CABINET 16 (24)

Meeting of the Cabinet to be held at 10, Downing Street, S.W.1, on THURSDAY, FEBRUARY 21, 1924, at 11 a.m.

AGENDA.

11 a.m. 1. IMPERIAL AND IMPERIAL ECONOMIC CONFERENCES. (THE PROPOSED PREFERENCES.)

Note by the Secretary, covering Summary of Proceedings of Imperial and Imperial Economic Conferences (Paper C.P.-69 (24)) - (Already circulated).

Note by the Secretary of State for the Colonies, covering Memorandum by Lord Arnold (Paper C.P. 112 (24)) - (Already circulated).

2. TANGIER.

Memorandum by the Secretary of State for Foreign Affairs (Paper C.P. 123 (24)) - (Already circulated).

3. BRITISH CONCESSIONS IN CHINA.

Memorandum by the Secretary of State for Foreign Affairs (Paper C.P. 111 (24)) - (Already circulated).

4. AIRSHIP DEVELOPMENT.

Memorandum by the Secretary of State for Air (Paper C.P. 104 (24)) - (Already circulated).

Memorandum by the First Lord of the Admiralty (Paper C.P. 118 (24)) - (Already circulated).

5. PALESTINE.

Memorandum by the Secretary of State for the Colonies (Paper C.P. 121 (24)) - (To be circulated).

6. RENT RESTRICTIONS.

Joint Memorandum by the Minister of Health and First Commissioner of Works, covering Draft Bill (Paper C.P. 125 (24)) - (Already circulated).

7. THE DOMINIONS AND SINGAPORE.

Statement by the Secretary of State for the Colonies.

(Contd.)
9. HOME AFFAIRS COMMITTEE.

Consideration of Recommendations on the following subjects:

(a) The White Lead Convention.
    Reference H.A.C. 2nd Conclusions (24), Minute 1.

(b) The West Indian (Telegraph) Bill.
    Reference H.A.C. 2nd Conclusions (24), Minute 2.

(c) The Pacific Cable Bill.
    Reference H.A.C. 2nd Conclusions (24), Minute 3.

(d) The Treaty of Peace (Turkey) Bill.
    Reference H.A.C. 2nd Conclusions (24), Minute 4.

(e) The China Indemnity (Application) Bill.
    Reference H.A.C. 2nd Conclusions (24), Minute 5.

(f) The Friendly Societies Bill.
    Reference H.A.C. 2nd Conclusions (24), Minute 6.

(Signed) M.P.A. HANKEY.
Secretary to the Cabinet.

2, Whitehall Gardens, S.W.1.,
20th February, 1924.
CONCLUSIONS of a Meeting of the Cabinet
held at 10, Downing Street, S.W.1., on THURSDAY, FEBRUARY 21st. 1924, at
11.0 a.m.

PRESENT :

The Right Hon. J. Ramsay MacDonald, M.P.,
Prime Minister and Secretary of State for Foreign Affairs. (In the Chair).

The Right Hon.
Viscount Haldane, K.P., C.M.,
Lord Chancellor.

The Right Hon.
Philip Snowden, M.P.,
Chancellor of the Exchequer.

The Right Hon.
Stephen Walsh, M.P., Secretary of State for War.

Brig.-General The Right Hon.
Lord Thomson, C.B.E., D.S.O.,
Secretary of State for Air.

The Right Hon.
Sidney Webb, M.P., President of the Board of Trade.

The Right Hon.
Charles Trevelyan, M.P.,
President of the Board of Education.

The Right Hon.
Tom Shaw, C.B.E., M.P.,
Minister of Labour.

The Right Hon.
Vernon Hartshorn, C.B.E., M.P.,
Postmaster-General.

The Right Hon.

1. The Prime Minister informed his colleagues that the Liberal Party was prepared to suggest Major Entwistle for the post of Deputy Chairman of Committees, House of Commons. The only difficulty was that the Liberals were under the impression that the Deputy Chairman would have to give up his professional practice as a Barrister.

