Meeting of the Cabinet to be held at 10 Downing Street, S.W.1., on WEDNESDAY, April 14th, 1926, at 11.30 A.M.

AGENDA.

1. THE SITUATION IN THE MINING INDUSTRY. (If required).
   The Coal Subsidy and German Competition.
   Note by the Chancellor of the Exchequer.
   (C.P. 147 (26) - already circulated.)

2. SAFEGUARDING OF INDUSTRIES - KEY INDUSTRIES.
   Memorandum by the President of the Board of Trade covering the Report of Informal Committee.
   (C.P. 145 (26) - already circulated.)

3. SAFEGUARDING OF INDUSTRIES - ENAMELLED HOLLOW WARE.
   Note by the President of the Board of Trade covering Report of Committee.
   (C.P. 148 (26) - already circulated.)

4. THE WORKING OF THE LAW RELATING TO CLOSING HOURS FOR SHOPS.
   Memorandum by the Home Secretary.
   (C.P. 143 (26) - already circulated.)

5. RUBBER RESTRICTIONS.
   Memorandum by the Secretary of State for the Colonies.
   (C.P. 149 (26) - to be circulated.)

6. THE USE OF AEROPLANES ON THE NORTH-WEST FRONTIER OF INDIA.
   Despatch from the Government of India circulated by the Secretary of State for India.
   (C.P. 139 (26) - already circulated.)

7. PRIVATE MEMBERS' BILLS FOR FRIDAY, APRIL 16th.
   (a) Judicial Proceedings (Regulation of Reports) Bill.
       (Major Kindersley) (Reference Cabinet 11 (26) 1.)
   (b) Illegal Trawling (Scotland) Penalties Bill.
       (Mr. Livingstone).

Whitehall Gardens, S.W.1. (Signed) M. P. A. HANKEY, 12th April, 1926. Secretary, Cabinet.
CABINET 15 (26).

Meeting of the Cabinet to be held at 10 Downing Street, S.W.1., on WEDNESDAY, April 14th, 1926, at 11.30 a.m.

ADDENDUM TO AGENDA.

MALTING BARLEY.

Memorandum by the Minister of Agriculture and Fisheries. (C.P. 181(26) - Circulated herewith).

(Sgd.) M.P.A. HANKEY,
Secretary to the Cabinet.

Whitehall Gardens, S.W.1.
April 13th, 1926.
CONCLUSIONS of a Meeting of the Cabinet held at 10, Downing Street, S.W.1., on WEDNESDAY, April 14th, 1926, at 11.30 A.M.

PRESENT:

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

The Right Hon.

The Most Hon.
The Marquess of Salisbury,
E.G.,G.C.V.O.,C.B.,
Lord Privy Seal.

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

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

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

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

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

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

The Right Hon.
Viscount Cecil of Chelwood,
K.C., Chancellor of the Duchy of Lancaster.

THE FOLLOWING WAS ALSO PRESENT:

Lt.-Col. G.R. Lane-Fox, M.P.,
Secretary, Mines Department, Board of Trade.
(For Conclusion 4.)

Sir M.P.A. Hankey, G.C.B. Secretary.
The Secretary of State for Foreign Affairs made a statement to the Cabinet in regard to negotiations for Treaties between Germany and Russia, and between Poland and Roumania.

As regards the Russo-German Treaty he recalled that the Russian Soviet Government had sought to prevent the Germans from taking part in the Locarno negotiations and from going to Geneva, but without success. Although the Germans had not been willing to yield to the Russian wishes and threats, they did attach political importance to the maintenance of some sort of relations with Russia. In the last century it had been a cardinal feature of German policy to keep on good terms with Russia. The termination of their Reinsurance Treaty with Russia by the late Emperor had led to the formation of the Franco-Russian Treaty and other events culminating in the war and the German defeat. The view was held in Nationalist circles in Germany that the termination of the Reinsurance Treaty with Russia had been the point at which their foreign policy had taken a wrong turning. If the assurances given to Lord D'Abernon by Dr. Stresemann were correct, the new treaty would not be one of alliance between Germany and Russia but one guaranteeing German neutrality in the event of an unprovoked aggression against Russia. In Sir Austen Chamberlain's view the Treaty itself, as described by Dr. Stresemann, would be innocuous, the real danger being its reactions on France and Poland. Germany had not in this case followed the Genoa precedent in entering on the Treaty of Rapallo without notice. In this case the Germans had informed Great Britain and France of their intentions.
The new Polish-Roumanian Treaty differed from that of 1921 in that it is said to bind Roumania to defend Poland's German frontier as well as her Eastern frontier, the latter having been the limited obligation in 1921. The Treaty purported to be in conformity with the Locarno model, but it was likely to arouse indignation in Germany and Russia.

Until the excitement caused by these Treaties had died down it was difficult to make progress in the working out of the Locarno policy. For example, M. Briand found it impossible at the present time to agree to the increase in the police force in the Rhineland desired by Germany. Sir Austen Chamberlain said that he had suggested to the French Government that, provided the Convention was compatible with the assurances given by Dr. Stresemann, it would be inadvisable to raise opposition to its signature.
2. At the suggestion of the Secretary of State for Foreign Affairs, the Cabinet agreed —

(a) That Lord Cecil of Chelwood should represent Great Britain on the Committee set up by the Council of the League of Nations to consider the composition of the Council,

(Lord Cecil expressed his willingness to undertake this responsibility.)

