CONCLUSIONS of a Meeting of the Cabinet held at Admiralty House, S.W. 1, on Thursday, 21st March, 1963, at 10.30 a.m.

Present:

The Right Hon. HAROLD MACMILLAN, M.P., Prime Minister
The Right Hon. R. A. BUTLER, M.P., First Secretary of State
The Right Hon. VISCONTI HAILSHAM, Q.C., Lord President of the Council and Minister for Science
The Right Hon. REGINALD MAUDLING, M.P., Chancellor of the Exchequer
The Right Hon. DUNCAN SANDYS, M.P., Secretary of State for Commonwealth Relations and Secretary of State for the Colonies
The Right Hon. PETER THORNEYCROFT, M.P., Minister of Defence
The Right Hon. EDWARD HEATH, M.P., Lord Privy Seal (Items 1–6)
The Right Hon. CHRISTOPHER SOAMES, M.P., Minister of Agriculture, Fisheries and Food
The Right Hon. JOHN BOYD-CARPENTER, M.P., Chief Secretary to the Treasury and Paymaster General
The Right Hon. J. Enoch Powell, M.P., Minister of Health
The Right Hon. Sir Keith Joseph, M.P., Minister of Housing and Local Government and Minister for Welsh Affairs (Items 6–8)

The following were also present:
The Right Hon. RICHARD WOOD, M.P., Sir JOHN HOBSON, Q.C., M.P., Attorney-General (Item 6)
The Right Hon. MARTIN REDMAYNE, M.P., Parliamentary Secretary, Treasury

Sir BURKE TREND
Mr. A. L. M. CARY
Mr. J. H. WADDELL
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The Cabinet were informed of the business to be taken in the House of Commons in the following week.

2. The Foreign Secretary said that, as one consequence of their decision to terminate diplomatic relations with the United Kingdom, the Government of Somalia had demanded that the relay station operated by the British Broadcasting Corporation (B.B.C.) at Berbera, on which at present all the Corporation’s services to the Middle East depended, should be closed. They had agreed, however, that the equipment could be dismantled and removed; and this would clearly be preferable to its passing into the possession and control of the Government of Somalia.

In addition, we had now lost the right to overfly Somalia. This was not of critical importance, since alternative routes existed. The general situation, however, was likely to deteriorate further, particularly since the Ethiopian Government had already strengthened their forces on the Somali border. We had decided to withdraw our consular representatives from Somalia, in the interests of their safety; and it was for consideration whether we should ask for the Somali Consulates in Aden and Nairobi to be similarly withdrawn.

In discussion, it was agreed that, while the provision of major economic aid to Somalia from the United Kingdom should now cease, it would be right to allow Somali students at present in this country to continue their studies and to maintain our support for certain minor projects in Somalia, such as locust control.

The Cabinet—

(1) Agreed that the British Broadcasting Corporation relay station at Berbera should be dismantled and removed.

(2) Invited the Commonwealth Secretary, in consultation with the Foreign Secretary and the other Ministers concerned, to examine possible alternative sites in the Middle East on which the station could be re-erected.

(3) Took note that the Prime Minister would arrange for further consideration to be given to the policy to be pursued by the Government in relation to the Horn of Africa.

The Foreign Secretary said that the Federal Government of Germany had now taken steps to prevent the export of large diameter steel pipe to the Soviet Union in conformity with the recommendation of the North Atlantic Council. In these circumstances it was increasingly doubtful whether British firms should be permitted to export pipe of this kind to the Soviet Union.

The President of the Board of Trade said that only two British firms were known to be in contact with the Soviet authorities about the possible export of large diameter pipe. But both the degree of interest and the quantities involved might increase substantially as a result of the German decision. The Government had power, if they so decided, to prohibit the exports in question by imposing export licensing on defined categories of steel pipe.

The Cabinet—

Invited the Chief Secretary, Treasury, as chairman of the Strategic Exports Committee, in consultation with the Foreign Secretary and the President of the Board of Trade, to arrange for an immediate review of the desirability of permitting exports of large diameter steel pipe to the Soviet Union in present circumstances and to report the Committee’s conclusions to the Cabinet.
3. The Prime Minister informed the Cabinet that he had given further consideration to the proposal that the Government should accept an Internuncio as the representative of the Vatican in the United Kingdom. He was satisfied that action which might be interpreted, even if erroneously, as implying recognition of the temporal authority of the Pope might be regarded as liable to prejudice the favourable development of the current movement towards closer spiritual relations between the Churches. It would be premature, therefore, to proceed further with the proposal at the present juncture, although it might be expedient to reconsider it at a later date.

The Cabinet—

Agreed that no further action should be taken, for the time being, to give effect to the proposal that the Government should accept an Internuncio as the representative of the Vatican in the United Kingdom.