The Cabinet agreed —

(a) That Major Entwistle would be acceptable, and that the Lord Privy Seal should let it be known, through the usual channels, that his name would be proposed as Deputy Chairman to the House of Commons on Monday;

(b) That the Chief Whip should let the leaders of the Liberal Party know that the Government knew of no reason why Major Entwistle should formally give up his practice as a Barrister on becoming Deputy Chairman.
2. The Minister of Labour made a full statement to the Cabinet as to the circumstances in which the Dock Dispute had been brought within sight of an immediate settlement, and of the terms on which it was hoped that a settlement would be reached. These terms included an increase to the wages of workers of 1/-s a day at once, and a second 1/- on the first Monday in June; the remission of the question of decasualisation to a Committee of representatives of employers and workers, with a Chairman nominated by the Minister of Labour, and were accompanied by a statement on the part of the representatives of both employers and employed that it was intended to be a real settlement in the industry. It only remained for the representatives of the Transport and General Workers' Union, who had their Executive Committee behind them, to consult their Delegate Meeting, and the results of that consultation ought to be known by 7 o'clock the same evening.

The Cabinet were also informed that the dockers at Plymouth had declined to handle the mails that morning.

The Cabinet agreed —

(a) To place on record their cordial congratulations to the Minister of Labour for his important share in the favourable turn in the situation:

(b) That the Prime Minister, in reply to a Private Notice Question, should make a statement to the House of Commons to the effect that the representatives of both sides had agreed to terms which the Union spokesman had decided to put before their Delegate Meeting that evening with a recommendation in favour of agreement; that the Minister of Labour hoped to be able to communicate the terms of the agreement before the House rose that evening; that if this hope was fulfilled, work would be resumed at some of the ports tomorrow, and that, in the circumstances, the Government did not propose to put into operation any of the machinery it had been prepared to set up to secure a food supply to the public:
(c) That, in view of the inconsiderate pressure of the Opposition in the House of Commons on the previous day for information as to what steps the Government were taking, the Prime Minister should add to his answer a statement to the effect that he regretted he had not been able to give more information on that occasion, but that he now considered that had he done so it would have been most damaging to the negotiations for which the Government were responsible, and had he yielded there would have been no settlement today:

(d) That after the Prime Minister had made his statement, the Minister of Labour, subject to the permission of the Speaker, should publicly offer his thanks to the members of the Committee of Inquiry set up under the Industrial Courts Act, who, at the shortest notice and without regard to their personal convenience, had consented to serve thereon:

(e) That in view of the favourable turn in the negotiations, the Clerk of the Council should not take steps to ascertain His Majesty's pleasure in regard to a special meeting of the Privy Council for the purpose of approving Proclamations under the Emergency Powers Act, 1920:

(f) That, in view of the improved situation, it was unnecessary to take special steps for bringing supplies of yeast from Ireland to England.
(a) That, in view of the inconsiderate pressure of the Opposition in the House of Commons on the previous day for information as to what steps the Government were taking, the Prime Minister should add to his answer a statement to the effect that he regretted he had not been able to give more information on that occasion, but that he now considered that had he done so it would have been most damaging to the negotiations for which the Government were responsible, and had he yielded there would have been no settlement today:

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(e) That in view of the favourable turn in the negotiations, the Clerk of the Council should not take steps to ascertain His Majesty's pleasure in regard to a special meeting of the Privy Council for the purpose of approving Proclamations under the Emergency Powers Act, 1920:

(f) That, in view of the improved situation, it was unnecessary to take special steps for bringing supplies of yeast from Ireland to England.
3. The Cabinet had before them the following documents relating to the recent Imperial and Imperial Economic Conferences:

A Note by the Secretary, covering a Summary of the Proceedings of the Imperial and of the Imperial Economic Conferences (Paper C.P.-69 (24)):

A Note by the Secretary of State for the Colonies, covering a Memorandum by Lord Arnold (Paper C.P.-112 (24)).

