SECRET.

WAR CABINET 632.

Conclusions of a Meeting of the War Cabinet, held at 10, Downing Street, S.W., on Monday, October 20, 1919, at 4.30 p.m.

Present:

The Prime Minister (in the Chair).

The Right Hon. A. Chamberlain, M.P.

The Right Hon. A. Bonar Law, M.P.


The following were also present:

The Right Hon. the Viscount Milner, G.C.B., G.C.M.G., Secretary of State for the Colonies.


The Right Hon. W. S. Churchill, M.P., Secretary of State for War.


The Right Hon. the Lord Lee of Fareham, G.B.E., K.C.B., President, Board of Agriculture and Fisheries.

The Right Hon. E. S. Shortt, K.C., M.P., Secretary of State for Home Affairs.

The Right Hon. the Lord Birkenhead, Lord Chancellor.

The Right Hon. H. A. L. Fisher, LL.D., M.P., President of the Board of Education.

The Right Hon. C. Addison, M.D., M.P., Minister of Health.


Captain L. F. Burgess, Assistant Secretary.

Lieutenant-Colonel L. Storr, C.B., Assistant Secretary.

Mr. T. St. Q. Hill, Assistant Secretary.

Mr. Pembroke Wicks, Assistant Secretary.
1. The Lord Chancellor asked the War Cabinet to take note of the fact that Mr. F. Gore-Browne, K.C., had, to his own knowledge, made a considerable personal sacrifice in accepting the post of Chairman of the Rates Advisory Committee of the Ministry of Transport.

2. The meeting was called to enable the Prime Minister to consult his colleagues as to the main lines of an important statement on agriculture, to be made by him to a deputation on the following afternoon.

3. The War Cabinet were informed that the area of arable cultivation in the United Kingdom—which had been extended during the war by some 1½ million acres but was still about 2½ million acres less than the corresponding area for the year 1871—was tending to fall. This was due to the apprehensions of farmers that the price of corn was likely to drop. These apprehensions were, in the opinion of the War Cabinet, ill-founded, as, owing to the rise in the cost of coal, transport and labour in foreign countries, there was small prospect of a fall in prices. These apprehensions, however, existed, and constituted a real impediment to more extended arable cultivation.

The War Cabinet authorised—

The Prime Minister to make a statement in general terms to the effect that the policy of the Government was to extend the guarantee for such period as might be necessary; but the Government could not be definitely committed, either as to the price to be fixed or to the number of years to which the guarantee would extend pending the report of the Royal Commission which is now enquiring into the matter. The farmers, however, should be encouraged to extend the areas at present under cultivation, and should be given sufficient assurance to induce them to do this.

4. In view of the fears of the farming community—substantiated, as they were, by instances of losses actually incurred—that their farms might be sold over their heads and themselves evicted—an apprehension which led farmers to extract the utmost out of their lands, while it discouraged them from incurring any expenditure of money on the development of the said lands—the War Cabinet decided that—

The Prime Minister should be authorised to state to the deputation that the policy of the Government would be to safeguard tenant farmers from capricious eviction in the event of sale or notice for raising rents. In case of dispute as to the latter, the matter to be settled by arbitration.

5. The War Cabinet took note of the statement that the amounts proposed by the President of the Board of Agriculture and Fisheries for expenditure on scientific research do not involve any demands for money not already authorised. The continuation of those grants, which are less than those of any foreign country, was generally supported, and the President of the Board of Agriculture and Fisheries was requested to see that grants were not given to universities without previous consultation of the President of the Board of Education.
6. Having regard to the fact that successive Commissions on agriculture had uniformly reported that landlords had done their duty to the best of their ability in repairing tenants' buildings—

The War Cabinet did not consider it necessary to announce that provision should be made for appeal by the tenant against refusal by a landlord to carry out repairs.

The question of giving compulsory powers to the County Committees in extremely bad cases was left for further consideration.

7. The War Cabinet decided that—

In view of the heavy capital commitments of the Government entailed by the housing, transport, and other reconstruction schemes, the Prime Minister should not announce any scheme of Government responsibility for giving credit facilities to farmers or landlords. It was considered sufficient for the Prime Minister, on the following day, to announce that agriculture would need more credit owing to new conditions; that farmers should use farm banks as in other countries; but that the Government should not be committed to further expenditure unless other resources are found inadequate.

8. It was pointed out that, as a hint had been given to the Rates Advisory Committee that it was the intention of the Government to differentiate railway rates in favour of agriculture, the Prime Minister should include this in his statement of policy, since, otherwise, it would be assumed that the proposal had been adopted independently by the Advisory Committee, and the Government would get no credit for it.

The War Cabinet approved the suggestion.

9. Some discussion took place as to the expediency of continuing, in time of peace, the powers acquired under the Corn Production Act for exercising compulsion in regard to the cultivation of land.

It was held, on the one hand, that the exercise of compulsory powers under the Defence of the Realm Act had led to a great deal of foolish and vexatious action by the Agricultural County Committees, and that it would be very difficult to maintain, in time of peace, the power to interfere with the free exercise of a farmer's judgment in the cultivation of his land, in his own interest, at the dictation of a Committee of his neighbours.

On the other hand, it was pointed out that, as the Government were going to guarantee prices, they were entitled to secure the nation against bad husbandry; that the compulsory powers had been most effective in checking bad farming; that an arbitrary and unfair exercise of them would be prevented by the power of appeal contained in the new proposals, which had not existed under the Defence of the Realm Regulations; and that the National Farmers' Union desired that the compulsory powers should be retained, in the interest of good farming.

The War Cabinet decided that—

The compulsory powers over the cultivation of land should be retained.
10. Reference was made to the proposal to discontinue the bread subsidy, but, in view of the fact that further consideration was required before a definite proposal could be laid down, it was agreed that no mention should be made of the bread subsidy in the Prime Minister's statement.

11. The War Cabinet concurred in a proposal that a strong appeal should be made to agricultural labourers to put forward their best efforts, and that it should be made clear that the continuance of the existing high level of agricultural wages must depend upon an adequate return for the wages paid.

12. The War Cabinet suggested that the Prime Minister, in the course of his statement, should lay stress on the following points, which were of importance to the community as a whole rather than to the agricultural interest:

(a.) The price of food ought to be lessened by the increased home production.
(b.) The exchange difficulties of the country would be alleviated.

13. The War Cabinet generally approved the lines of the Prime Minister's statement, subject to the conclusions above recorded.

2, Whitehall Gardens, S.W. 1.
October 20, 1919.