Having regard to the proceedings in the House of Commons on Wednesday, 17th April, it is desirable that we should consider how the parliamentary position on iron and steel should be handled. There is considerable pressure for a debate, which will become greater when the White Paper is published, containing the technical report of the Iron and Steel Federation.

2. The Opposition has a case for a one-day debate, especially if the Government proceed under emergency powers and the Control Board uses these powers to pledge public credit in the interim period; indeed, the Opposition might put down a Vote of Censure. Should legislation be required for the transitional arrangements (though I trust it will not), the case for a special debate is less strong, but even in that event an emphatic expression of opinion by the House of Commons might bring the iron and steel industry to a more co-operative frame of mind. If it should be decided to give a day for a debate, it could take place on either a Government or an Opposition Motion. On balance, I think a Government Motion would be best: it would enable the Government to state its case better and the Motion, when carried, would have the authority of the House of Commons behind it in inviting the co-operation of the industry.

3. The Motion might be on the following lines:

"That this House approves the decision of His Majesty's Government to transfer to the ownership of the nation appropriate sections of the iron and steel industry with a view to its efficient organisation in the public interest; and invites the co-operation of the industry in the necessary transitional arrangements."

4. The Chief Whip tells me that the legislative programme will be materially inconvenienced if a day is given in May to iron and steel; but I am advised by the Minister of Supply that he would wish the debate to take place not later than the end of May.

5. If my colleagues agree I would propose to include an announcement that a day will be given to a Government motion on iron and steel, in my Business Statement to the House on Thursday, 2nd May.

6. So far as administrative arrangements are concerned, the Prime Minister has agreed that further action should now be taken by the Ministerial Committee on the Socialisation of Industries. The next step in this respect would appear to be for the Minister of Supply, to bring before that Committee his proposals regarding the composition and duties of the Control Board to be set up in the interim period, with an indication of the powers under which it will operate.

Privy Council Office, S.W.1.
29TH APRIL, 1946.

The draft of the White Paper will be circulated as C.P. (46) 178 for consideration by the Cabinet with this paper.