Meeting of the Cabinet to be held at 10, Downing Street, S.W.(l), on Wednesday, June 17th, 1925, at 11.30 a.m.

AGENDA.

1. HOUSE OF LORDS REFORM.
   (Reference Cabinet 18(25) Conclusion 7).
   Memorandum by the Lord Chancellor
   (C.P. 146(25)).

2. THE SAFEGUARDING OF INDUSTRIES LEGISLATION - THE IRON AND STEEL INDUSTRY.
   (Reference Cabinet 28(25) Conclusion 8).
   Memorandum by the President of the Board of Trade.
   (C.P. 292(25)).

3. UNEMPLOYMENT - THE SCOTTISH OIL SHALE MINES.
   (Reference Cabinet 28(25) Conclusion 3).
   Report of Unemployment Committee
   (C.P. 184(25)) (Revised)
   Memorandum by the President of the Board of Trade.
   (C.P. 275(25)).
   Memorandum by the Secretary for Scotland.
   (C.P. 279(25)).

4. WIDOWS' ORPHANS' AND OLD AGE CONTRIBUTORY PENSIONS.
   Memorandum by the Secretary of State for War.
   (C.P. 283(25)).
   Memorandum by the Minister of Health.
   (C.P. 285(25)).
   Memorandum by the First Lord of the Admiralty.
   (C.P. 293(25)).

5. POLICE PAY.
   (Reference Cabinet 23(25) Conclusion 7).
   Memorandum by the Home Secretary covering Report of Lord Lee's Committee.
   (C.P. 289(25)).

6. REPRESENTATION OF THE PEOPLE (ECONOMY PROVISIONS) BILL.
   (Reference Cabinet 15(25) Conclusion 2).
   Memorandum by the Home Secretary covering draft Bill.
   (C.P. 260(25)).

7. HOME AFFAIRS COMMITTEE.
   Consideration of Recommendations of Meeting held on June 15th, 1925.
   (H.A.C. 14th Conclusions (25)).

(Signed) M.P.A. HANKEY,
2 Whitehall Gardens, S.W.
15th June, 1925.
CONCLUSIONS of a Meeting of the Cabinet held at 10, Downing Street, S.W.1., on WEDNESDAY, JUNE 17th, 1925, at 11.30 A.M.

PRESENT:-

The Right Hon. Stanley Baldwin, M.P., Prime Minister. (In the Chair)

The Right Hon. Viscount Cave, G.C.M.G., Lord Chancellor.


The Right Hon. Sir William Joynson-Hicks, Bart., M.P., Secretary of State for Home Affairs.

The Right Hon. Sir Laming Worthington-Evans, Bart., G.B.E., M.P., Secretary of State for War.

The Right Hon. Sir Samuel Hoare, Bart., C.M.G., M.P., Secretary of State for Air.

The Right Hon. Sir Philip Cunliffe-Lister, K.B.E., M.C., M.P., President of the Board of Trade.

The Right Hon. E.E.L. Wood, M.P., Minister of Agriculture and Fisheries.

The Right Hon. Lord Eustace Percy, M.P., President of the Board of Education.

The Right Hon. Viscount Peel, G.B.E., First Commissioner of Works.

The Right Hon. The Earl of Balfour, K.G., C.M.G., Lord President of the Council.


The Right Hon. L.S. Amery, M.P., Secretary of State for the Colonies.

The Right Hon. The Earl of Birkenhead, Secretary of State for India.


The Right Hon. Neville Chamberlain, M.P., Minister of Health.

The Right Hon. Sir John Gilmour, Bart., D.S.O., M.P., Secretary for Scotland.

The Right Hon. Sir Arthur Steel-Maitland, Bart., M.P., Minister of Labour.


Sir M.P.A. Hankey, G.C.B., Secretary.
1. The Minister of Labour reported to the Cabinet a serious increase in the number of unemployed, which amounted to over 100,000 in the last two weeks, so that the figure had risen to 1,291,200. This was an increase of over 200,000 on the corresponding figures at this time last year, although allowance had to be made for the fact that the extensions of Unemployment Benefit, made by the Minister of Labour in the late Government, had themselves added considerably to the figure. Until an analysis of the figures according to industries was available, it was impossible to state exactly where the main increase had occurred, but it was not improbable that the additional unemployed were mainly in the coal industry, in regard to which important negotiations were in progress between representatives of the employers and the employed.