The Cabinet agreed —

(a) That the Prime Minister, in reply to a Question in the House of Commons as to what action the Government proposed to take in regard to the recommendations of the Imperial and Imperial Economic Conferences, should explain that if a special time were allocated for discussion of the whole of the recommendations of the two Conferences, the time of the House, which was already barely adequate to the volume of business, would be wasted, since in any event the question of the proposed Preferences would inevitably be raised on the Finance Bill. In these circumstances the Prime Minister should ask the House of Commons to agree to the following procedure, namely:

A distinction should be drawn between those recommendations which, if adopted, would have to be incorporated in the Finance Bill, and the remainder. As regards the former category, those which the Government were prepared to accept should be included in the Finance Bill and discussed when that Bill was brought before the House. The inclusion of Preference proposals which the Government were unwilling themselves to adopt could be moved by Members of Parliament as amendments to the Finance Bill. The recommendations of the Imperial and of the Imperial Economic Conferences which lay outside the scope of the Finance Bill could then be discussed in Parliament either in connection with the necessary legislation or as opportunity offers.

If, however, after hearing the Prime Minister's statement, the House of Commons insisted on special time for the separate discussion of the recommendations of the Conferences as a whole, this would have to be conceded.

NOTE: It has been ascertained that this could only apply to proposals for increased preference in the case of existing duties. To cover new duties Budget Resolutions are required, and these could only be initiated by the Government. This point will require reconsideration, as the Opposition might reasonably complain that they have been deprived of an opportunity of discussing those proposals which involve increased new duties.
(b) That the Secretary of State for the Colonies and the Secretary of State for India should make a confidential communication to the Dominions and India respectively in regard to the above procedure before the Prime Minister makes his announcement.

(c) That the Secretary of the Cabinet should arrange with the responsible Departments for the compilation, in consultation with all the Departments concerned, of a comprehensive Memorandum in regard to the Imperial and Imperial Economic Conferences, with a view to circulation to the Cabinet.
4. After consideration of a Memorandum by the Secretary of State for Foreign Affairs on the Tangier Convention (Paper C.P.-123 (24)), the Cabinet agreed --

(a) That the Prime Minister, as Secretary of State for Foreign Affairs, though not very well satisfied with the settlement, had no alternative but to submit the question for the favourable consideration of Parliament. In doing so he should give a résumé of the negotiations and should make it clear that since the present Government came into office he had declined to exercise any pressure either on France or Spain in the matter, but that the Foreign Office were relieved to have this longstanding and embarrassing question settled:

(b) That the Chief Whip should make arrangements for the discussion of the question in the House of Commons, if the House desired.
5. In view of the fact that additional Papers were being prepared on this subject by certain Departments, the question of British Concessions in China was postponed.
6. The Cabinet had before them the following documents in regard to Airship Development:—

A Memorandum by the Secretary of State for Air (Paper C.P.-104 (24));

A Memorandum by the First Lord of the Admiralty (Paper C.P.118 (24)).

The Cabinet were informed that both the Admiralty and the Air Ministry were convinced of the great importance of proceeding with airship development, and that the difference of opinion arose in regard to the precise method in which this should be carried out.

After considerable discussion the Cabinet agreed —

(a) That a Committee composed as follows:—

The Secretary of State for the Colonies (Chairman),

The Chancellor of the Exchequer,

The Lord President of the Council,

The Secretary of State for Air,

The Secretary of State for War,

The First Lord of the Admiralty,

should meet to re-examine the Burney Airship Scheme and to decide whether that Scheme should be dropped, a fresh Scheme of Airship Development under Government control being substituted for it, or, alternatively, whether the Burney Airship Scheme should be continued, and, if so, on what terms:

(b) That the £400,000 included in the Air Ministry Estimates for next year should be dropped, but that a Supplementary Estimate should be introduced later, if necessary, for any Scheme of Airship Development which might be adopted as the result of the inquiries by the Cabinet Committee:

(c) That the question of the exact relations of the Admiralty and the Air Ministry in regard to Airship Development should be left for later consideration by the Committee of Imperial Defence, when the main question had been settled.
7. After consideration of a Memorandum by the Secretary of State for the Colonies (Paper C.P.-121 (2d)) in regard to the position in Palestine, the Cabinet agreed —

(a) To reaffirm the Balfour Declaration of November, 1917, the terms of which are as follows:

"His Majesty's Government view with favour the establishment in Palestine of a National Home for the Jewish people, and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine or the rights and political status enjoyed by Jews in any other country."