4. The Cabinet had before them a memorandum by the Home Secretary (C. (63) 49) on the action to be taken should M. Bidault seek admission to this country or effect an illegal entry.

The Home Secretary said that M. Bidault or one of his principal associates might request asylum in this country, having either sought permission to land here or effected illegal entry. A refusal of asylum would represent a departure from our traditional practice in this respect; and, although it would be preferable to arrange, if possible, for M. Bidault to be sent to some country other than France, it might be necessary in the last resort to admit him to the United Kingdom.

In discussion there was general agreement that to grant M. Bidault or any of his principal associates the right to remain in this country might have serious political repercussions. Experience had shown that it would be impracticable to allow him to do so under conditions, since they could not easily be defined and would be difficult to enforce. On the other hand, if he were openly sent here from some other country, international practice in this manner would entitle us to return him to that country; and, since he was at present in Western Germany, it would be advisable to inform the Federal German Government accordingly. If he succeeded in effecting an illegal entry or was detected in the act of attempting to do so, he should be detained, pending further consideration of the problem by the Cabinet.

The Cabinet—

(1) Invited the Foreign Secretary, in consultation with the Home Secretary and the Attorney-General, to arrange for the Federal Government of Germany to be informed that, if M. Bidault or one of his principal associates arrived in this country from Western Germany, he would be refused admission and would be returned to Western Germany.

(2) Took note that, if M. Bidault or one of his principal associates entered the country illegally, the Home Secretary would arrange for him to be detained and for the Cabinet to be consulted again.

5. The Cabinet had before them a memorandum (C. (63) 52) by the First Secretary of State about the future of the Central African Federation.

The First Secretary of State said that he had now succeeded in arranging to hold discussions with representatives of the Federal Government and of the Governments of Northern and Southern Rhodesia in the hope of securing their agreement to the terms on which a formal conference on the future association of the Territories
might be convened at a later date. It would be very difficult, however, to devise a basis for such a conference which would be acceptable to all the parties concerned. The Government of Southern Rhodesia would probably favour the maintenance of some form of economic connection between the Colony and Northern Rhodesia. But they would also be likely to try to insist that Southern Rhodesia should be granted independence in the near future. This would be embarrassing in terms of our relations with other members of the Commonwealth and with foreign countries; and, coupled with the increasingly repressive policies which the Government of Southern Rhodesia were adopting towards the African population, it might seriously impede our efforts to foster any link between the Colony and Northern Rhodesia. We should therefore seek to defer a decision on the issue of independence for as long as possible and to persuade the Government of Southern Rhodesia to concentrate on the more immediate question of the nature and extent of their future association with Northern Rhodesia.

African opinion in Northern Rhodesia would be primarily concerned to secure from us some recognition of the Territory's right to secede from the Federation. Here again, we should seek to prevent their making our recognition of this right a precondition of their willingness to attend the conference on future association.

The Federal Government would similarly attempt to make their attendance at the conference conditional on our undertaking to preserve some form of political link between Northern and Southern Rhodesia. Such a link, however, would be unacceptable to both the Territories. The Federal Government might seek to retaliate by virtually breaking off relations with the United Kingdom Government and attempting to organise support for the maintenance of their own authority in Central Africa. In that event the United Kingdom Government would face a very difficult situation.

In discussion, there was general agreement that, in the forthcoming discussions with the Governments concerned, it should be our objective to attempt to secure their attendance at a subsequent conference where the conditions of their future association could be examined in greater detail and without prior reservations on their part. But, if the purpose of such a conference would be to ensure the ultimate dissolution of the Federation in its present form, we should be more likely to secure the acquiescence of the Federal Government in this course if some form of political link between Northern and Southern Rhodesia could be maintained as the basis of their future economic association. The Territories were unlikely, however, to be willing to contemplate anything more than an economic link; and there was little hope of achieving, at least initially, any joint organisation to give effect to a common policy on defence or external relations.

The Cabinet—

(1) Invited the First Secretary of State to be guided, during his forthcoming consultations with representatives of the Federal Government and of the Governments of Northern and Southern Rhodesia, by the considerations which had emerged during their discussion.

(2) Invited the First Secretary of State to keep the Cabinet informed of the progress of those consultations.
6. The Cabinet had before them a note by the Secretary of the Cabinet (C. (63) 51), covering a copy of the Railways Board's Report entitled "The Reshaping of British Railways," together with a memorandum by the Minister of Transport (C. (63) 53) to which was annexed the draft of a statement to be made on the Government's behalf on 27th March, when the report would be published.

