WAR CABINET, 191.

Minutes of a Meeting of the War Cabinet held at 10, Downing Street, S.W., on
Friday, July 20, 1917, at 11.30 A.M.

Present:

THE PRIME MINISTER (in the Chair).

The Right Hon. the EARL CURZON OF NEPELESTON, K.G., G.C.S.I., G.C.I.E.

The Right Hon. the EARL OF KEDLESTON, K.G., G.C.S.I., G.C.I.E.

The Right Hon. the VISCOUNT MILNER, G.C.B., G.C.M.G.

Lieutenant-General the Right Hon J. C. SMUTS, K.C.

The following were also present:—

The Right Hon. SIR E. GEDDES, K.C.B., First Lord of the Admiralty.


Rear-Admiral A. L. DUFF, C.B., Assistant Chief of the Naval Staff (for Minutes 1 and 2).

Captain K. WEBB, R.N., Admiralty (for Minutes 1 and 2).

Captain FISHER, R.N., Admiralty (for Minutes 1 and 2).

Commander HENDERSON, R.N., Admiralty (for Minutes 1 and 2).

The Right Hon. SIR J. MACLAY, Bart., Shipping Controller (for Minutes 1 and 2).

SIR LEO G. CHIOZZA MONTEY, M.P., Parliamentary Secretary, Ministry of Shipping (for Minutes 1 and 2).


SIR J. ELLERMAN, Bart. (for Minutes 1 and 2).

SIR NORMAN HILL (for Minutes 1 and 2).

Mr. JOSEPH DAVIES (for Minutes 1 and 2).

Lieutenant-Colonel SIR M. P. A. HANKEY, K.C.B., Secretary.

Mr. THOMAS JONES, Assistant Secretary.

Fleet Paymaster P. H. ROW, R.N., Assistant Secretary.

Captain the Hon. W. ORMSBY-GORE, M.P., Assistant Secretary.

Captain CLEMENT JONES, Assistant Secretary.
1. IN continuation of War Cabinet 183, Minute 2, and War Cabinet 184, Minute 1, the War Cabinet took into further consideration the points referred to therein.

In regard to the question of cutting down the number of merchant ships employed, with a view to creating a reserve, the Shipping Controller stated that, in view of the facts that (a) the demand from the several departments was 600,000 tons per month in excess of the supply, and (b) we must build up as soon as possible reserves of cereals, ore, and oil, supply coal to Italy, and meet the Russian programme within the next three months, he did not consider it practicable to cut down shipping.

The War Cabinet approved this policy.

With regard to the question of the redistribution of anti-submarine craft, Sir Norman Hill pointed out that the system he wished to advocate for the consideration of the War Cabinet was that only such ships should be employed as could be assured a fair measure of protection, and that the areas of concentration should be abandoned. He pointed out that the adoption of a convoy system must necessarily bring down imports, as it would result in less trips being made, but at the same time the ships would stand a far better chance of not being sunk.

As regards the question of what protection the Admiralty could afford, the First Sea Lord referred to the paper he had written on the Destroyer Situation (Paper G.T.-1408), in which he pointed out that the only three sources from which destroyers were available were the Dover and Harwich forces, and the destroyers allotted to the Grand Fleet, and that the majority of the latter were already carrying out, in one form or another, trade protection. Further, that practically all other seaworthy destroyers were engaged in protecting commerce or troop transport.

The question of using trawlers as convoying vessels was raised, and the Admiralty representatives pointed out that, though every endeavour was made in this respect with a view to selecting and regrouping the best trawlers for this purpose, any trawler convoy, on account of its slow speed, could not be as efficient as destroyers. With regard to convoys of this nature, i.e., convoys having a speed of only 7 knots, Rear-Admiral Duff mentioned that it was quite conceivable that if attacked by submarines the convoy might sustain a loss of three or four ships. It was added that the trawlers would have to be provided with Naval Officers in command, as their skippers are not in all respects qualified to take on convoying duties.

