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SECRET

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C.M. (46)

95th Conclusions

CABINET 95 (46)

CONCLUSIONS of a Meeting of the Cabinet held at 10 Downing Street, S.W. 1, on Thursday, 7th November, 1946, at 11 a.m.

Present :

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| The Right Hon. C. R. ATTLEE, M.P., Prime Minister (<i>in the Chair</i>). | |
| The Right Hon. HERBERT MORRISON, M.P., Lord President of the Council. | The Right Hon. ARTHUR GREENWOOD, M.P., Lord Privy Seal. |
| The Right Hon. HUGH DALTON, M.P., Chancellor of the Exchequer. | The Right Hon. LORD JOWITT, Lord Chancellor. |
| The Right Hon. J. CHUTER EDE, M.P., Secretary of State for the Home Department. | The Right Hon. VISCOUNT ADDISON, Secretary of State for Dominion Affairs. |
| The Right Hon. LORD PETHICK-LAWRENCE, Secretary of State for India and Secretary of State for Burma. | The Right Hon. J. WESTWOOD, M.P., Secretary of State for Scotland. |
| The Right Hon. A. CREECH JONES, M.P., Secretary of State for the Colonies. | The Right Hon. G. A. ISAACS, M.P., Minister of Labour and National Service. |
| The Right Hon. E. SHENWELL, M.P., Minister of Fuel and Power. | The Right Hon. ANEURIN BEVAN, M.P., Minister of Health. |
| The Right Hon. T. WILLIAMS, M.P.,
Minister of Agriculture and Fisheries. | |

The following were also present :

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| The Right Hon. JOHN STRACHEY, M.P., Minister of Food. | The Right Hon. the EARL OF LISTOWEL, Postmaster-General (<i>Item 2</i>). |
| The Right Hon. HECTOR McNEIL, M.P., Minister of State (<i>Items 1-2</i>). | Mr. J. B. HYND, M.P., Chancellor of the Duchy of Lancaster (<i>Item 1</i>). |
| Mr. H. A. MARQUAND, M.P., Secretary for Overseas Trade (<i>Items 1-2</i>). | Marshal of the Royal Air Force Sir SHOLTO DOUGLAS, Commander-in-Chief of the British Armed Forces in Occupation in Germany (<i>Item 1</i>). |

Secretariat.

Sir EDWARD BRIDGES.
Sir NORMAN BROOK.
Mr. C. G. EASTWOOD.

Food.
Supplies for
Germany.
Previous
Reference:
C.M. (46) 93rd
Conclusions,
Minute 5.)

1. At the Prime Minister's invitation *Sir Sholto Douglas* gave the Cabinet an account of the serious situation which was arising in the British Zone of Germany owing to the shortage of bread grains. At the present season of the year about two-thirds of the ration requirements could be met from indigenous supplies, but the balance had to be imported from overseas and imported supplies would be exhausted within the next ten days. Immediate needs could be met only by borrowing grain in, or destined for, the United States Zone. He had already asked for such a loan and hoped he might obtain it. The United States authorities in Germany had, however, derived the impression from Washington that there were ample supplies of grain in Canada and that the United Kingdom Government should be able to secure this for the British Zone. It was vitally important that this impression should be corrected.

Administration of the British Zone of Germany was gravely handicapped by the hand-to-mouth basis on which its food supplies were at present being obtained. Some greater assurance of future supplies was urgently needed. He hoped that the Foreign Secretary would be able to secure this in his forthcoming negotiations in the United States.

The Secretary of State for Dominion Affairs and the *Minister of Food* agreed that the true facts of the Canadian wheat position must be brought home to the United States authorities. Owing to difficulties of internal transport, it was unlikely that Canada would now be able to ship during the winter months more than the amounts required for the United Kingdom alone.

In further discussion it was recalled that at their meetings on 25th and 31st October the Cabinet had agreed that the Foreign Secretary should include the question of grain supplies for the British Zone of Germany in the general approach which he was to make to the United States administration on the whole question of food supplies for areas of British responsibility. As the misconception about Canadian supplies had originated in the United States and not with American officials in Germany, the best course would be for him to cover the point in these negotiations. The *Minister of State* undertook to see that the Foreign Secretary was fully informed of the facts. These should also be given to the Commander-in-Chief for use by him and his officers in discussions with United States officials in Germany.

The Chancellor of the Duchy of Lancaster said that it was clear from a recent Report of the Tripartite Nutrition Commission that the results of short rations were being increasingly felt, not only in the towns and among the poorer classes, but among all sections of the population. One index was the marked increase in infectious tuberculosis. Failure to maintain the present ration of 1,550 calories a day would have serious results; and it was most desirable that the ration should be increased as soon as practicable to 2,000 calories.