The desirability or otherwise of taking some immediate action, such as an inquiry into the root causes of unemployment, or into the causes operating in the various trades, was considered. This discussion was of a purely preliminary character, and no decisions were taken, but its general trend was to the effect that any public inquiry at the present time into the causes of unemployment, either generally or in particular industries, was to be deprecated as liable to interrupt and probably to postpone the very important negotiations now being carried out between representatives of the employers and the employed in various industries, and notably in the coal industry; that the causes of unemployment varied in different branches of industry, and at different times, and often resulted from particular events (such as a shortage of the cotton crop) which specially affected those
industries; that in most cases these causes had already been fully explored as soon as they affected the industry; that any general inquiry of a confidential nature, for example, the Committee of Civil Research, into the general causes of unemployment would inevitably have to take into serious account causes of unemployment in particular industries; and that it was important for the Government not to take hasty action, which might only result in interrupting the efforts of industry itself to find a remedy and in aggravating and prolonging unemployment.

In the course of the discussion the Secretary of State for War, as Chairman of the Cabinet Committee on Unemployment, stated that his Committee would be considering a Report in the following week. The Minister of Labour mentioned that he was about to place himself in communication with the Chancellor of the Exchequer in regard to training schemes with a view to some alleviation of unemployment. The Secretary of State for the Colonies emphasised the importance of training from the point of view of Empire migration.

No proposal was made that the increase in unemployment should be used as an excuse for postponing the decisions already taken by the Cabinet on May 28th for stiffening the arrangements in regard to Unemployment Insurance, but there was general agreement that the latest developments gave no ground for any change in policy.
2. The Cabinet had before them a Memorandum by the Lord Chancellor on the subject of House of Lords Reform (Paper C.P.-146 (25)).

The Cabinet agreed —

That the question should be referred to a Cabinet Committee, the composition of which, subject to further discussion between the Prime Minister and the Lord Chancellor, should be as follows:

The Lord Chancellor (In the Chair),
The Lord Privy Seal,
The Chancellor of the Exchequer,
The Home Secretary,
The Secretary of State for India,
The Secretary of State for Air,
The Minister of Agriculture & Fisheries,
The First Commissioner of Works.
3. The Cabinet had before them a Memorandum by the President of the Board of Trade, giving full particulars as to the joint application, received under the Safeguarding of Industries procedure, from four sections of the Iron and Steel industry, namely, the heavy steel, pig iron, wrought iron, and wire, wire netting and woven wire trades, covering the actual application as received by the Board of Trade (Paper C.P.-292 (25)).

In order to give time for further consideration, and in order that the Secretary of State for Foreign Affairs might be present when the matter is considered, this question was postponed until Monday, June 22nd. (See Conclusion 11.)
4. The Cabinet resumed their discussion in regard to the Scottish Oil Shale Mines, and had before them the following Papers, which were briefly summarised in the Minutes of the previous Meeting:

A Report by the Unemployment Committee (Paper C.P.-184 (25)),

A Memorandum by the President of the Board of Trade (Paper C.P.-275 (25)),

A Memorandum by the Secretary for Scotland (Paper C.P.-279 (25)).

After a short discussion the Cabinet agreed —

That further consideration of this question should be postponed until after the Cabinet Committee on Naval Policy had discussed the general question of the Admiralty's reserves of oil fuel.
5. The Cabinet had before them the following documents in regard to the Widows’, Orphans’ and Old Age Contributory Pensions Bill:

A Memorandum by the Secretary of State for War, proposing that provision should be made in the Widows’, Orphans’ and Old Age Contributory Pensions Bill for payment of a consolidated contribution of 7d. a week by soldiers, sailors and airmen as an inclusive contribution to the cost of their whole insurance - Health, Unemployment, Old Age, Widows’, etc. - in lieu of the present payment of 4½d. a week which is now paid by the Departments, which is to be reduced to 3½d. under the Bill (Paper C.P.-283 (25)).

A Memorandum by the Minister of Health, pointing out various objections to the proposal (Paper C.P.-288 (25)).

A Memorandum by the First Lord of the Admiralty, giving objections from the Naval point of view (Paper C.P.-293 (25)).