With reference to any economy in the strength of the convoys, the Admiralty held the view that, apart from reserves, 8 destroyers or 12 trawlers were required for a convoy of 20 merchant ships. If, in the case of a destroyer convoy, the number was reduced to 6, it was considered that such would be an inadequate screen. The Admiralty informed the War Cabinet that a new system was now being adopted, inasmuch as, when possible, three salvage tugs escorted each convoy through the danger zone, and were stationed astern, for the double purpose of keeping off attacks from that quarter, towing disabled vessels, and rescuing the crews in case of disaster.

Sir Norman Hill pointed out that the mercantile marine were strongly against any increase in the size of convoys, and that the view was prevalent amongst merchant captains that at an early date slow boats would have to stop running unless convoys were provided for them. As regards the faster craft of 14 knots and over, he strongly advocated that they should carry a gun forward as well as aft; but it was pointed out by the Admiralty that a gun in the bows was practically useless; further, that all available sources had been tapped with a view to providing for the arming of merchantmen, and that the situation had vastly improved during the last six months. Moreover, when all the merchant-ships were armed with one gun each—at present there are some 16 per cent. still unarmed.
—it would be better, before putting two guns on each ship, to replace the small guns already on board some of the ships by weapons with longer range and greater powers of penetration.

Admiral Duff proceeded to state the situation as regards the number of convoys. The Admiralty hoped shortly to have eight convoys every eight days, and added that four of such convoys were now in steady running. It was proposed to utilise trawlers for the Gibraltar convoy, which required an anti-submarine escort at each end of the voyage, and it was hoped in the near future they would be able to work up to two convoys per week from that port. As regards the other two convoys, namely, one from Dakar and one from the United States of America, the Admiralty did not at present see their way to institute them, but by the end of August they hoped there would be seven convoys working, bringing in a matter of from 120 to 130 ships a week.

It was stated that it was not at present practicable to provide convoys for out-going ships. Owing to the better means of control that prevailed in their case, it was possible to hold up the sailings as might be found requisite and despatch them in groups on routes which were known to be fairly free from enemy submarines, thus rendering the merchant ships less liable to attack.

Sir John Jellicoe referred to the difficulty that was being encountered at present in obtaining sufficient cruisers to bring the several convoys from the port of departure to the point in the more dangerous areas where they were picked up by the destroyer convoys.

The question was then raised as to whether it would be desirable—

(a.) To have an adequate convoy for half the ships and no protection for the remainder; or
(b.) To have an inadequate protection for the whole number.

Commander Henderson, whose opinion was invited, stated that in his view it was a matter which could only be proved by an extended trial, but that he personally thought (b) was the better course; the fact that vessels were under control capable of being diverted by secret code was in itself a measure of protection.

Sir Norman Hill stated that he would prefer that only the ships that could be adequately protected should be employed, and that the remainder should be laid up. The War Cabinet decided, however, that such a course of laying up half the ships was out of the question, and therefore the policy of providing as strong a force, either as convoy or patrol, as circumstances admitted should be pursued.

Sir Leo Chiozza Money pointed out that if fewer ships were used in other than the North Atlantic route, the Admiralty might be able to bring more protection to bear upon the Atlantic convoys.

Daily Bulletins.

2. Sir Norman Hill said that shipowners generally would be glad if they might be kept in closer touch with the new experiments in regard to submarine warfare which were being put into practice by the Admiralty. He suggested that daily bulletins, explaining the nature of the attacks and their results, should be sent to the Admiralty Intelligence Officers at each port, and that these bulletins should be seen by the Marine Superintendents of the lines approved by the Admiralty. Sir Norman Hill recognised the admirable work that had been done by the Chatham School. The Shipping Controller concurred in this view, and urged the further extension of such schools, in order to bring the Admiralty and mercantile officers in closer touch.
The War Cabinet decided that—

(a.) Some action, on the lines indicated by Sir Norman Hill, as regards daily bulletins, should be taken by the Admiralty.

(b.) Closer relations, in the form of Shipping Liaison Officers, should be instituted between the Admiralty and the Mercantile Marine.

It was pointed out that the Admiralty appeared to be grappling more successfully with the submarine situation at an earlier date than they had anticipated, and the War Cabinet expressed the hope that the Board would continue to impress on all Naval officers concerned the need of the closest co-operation between the Navy and the Mercantile Marine, and of the adoption of a sympathetic attitude by such Naval officers with regard to the difficulties experienced by the Merchant Service in carrying out their duties to the country.