The Minister of Transport said that the draft statement at Annex I to C. (63) 53 took into account the views which had been expressed by other Ministers; and the passage about staff redundancy had the agreement of the Board's Chairman, Dr. Beeching. In presenting the proposals publicly, in accordance with the arrangements described in Annex II to C. (63) 53, he intended to make it clear that in the light of the Report the Government would for the first time be able to formulate a general policy for the co-ordination of public transport services of all kinds. In particular, he would draw attention to the establishment of the National Transport Advisory Council and to the arrangements which had now been made for co-ordination between the Railways Board and the London Transport Board. He was satisfied that there was no statutory hindrance to an acceleration of the work which would fall to the Transport Users' Consultative Committees in connection with proposals to curtail or withdraw individual railway services; and he would consider further the precise form which acceleration might take. So far as possible, proposals for closures would be considered, and decisions would be announced, in relation to areas as a whole rather than in piecemeal fashion.

In discussion the Cabinet agreed a number of detailed amendments to the draft statement. It was suggested, in particular, that it should acknowledge the Government's obligation to ensure that adequate alternative means of transport were available before railway services were reduced and, in general, to take a positive initiative in reshaping the roads and the road transport services by means of a comprehensive plan which would complement the Railways Board's proposals.

In further discussion the following points were raised:

(a) In the examination of the proposals for the railways and the formulation of a general policy for public transport services it would be necessary to distinguish between those areas where, for social reasons, an uneconomic railway line had to be maintained and those areas where closure of a line could be approved provided that travellers who had relied on the railway would not be deprived of transport. In addition, some areas could claim an improvement in bus services, irrespective of any curtailment of rail facilities. In sponsoring a national transport plan which would purport to take account of all these different circumstances the Government would need to strike a reasonable balance between the social and economic considerations involved; and they should not encourage the assumption that the Exchequer would necessarily subsidise the relief of every inconvenience which might be alleged to result from the implementation of the Railway Board's proposals.

(b) Further consideration should be given to the possibility of accelerating the work of Transport Users' Consultative Committees, through the establishment of panels or otherwise.

The Cabinet—

(1) Invited the Minister of Transport, in consultation with the Chancellor of the Exchequer and the Minister without Portfolio, to incorporate in the draft statement to be made on 27th March on the Report of the Railways Board the amendments agreed in their discussion and to include a reference to the general policy which would be formulated by the Government, on the basis provided by the Report, for the effective co-ordination of public transport services.

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(2) Invited the Minister of Transport, in consultation with the Lord Chancellor, the Secretary of State for Scotland and the Minister for Welsh Affairs, to give further consideration to arrangements for accelerating the examination of proposals for the curtailment or withdrawal of railway passenger services and for the publication of decisions on such proposals.

7. The Chancellor of the Exchequer said that he had not yet completed his examination, in consultation with the Ministers concerned, of the appropriate composition and terms of reference of an inquiry into the rating system. He hoped to be in a position to report further at the Cabinet’s next meeting.

The Cabinet—
Took note of this statement by the Chancellor of the Exchequer.

8. The Cabinet had before them memoranda by the Chancellor of the Duchy of Lancaster (C. (63) 50) and the Lord President of the Council (C. (63) 54) on the pay of Ministers and Members of Parliament.

The Chancellor of the Duchy said that, although there could be argued to be a strong case on merits for an increase in the pay of Members of Parliament, it was more difficult to decide the appropriate timing of such an increase and the method by which it would best be arranged. Immediate action by the Government, although possibly acceptable to a substantial section of Parliamentary opinion, would be liable to be unfavourably regarded by the general public. An alternative course would be to seek the agreement of all Parties to an increase in Members’ pay after the next General Election. But this would attract an unacceptable degree of odium to the Government. On balance, therefore, the Government’s wisest course would be to make it clear that they had no intention of bringing proposals to increase Members’ pay before the present Parliament.

In discussion the following points were made:

(a) Special consideration would need to be given, in any revised proposals, to the position of members of the House of Lords and Ministers and junior Ministers in that House.

(b) An analysis based on movements in the cost of living since 1912 showed that a salary of £400 in that year would be the equivalent of £1,890 to-day. Increases of the order now in contemplation would therefore involve a radical change in the whole basis of remuneration of Members of Parliament and might be regarded as implying a corresponding change in their obligations and in the scope of their Parliamentary duties.

(c) A significant increase in Members’ pay at the present time would be liable to endanger the maintenance of the Government’s incomes policy.

(d) In default of an increase in remuneration there might be advantage in considering some improvement of the benefits in kind to which Members were entitled. There might, for example, be support for a concession under which the wives of Members would be entitled to free travel to their husbands’ constituencies.

The Cabinet—
Agreed to resume their discussion at a later meeting.

Cabinet Office, S.W. 1,