. It would be appropriate that the Government's intentions should be made clear during the autumn, preferably after the annual conference of the Trades Union Congress.

In discussion there was general agreement with these views. The following points were made:

(a) The abandonment of compulsory arbitration increased the importance of the review of the system of voluntary arbitration on which the Committee on Wages Policy were already engaged.

(b) It would be possible to allow Defence Regulation 58AA to continue in force until the Supplies and Services Act, 1945, was itself repealed after the enactment of legislation on economic controls. This possibility might be further examined.

(c) If, however, it appeared preferable to revoke the Regulation by an Order in Council, the debate on the Order might with advantage be so timed as to form part, if possible, of the more general debate on the renewal of the Supplies and Services Act.

The Cabinet—

(1) Approved the proposals in C. (58) 122.

(2) Invited the Minister of Labour to give further consideration, in the light of the points made in their discussion, to the timing of the announcement of these proposals and of the action required to give effect to them.
9. The Chancellor of the Exchequer said that it now appeared that, as part of the negotiations following the end of the London bus strike, the London Transport Executive proposed to offer a wage increase of 5s. 6d. a week to the bus crews who had been excluded from the award of the Industrial Court. An increase of this order might be regarded as too great a reduction in the differential between the wages of central London bus crews and those of the excluded grades, and it would be preferable that the increase granted to the latter should not exceed 4s. 6d. or, at the most 4s. 9d. a week. It would be undesirable to issue a formal direction to the Executive on this point; but he proposed, in concert with the Minister of Transport, to warn the Chairmen of the British Transport Commission and of the Executive of the importance of restricting the increase to a figure which would maintain a reasonable differential in relation to the award of the Industrial Court. The Commission were apparently prepared, on their own responsibility, to ensure that the offer made by the Executive would not exceed 5s. 0d.; but it was desirable that the increase should, if possible, be less than this figure.

In discussion there was general agreement with this view.

The Cabinet were also informed that, despite the public indication by the Chairman of the Executive that it might be necessary for the Executive to increase certain fares in order to recover the losses which they had sustained during the recent strike and to meet the cost of the wage increases agreed, the timing of the approach from the Executive to the Transport Tribunal which would be necessary for this purpose would need to be reserved for further consideration.

The Cabinet—

Took note that the Home Secretary, in consultation with the Chancellor of the Exchequer, would seek the Prime Minister's approval of the advice which it was proposed to give to the British Transport Commission and the London Transport Executive on the current negotiations in respect of the wages of the bus crews excluded from the recent award of the Industrial Court.

Cabinet Office, S.W. 1.
26th June, 1958.