3. The War Cabinet had before them a Memorandum by the Food Controller (Paper G.T.—1377), and a letter from the Food Controller to the Prime Minister (Appendix), dealing with the staffing and organisation of the Department—

(a.) While recognising the great importance of an adequate staff in the Ministry of Food, the War Cabinet found it impossible, having regard to the vital war interests of other Departments, to sanction the proposal that men should be surrendered to the Ministry of Food to the detriment of work of first-class importance in other Departments. They instructed the Secretary, however, to invite the favourable consideration by all Departments of applications from Lord Rhondda for assistance in the development of his staff.

(b.) The War Cabinet authorised an expenditure up to a maximum of 200,000L on local office staff and accommodation by the Ministry of Food, subject to the approval of the Chancellor of the Exchequer.

4. The Memorandum on the Extension of Unemployment Insurance, proposed by the Ministry of Labour (Paper G.T.—1429), was referred to the Chancellor of the Exchequer and Mr. Barnes for decision.

5. The Memoranda on Labour disputes, by the Controller of Coal Mines (Paper G.T.—1443), and Sir George Askwith (Paper G.T.—1444), were referred to Lord Milner and Mr. Barnes for decision.

6. In reference to War Cabinet 168, Minute 13, and War Cabinet 173, Minute 10, the War Cabinet decided to appoint a small Committee, consisting of—

Sir Edward Carson (Chairman) and General Smuts,
With representatives of the Admiralty, War Office, and Foreign Office,
Colonel Swinton (Secretary),

to investigate the position of Norway and other northern neutral countries in relation to the war, and to obtain from our Naval and Military Staffs full information as to their plans.
7. In the absence of the Secretary of State for War, the Secretary drew attention to a proposal that had been made at a Conference on Man-power held on the previous afternoon at 10, Downing Street, that the Admiralty should furnish periodical figures as to the number of men in the Navy on similar lines to the periodical statements furnished to the War Cabinet by the War Office.

The First Lord of the Admiralty undertook to consider this proposal and to report to the War Cabinet.

It was further agreed that—

The Secretary of State for War should be asked to communicate to the First Lord of the Admiralty the form in which his statement should be made, in order to compare with the Army States.*

8. The War Cabinet had before them a Memorandum on Trade War by the Foreign Trade Department of the Ministry of Blockade (Paper G.T.-1447), advocating the development of the policy underlying the Statutory List and the taking of measures during the war to exploit the alarm already manifested by Germany at the idea of post-bellum trade war.

The War Cabinet, while unwilling without further examination to assent to the policy recommended in this document, approved that the Memorandum should be sent to the British Ambassador at Washington.

2, Whitehall Gardens, S.W.,
July 20, 1917.

* This latter decision was actually taken in the afternoon, but it is more convenient to group it with the morning's Minutes.
My dear Prime Minister,

Grosvenor House, W., July 20, 1917.

IT is essential, if I am to set up the machinery for limiting food prices in time to satisfy public opinion, that I should, within reasonable limits, be given a free hand in regard to expenditure.

I propose, as I mentioned to you yesterday at Cabinet, to ask the local authorities throughout the country to help me, not only in regulating the distribution of sugar and other commodities, but to apply and enforce within their districts the control of all middlemen’s profits between the producer and the consumer.

I am satisfied that this can be done effectively, but it entails the establishment of a vast organisation, and I cannot undertake it unless I am free to get the best men I can for the work and to authorise such expenditure as may be necessary for the establishment of the district offices.

I have therefore asked the Chancellor of the Exchequer to authorise me, within a limit of say 200,000L., to engage such staff and office accommodation as may be necessary and to fix, without having to refer to the Treasury in each case, the scales of pay within the limits laid down for the Local Government Board and other Government Departments of the first class.

The Chancellor will not withhold his consent to this proposal provided that you concur, and in order that there may be no further delay I should be glad to have a brief note from you saying that you share my view.

Yours sincerely,

RHONDDA.