The Cabinet—

Invited the Minister of State to arrange for the latest information regarding the food situation in the British Zone of Germany to be communicated forthwith to the Foreign Secretary for the purpose of his forthcoming discussions with the United States administration.

International
Organisations.
Previous
Reference:
C.M. (45) 51st
Conclusions,
Minute 3.)

2. The Cabinet had before them memoranda by the Lord President (C.P. (46) 416), the President of the Board of Trade (C.P. (46) 413), and the Minister of State (C.P. (46) 415) on the work and location of International Organisations.

The Cabinet first discussed the general issues raised in C.P. (46) 416 by the Lord President, who suggested that international collaboration was in danger of being discredited by the proliferation of international agencies, the variety of the questions brought forward for discussion, and the weakness of the secretarial organisation.

In the Cabinet's discussion there was general support for the view that the United Nations and the specialised agencies were attempting to do too much too quickly; that the number of international meetings which were being held made excessive demands on the time of Ministers and officials of all countries; and that the results so far achieved were far from compensating for the time and effort expended in these meetings. At the political level international discussions should for the present be concentrated primarily on the urgent problems of international security and economic recovery. On the technical level there were great advantages in international contacts between experts, but it was arguable that these conferences should be kept separate from the United Nations, where they might be exploited for political purposes.

The Cabinet also agreed on the importance of increasing the efficiency of the secretarial organisation of the United Nations and of some of the specialised agencies. The secretariat of the United Nations itself had expanded rapidly in New York, and its efficiency had not increased proportionately. The *Minister of State* said that he hoped that the Foreign Secretary would make some comment on this aspect of the matter during the current meeting of the General Assembly. There were three points which might with advantage be made. First, the growth of the secretariat might be limited. Secondly, permission might be sought to appoint a Deputy Secretary-General, who should be an experienced administrator. Thirdly, the United Kingdom Delegation might offer to submit a memorandum containing specific suggestions for increasing the efficiency of the secretariat.

The Cabinet—

- (1) Invited the Minister of State to arrange for a small working party of officials to draw up a report on the working of the secretariat of the United Nations and some of the specialised agencies; and asked that this report should be submitted to the Cabinet in due course.

The Cabinet next discussed the questions raised in C.P. (46) 413 and 415, viz., whether the headquarters of specialised international agencies should be located at the site of the United Nations itself and, in particular, whether the International Trade Organisation should have its headquarters at the site of the United Nations or in Europe.

The *Minister of State* said that the arguments for and against the general principle of centralising these agencies at the site of the United Nations were summarised in C.P. (46) 415. When the Cabinet had last discussed this question on 8th November, 1945, they had not finally rejected his predecessor's argument that it should be our general aim to bring together in one place the headquarters of the various international agencies connected with the United Nations. It was true that we had not since then met with much success in our efforts to achieve such a centralisation. He hoped, however, that the Cabinet would at least defer taking a definite decision against the principle of centralisation.

The following were the main points in discussion:—

(a) Centralisation at the site of the United Nations meant centralisation in the United States. If too many international organisations were brought under the influence of the United States, there was a danger that this might increase the cleavage between the eastern and western worlds and reduce the interest taken by European countries in international collaboration.

(b) In C.P. (46) 416 attention had been drawn to the high cost of maintaining in the United States the headquarters staffs of international organisations. As against this, it was pointed out that, while such organisations were maintained in the United States, the United States Government were likely to be willing to bear a large proportion of the total cost. They were at present defraying 49 per cent. of the cost of maintaining the headquarters of the United Nations.

(c) Was it necessary to lay down any general principle about the location of the headquarters of specialised agencies? Would it not be preferable to deal with each case on its merits? Thus, there were strong reasons for locating in Washington the International Reconstruction Bank and the International Monetary Fund because their success was dependent on the financial support of the United States. Again, it was convenient that the Provisional International Civil Aviation Organisation should have its headquarters in Montreal, in view of the importance of retaining Canadian interest in the international regulation of civil aviation. It seemed important that the International Trade Organisation should have its headquarters outside the United States, where delegates would be subject to pressure from commercial groups.

(d) *The Postmaster-General* said that there were strong reasons for retaining at Berne the headquarters of the Universal Postal Union and the International Telecommunications Union. These organisations had a long record of useful technical work, which should not be endangered by exposing them to the political atmosphere and commercial pressures which they would encounter in the United States.

(e) It was likely that the International Labour Organisation would decide to transfer their headquarters from the United States to Europe. The next Conference of the Organisation would be held in Geneva.

(f) *The Minister of Health* said that, if a World Health Organisation were established, he would be strongly opposed to its headquarters being located in the United States. There was a good prospect that London might become a world centre for post-graduate work in medicine; and from this point of view he would wish the headquarters of a World Health Organisation to be established somewhere in Europe. The Canadian Minister of Health, with whom he had recently discussed this question, favoured Geneva as the site for the headquarters of this Organisation.