In view of the opposition to his proposals, which had been made with the object of achieving economy, the Secretary of State for War informed his colleagues that he would not pursue them.
6. The Cabinet had before them a Memorandum by the Home Secretary, covering a Report of Lord Lee's Committee on Police Pay, in which he urged that authority should be given to the Secretary for Scotland and himself to implement the agreement reached at Lord Lee's Committee without delay (Paper C.P.-289 (25)).

While recognising that the pay and pensions of the Police stand at a very high figure, the Cabinet, having regard to the fact that the present Police Force has been recruited on the basis of the Desborough recommendations and to the importance of contentment in the Police Force, agreed—

On condition that a Committee should be appointed to consider the pay, allowances, retiring ages, etc., of new entrants, to approve the Report of Lord Lee of Fareham's Committee, the main recommendation of which is that the "cuts" from rent allowances should be terminated, and that, in lieu of the present temporary deduction of 2½ per cent. from pay, the statutory rateable deductions towards pensions under the Police Pensions Act should be increased, on a permanent footing, from 2½ per cent. to 5 per cent.
7. The Cabinet had before them a Memorandum by the Home Secretary, covering a draft of the Representation of the People (Economy Provisions) Bill (Paper C.P.-260 (25)), in which he suggested that the introduction of this measure should be deferred until next Session or until the Conference it was proposed to call next year.

The Cabinet were informed that, in view of the present state of Parliamentary business, there was no possibility of passing this measure before the summer adjournment.

The Cabinet agreed —

(a) That the Bill should be considered by the Committee of Home Affairs:

(b) That every effort should be made to pass it in the Autumn.
8. The Cabinet had before them a Memorandum by the Postmaster-General, covering the draft Wireless Telegraphy (Explanation) Bill (Paper C.P.-277 (25)), together with the recommendation of the Committee of Home Affairs thereon (H.A.C. 14th Conclusions (25), Para. 2).

The Cabinet agreed —

To authorise the introduction in the House of Commons of the Wireless Telegraphy (Explanation) Bill in the form of the draft annexed to C.P.-277 (25), subject to the substitution, in line 22 of Clause 1, of the date of the introduction of the Act for the "twelfth of December, 1924".
9. The Cabinet had before them a Memorandum by the Secretary for Scotland, covering the draft Education (Scotland) Bill (Paper C.P.-281 (25)) and the recommendation of the Committee of Home Affairs thereon (H.A.C. 14th Conclusions (25), Para. 3).

The Cabinet agreed --

To authorise the introduction in the House of Commons of the Education (Scotland) Bill in the form of the draft annexed to C.P.-281 (25), on the understanding that its further progress would depend on its being treated as uncontroversial.
10. The Minister of Labour, as a matter of urgency, asked the Cabinet to assent to the arrangements in regard to the proposed Committee on Juvenile Unemployment which he communicated verbally to the Cabinet and which had been approved by the members of the Cabinet Committee.

The Cabinet agreed —

That the Committee should be composed as follows:

- The Earl of Crawford and Balcarres (in the Chair),
- A Representative of Employers,
- A Representative of the Employed,
- A Member of a Local Education Authority,
- The Chairman of the London Advisory Juvenile Council,

the addition of a Scottish representative being left for arrangement between the Minister of Labour and the Secretary for Scotland, and that the Terms of Reference should be as proposed in Paper C.P.-247 (25), namely,

"To inquire into and advise upon the public system of education in England and Wales in relation to the requirements of trade and industry, with particular reference to the adequacy of the arrangements for enabling young persons to enter into and retain suitable employment."

# If willing to act.
# Possibly also Scotland.
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# If willing to act.

# Possibly also Scotland.
11. In view of the anticipated return of the Secretary of State for Foreign Affairs and the statement he would have to make in Parliament on Wednesday, June 24th, the Cabinet agreed—

That a Special Meeting should be held on Monday next, June 22nd, in the Prime Minister's Room at the House of Commons, at 5 p.m., for the consideration of the following questions:

1. AFGHANISTAN (when the Viceroy of India should be invited to attend)

2. FOREIGN AFFAIRS. SECURITY. THE SITUATION IN CHINA, etc.

3. SAFEGUARDING OF INDUSTRIES LEGISLATION — THE IRON AND STEEL INDUSTRY.

(Note by the Secretary:
A suggestion has been made that, if the necessary material is available, the question of the SCOTTISH OIL SHALE MINES might be taken at the same Meeting, since the Secretary for Scotland has to be away on Scotland, June 24th.)

2, Whitehall Gardens, S.W.1,
June 17, 1925.