(b) That the question of the issue of a Palestine Loan, under some form of British guarantee, should be left for arrangement between the Secretary of State for the Colonies and the Chancellor of the Exchequer.
8. After consideration of a Joint Memorandum by the Minister of Health and the First Commissioner of Works in regard to a private Rent Restriction Bill presented by Mr Benjamin Gardner, M.P., which was down for Second Reading on Friday, February 22nd, the Cabinet agreed —

That the Minister of Health should limit himself to stating that the Government are generally in favour of the proposals of the Bill.
9. After consideration of a Memorandum by the President of the Board of Trade on the question of a Census of Production (Paper C.P.-113 (24)), the Cabinet agreed —

That the President of the Board of Trade should have authority to proceed as soon as possible with the arrangements contemplated by the previous Government for taking another Census of Production.
10. The Cabinet had before them the recommendations of the Committee of Home Affairs in regard to the Bills mentioned in the margin (Committee of Home Affairs 2 (24)) (Appendix).
the passage of the Money Resolution by the House of Commons.

While taking note that the number of Bills on the Order Paper is already rather large, the Cabinet agreed —

(a) To approve the recommendations of the Committee of Home Affairs (Appendix):

(b) That the Lord Chancellor and the Lord President of the Council should carefully consider what further Bills on the list could be dealt with in the first instance in the House of Lords.
11. The Cabinet were informed that, following a Majority Report of the Royal Commission on Honours, an Honours (Prevention of Abuses) Bill had been introduced in the House of Lords last Session in order to give effect to the recommendation that penalties should be imposed on persons offering to secure an Honour for a money payment or valuable consideration, and on persons promising payment or consideration in order to secure an Honour. This recommendation had been endorsed by Mr Arthur Henderson. The Bill passed through all its stages in the House of Lords, and was read a Second Time in the House of Commons on the 15th June. It failed to reach a Second Reading owing to the pressure of more urgent business. There was reason to believe that Sir Evelyn Cecil, M.P., would raise the question and enquire what was the Government's intention.

The Cabinet agreed —

That the Honours (Prevention of Abuses) Bill should be introduced in the House of Lords.
12. The Cabinet were informed that considerable disappointment had been caused in the Labour Party by the decision not to have a photograph of the Cabinet, and many persons had expressed a desire to possess a photograph of the first Labour Cabinet.

After consideration, the Cabinet agreed —

That the Prime Minister should make arrangements with a first-class photographer for a private photograph to be taken of the members of the Cabinet. The copyright of the photograph would then become the private property of members of the Cabinet, each of whom would have a copy, and the expenses would be shared between the members. The Prime Minister should authorise the Labour Party Headquarters at Eccleston Square to receive copies, with a view to such distribution as he might deem advisable.
13. After hearing from the First Lord of the Admiralty a statement in regard to the importance of expediting tenders for naval construction unless large numbers of men were to be discharged at an early date, the Cabinet agreed —

That the ordinary procedure, according to which the Admiralty wait until after the passing of the Ways and Means Resolutions before calling for tenders, should be waived, and that the Admiralty should have authority to call at once for tenders for approved naval construction, and so enable work to be started immediately after Parliamentary sanction.
14. The Cabinet agreed —

That, in view of the large amount of Committee work involved in recent decisions, the next Meeting should not be held until THURSDAY, FEBRUARY 28th, 1924, unless an emergency Meeting was required in the interval.

Whitehall Gardens, S.W.1,

February 21, 1924.
CABINET.

COMMITTEE OF HOME AFFAIRS 2 (24).

Conclusions of a Meeting of the above Committee, held in the Ministers' Conference Room, House of Commons, S.W., on Friday, February 15, 1924, at 11 A.M.

Present:

The Right Hon. Viscount HALDANE, K.T., O.M., Lord Chancellor (in the Chair).


The Right Hon. A. HENDERSON, Secretary of State for Home Affairs.

Sir H. H. SLESSER, K.C., Solicitor-General.

The following were also present:

Miss MARGARET BONDFIELD, M.P., Parliamentary Secretary, Ministry of Labour. (For Conclusion 1.)

Mr. A. V. ALEXANDER, M.P., Parliamentary Secretary, Board of Trade. (For Conclusion 1.)