(g) In view of the attitude of the United States Government towards world food problems, it now seemed unlikely that the Food and Agriculture Organisation would be able to play an effective part in securing the equitable distribution of the world's food supplies. It would, however, be inexpedient for His Majesty's Government to take any initiative towards the dissolution of this Organisation. If it were to continue, its headquarters and those of the International Trade Organisation should be located together.

The Cabinet—

- (2) Agreed that, in discussion of the location of the headquarters of international organisations, His Majesty's Government should not advocate the application of any general principle—either decentralisation or centralisation at the site of the United Nations itself.
- (3) Endorsed the view that the headquarters of the Universal Postal Union and the International Telecommunications Union should remain at Berne.
- (4) Agreed that the headquarters of the International Trade Organisation and the Food and Agriculture Organisation should be located together; and that it was undesirable that the headquarters of the former should be located in the United States.
- (5) Endorsed the view that, if a World Health Organisation were established, it would be undesirable that its headquarters should be located in the United States.

Divorce.

(Previous
Reference:
C.M. (46) 45th
Conclusions,
Minute 10.)

3. The Cabinet considered a memorandum by the Lord Chancellor (C.P. (46) 412) covering the Second Interim Report of the Departmental Committee on Procedure in Matrimonial Causes.

The Lord Chancellor said that the main recommendation in this report was that, while divorce jurisdiction should remain with the High Court, County Court Judges should be appointed as Commissioners of the High Court to try divorce cases, both in London and in the provinces, and Judges of the King's Bench should cease to try undefended divorce suits on circuit.

The Lord Chancellor said that the number of divorce petitions filed in 1945 was 25,000; and it was estimated that in 1946 the total number would be 40,000 and in 1947 50,000. It was clear that this greatly increased volume of work could not be handled by the existing Judges of the High Court. The Committee's plan, which was admittedly a compromise, would make it possible for the Courts to handle what might prove to be a temporary increase in divorce cases without conferring divorce jurisdiction on the County Courts. The plan would command a wide measure of support in legal circles. It was, however, opposed by the President of the Divorce Court, who advocated the appointment of six additional Commissioners to deal solely with divorce. The Lord Chancellor said that he disliked the President's scheme for three reasons. First, he thought it inexpedient that any Judge should devote the whole of his time to divorce cases. Secondly, if additional Judges of the High Court were to try divorce cases in the provinces, there would be difficulties of finding accommodation, staff, &c., which would not arise if use were made of the County Court Judges. Thirdly, if additional Judges were appointed to cope with what might prove to be a temporary increase in divorce work, special superannuation provision might have to be made for them. In these circumstances he recommended the Cabinet to accept the scheme proposed by the Departmental Committee, notwithstanding the opposition of the President of the Divorce Court.

In the second part of their report, the Committee made a number of detailed recommendations for simplifying divorce procedure. The Lord Chancellor invited the Cabinet to authorise him to investigate these to see how far they could be carried into effect.

Discussion showed that the Cabinet were in favour of the scheme recommended by the Committee. Its adoption would not preclude the eventual transfer of divorce jurisdiction to the County Courts; but it should ensure that such a transfer would not be made unless it had been found, by practical experience, that County Court Judges were able to deal satisfactorily with divorce cases.

The Cabinet—

- (1) Approved the recommendations made in the Second Interim Report of the Departmental Committee on Procedure in Matrimonial Causes;
- (2) Invited the Lord Chancellor to publish the report and to take steps to bring its recommendations into effect.

**Exchange
Control Bill.**

(Previous
Reference:
C.M. (46) 94th
Conclusions,
Minute 6.)

4. *The Chancellor of the Exchequer* said that in their discussion on 4th November the Cabinet had contemplated that he would be able to make a public statement, before the publication of the Exchange Control Bill, setting out the broad facts of our overseas balance in relation to the powers sought in the Bill. He pointed out that such a statement ought to be made in Parliament and the earliest opportunity to make it would be during the debate on the Address. He was, however, anxious to publish the Bill on 13th November. Would it be convenient for him to speak on 14th November in the debate on the Address?

The Lord President said that he was not yet in a position to advise on the order in which the Government spokesmen should speak in this debate.

The Chancellor of the Exchequer suggested that in these circumstances he should proceed with his arrangements for publishing the Bill on 13th November, and should hold a Press Conference on that day to explain the provisions of the Bill. This would be on the understanding that he would be given the first convenient opportunity thereafter to make a general statement in Parliament on the broad facts of our overseas balance.

The Cabinet—

Agreed that the publication of the Exchange Control Bill might precede the general statement which the Chancellor of the Exchequer was proposing to make in Parliament on the broad facts of our overseas balance.

*Cabinet Office, S.W. 1,
7th November, 1946.*