Sir LIONEL EARLE, K.C.B., K.C.V.O., C.M.G., Secretary, H.M. Office of Works. (For Conclusion 1.)

Sir MALCOLM DELEVINGNE, K.C.B., Home Office. (For Conclusion 1.)

Mr. G. STUART ROBERTSON, K.C., Chief Registrar, Registry of Friendly Societies. (For Conclusion 6.)

Mr. F. J. BROWN, C.B., C.B.E., General Post Office. (For Conclusions 2 and 3.)

Mr. F. D. G. OSBORNE, Foreign Office. (For Conclusions 4 and 5.)

Mr. G. W. RENDEL, Foreign Office. (For Conclusions 4 and 5.)

Mr. B. C. Spoor, M.P., Parliamentary Secretary to the Treasury.

Sir CLAUD SCHUSTER, K.C.B., C.V.O., K.C., Permanent Secretary, Lord Chancellor's Office.

Mr. V. A. H. WELLESLey, C.B., Assistant Under-Secretary of State, Foreign Office. (For Conclusion 5.)

Mr. H. WOLFE, C.B.E., Ministry of Labour. (For Conclusion 1.)

Mr. W. M. GRAHAM HARRISON, C.B., Second Parliamentary Counsel.

Mr. H. E. FASS, O.B.E., Assistant Secretary, Treasury. (For Conclusions 2, 3 and 6.)

Mr. R. A. WISEMAN, Colonial Office. (For Conclusions 2 and 3.)

Mr. C. W. DIXON, M.B.E., Colonial Office. (For Conclusions 2 and 3.)

Mr. THOMAS JONES, Mr. R. B. HOWORTH,

Joint Secretaries to the Committee.
The White Lead Convention.

1. The Home Affairs Committee had under consideration the following documents relative to the ratification of the Geneva Convention as to the use of White Lead in painting:
   - Memorandum by the Home Secretary C.P. 53 (24).
   - Memorandum by the Lord President of the Council C.P. 90 (24).
   - Memorandum by the First Commissioner of Works C.P. 106 (24).
   - Memorandum by the Minister of Labour C.P. 109 (24).

In his Memorandum (C.P. 53 (24)) the Home Secretary recommended that the Government should decide in favour of the policy of ratification and suggested that an official announcement that the Government proposed to ratify the Convention and introduce the necessary legislation to give effect to its provisions should be made and that on the passage of the Bill into law the Government should formally ratify the Convention.

The Minister of Labour (C.P. 109 (24)) suggested, however, that the announcement should take the form that a Bill would be introduced as soon as possible, designed to give effect to the provisions of the Draft Convention and that should this Bill pass into law without amendments contrary to the provisions of the Draft Convention the Government then proposed to ratify the Convention. Unless the announcement was qualified as proposed the Government might be placed in an embarrassing position should Parliament introduce amendments into the proposed legislation in such a way that effect would no longer be given to all the provisions of the Convention.

With regard to the difficulties in the way of full ratification of the Convention referred to in Memoranda C.P. 53 (24) and C.P. 106 (24), the Committee were unanimously of opinion that the Government should ratify the Convention without any reservation or qualification.

The Committee were informed that, while there was reason to believe that the Government of the Commonwealth of Australia would not support the opposition to the Convention of certain Australian trade interests, that Government ought, as a matter of courtesy, to be notified of the British Government's decision respecting ratification before the decision is actually published.

The Committee agreed to recommend to the Cabinet:

(1.) That an official announcement should be made to the effect that a Bill would be introduced as soon as possible designed to give full effect to the provisions of the Draft White Lead Convention, and that, should this Bill pass into law without amendments contrary to the provisions of the Draft Convention, the Government then proposed formally to ratify the Convention.

(2.) That the Secretary of State for the Colonies should be authorised to communicate the decision of the Government to the various Dominion Governments prior to the public announcement referred to in (1) above, and that the Secretary of State for India should be authorised to make a similar communication to the Government of India.

(3.) That the Home Secretary should be authorised to circulate, for the consideration of the Home Affairs Committee, copies of a Draft Bill designed to give full effect to the provisions of the Draft Convention.
2. The Home Affairs Committee had before them a Memorandum (C.P. 80 (24)) by the Financial Secretary to the Treasury covering the Draft West Indian (Telegraph) Bill.

As explained in the covering Memorandum, the Bill is required to enable the Treasury to provide the necessary capital for the manufacture and laying of the cables and for the necessary wireless plant required to carry out the proposed new telegraphic arrangements in the West Indies described in the Memorandum (C.P. 84 (24)) by the Secretary of State for the Colonies covering the Draft Pacific Cable Bill.

A Financial Resolution would be required in the case of the present Bill, and as regards Clause 2 (2) the House of Commons would be informed that the rate of interest on the money borrowed under Clause 2 (1) would not exceed 5 per cent.

The Committee agreed to recommend the Cabinet—

To authorise the introduction in the House of Commons of the West Indian (Telegraph) Bill in the form of the draft annexed to C.P. 80 (24).

3. The Home Affairs Committee had before them a Memorandum (C.P. 84 (24)) by the Secretary of State for the Colonies covering the Draft Pacific Cable Bill.

The Committee were reminded of the present situation as regards telegraphic communications with the West Indies and of the need for urgent action on the lines described in the Secretary of State's Memorandum.

The Committee agreed to recommend the Cabinet—

To authorise the introduction in the House of Commons of the Pacific Cable Bill in the form of the draft annexed to C.P. 84 (24), subject to any modifications which may be required to give effect to the result of negotiations as to the constitution and powers of the Pacific Cable Board now proceeding between the Secretary of State for the Colonies and the Dominion Governments represented upon the Board.

4. With reference to Cabinet 10 (24), Conclusion 2, the Home Affairs Committee had under consideration the Draft Treaty of Peace (Turkey) Bill (C.P. 105 (24)).

The Committee agreed to recommend the Cabinet—

To approve the Treaty of Peace (Turkey) Bill in the form of the draft annexed to C.P. 105 (24), and to authorise the early introduction of the Bill in the House of Lords, unless Parliamentary considerations rendered introduction in the House of Commons necessary or desirable.

5. The Home Affairs Committee had under consideration a Memorandum (C.P. 95 (24)) by the Foreign Office covering the Draft China Indemnity (Application) Bill, 1924.

The Committee were informed that this Bill is required to carry into effect the arrangements concluded in December 1922 with the Chinese Government, under which the proceeds of the British share of the Boxer Indemnity are to be devoted to purposes mutually beneficial to China and Great Britain instead of being ear-marked, as at present, for the reduction of the National Debt.

The Committee were reminded of the urgency of the proposed legislation, and also of the intention to appoint a
Committee to investigate the allocation of the funds and the best means of securing their satisfactory administration as soon as the passage of the Bill into law is assured.

The Committee agreed to recommend the Cabinet—

To authorise the introduction in the House of Commons of the China Indemnity (Application) Bill, 1924, in the form of the draft annexed to C.P. 95 (24).

Friendly Societies Bill.

6. The Home Affairs Committee had before them a Memorandum (C.P. 52 (24)) by the Financial Secretary to the Treasury covering the Draft Friendly Societies Bill. The Committee were reminded of the urgent need for passing this Bill into law with the least possible delay, and it was also pointed out that, since the Bill was approved by the Home Affairs Committee of the late Government, a suggestion has been made that opportunity should be taken to provide that the post of Chief Registrar, which has hitherto been confined to Barristers of twelve years' standing, should be open to Assistant Registrars, who are themselves usually either Barristers or Solicitors.

The Committee agreed to recommend the Cabinet—

To authorise the introduction in the House of Lords of the Friendly Societies Bill in the form of a draft annexed to C.P. 62 (24), subject to the addition of a clause giving effect to the suggestion that the post of Chief Registrar should in future be opened to Assistant Registrars.

Future Meetings of the Committee.

7. The Chairman suggested that it might be convenient to Members of the Committee to have a fixed time and place for the future meetings, and proposed that the Committee should normally meet in the “Moses” Room, House of Lords, at 11 a.m. on Fridays.

The Committee agreed—

To adopt the Chairman’s suggestion as to time and place of future meetings.

2, Whitehall Gardens, S.W. 1,
February 15, 1924.