(b) That before Lord Cecil leaves to attend the first meeting, the question should be discussed at the Cabinet.
3. The attention of the Cabinet was drawn to a despatch in "The Times" newspaper of Tuesday, April 13th, from their Riga Correspondent, stating that the Executive Bureau of the Soviet Trade Union International of Moscow has held a meeting especially to decide in what form and in what degree it is possible to support the British miners in a conflict with the mine-owners. The question was raised as to whether some representation ought to be made to the Russian-Soviet Government in regard to this alleged interference in a domestic controversy.

The Cabinet were reminded that information from Riga had often proved inaccurate. They were also informed that the Russian representative in London at the present time was only a Chargé d'Affaires in the Trade Delegation, and that the Russian Soviet Government had always declined responsibility for the actions of the Third International.

The Secretary of State for Foreign Affairs undertook to give careful consideration to a proposal that attention should be drawn in some form to the alleged action of the Third International, in order to show that the British Government had taken note of it.
4. The Cabinet had a general discussion in regard to the present position of the dispute in the coal industry. The coal-owners had taken a position indicating a general willingness to accept the Report of the Royal Commission on the Coal Industry, although their acceptance was rather less definite than that of the Government. The Executive of the Miners' Federation had first met the Trades Union Council, and then a Delegate Conference. The latter had passed a resolution in favour of no reduction of wages, no lengthening of hours and no district settlements, which had had the effect of tying the hands of their leaders and rendering any negotiations difficult. The representatives of the miners were leaving for Brussels the same evening in order to meet the International Miners' Federation with a view to arranging for no foreign coal to be shipped to this country in the event of a strike. The representatives of the owners would be leaving the same evening for their districts, where they would invite discussion with the men's leaders in regard to wages and hours, an invitation which would inevitably be refused. The owners were expected to post notices almost at once terminating the present wage contracts on May 1st, and they would probably be in a position to announce the wages in the various districts early next week.

The discussion revealed a general consensus of opinion in the Cabinet to the following effect:
That up to the present time the Government had had public opinion with them in their attitude:
That the position taken up by the mine-owners had not reacted adversely on public opinion:
That it was very important that the mine-owners should not antagonise public opinion by offering inadequate wages in the various districts:
That the Prime Minister or one of his colleagues should see the mine-owners before they left for their districts, in order to impress this upon them:
That any assistance given by the Government should not go beyond easing the temporary situation caused by the ending of the subsidy in conformity with the Prime Minister's statement to the Mining Association and Miners' Federation on March 25th (Paper C.P.-131 (26)), but that it was undesirable at the moment to make a statement as to the precise form that such assistance should take, provided that the general principle as to its purely temporary character was maintained. This should be made clear, if necessary, as the experience of industrial disputes of this kind was that the parties thereto would postpone serious efforts for a settlement until the very last moment, in the hope of obtaining further Government assistance:
That the most hopeful prospect of averting a strike was to be found in the action of the Trades Union Council.
At the end of the discussion the Prime Minister said that he would proceed on the general lines as summarised above, and would summon the Cabinet Committee or, in case of necessity, the Cabinet, in the event of any development of the situation requiring a decision.
5. In view of the danger of a strike, the Cabinet authorised the Secretary of State for War to make arrangements for the provision of such transport as would be necessary to secure the free movement of troops, at a possible forfeit of £10,000 if it was not taken up.
6. The Cabinet had before them a Memorandum by the President of the Board of Trade covering the Report of the informal Committee he had appointed to consider the position of the industries protected as key industries by Part I of the Safeguarding of Industries Act of 1921 and to advise as to what action should be taken when the relevant Sections of the Act expire in August of this year (Paper C.P.-145 (26)).

The President of the Board of Trade informed the Cabinet that the recommendations of the informal Committee were in conformity with the recommendations of the Committee of Imperial Defence (C.I.D. Paper No. 676-B and Minute (4) of 211th Meeting of the Committee of Imperial Defence — to be circulated shortly).

The President of the Board of Trade also summarised the proposals of the informal Committee as set forth in paragraph 173 of their Report. As regards hosiery latch needles he considered it unnecessary at the present time to raise the Duty.

The Cabinet agreed —

(a) To approve generally the Report of the informal Committee, attached to Paper C.P.-145 (26)) and to take note that this Report would be published:

(b) To leave to the President of the Board of Trade and the Chancellor of the Exchequer the arrangements for giving effect to the Report:

(c) (By a majority) That the period for which the Safeguarding Duties are continued should be a minimum of ten years:

(d) That the recommendation contained in the Report in regard to magnetoes should be left to the President of the Board of Trade and the Chancellor of the Exchequer.

—9—
7. The Cabinet had before them a Note by the President of the Board of Trade covering the Report of a Committee set up under the Safeguarding of Industries Procedure to enquire into the application made by the Enamelled Hollow-ware section of the Wrought Hollow-ware Trade Employers' Association (Paper C.P.-148 (26)).

The Cabinet approved the proposal of the President of the Board of Trade that, in view of the findings of the Committee, no action should be taken beyond the publication of the Report.
6. The Cabinet had before them a Memorandum by the Home Secretary regarding the working of the law relating to the closing hours of shops (Paper C.P.-143 (26)).

Some doubt was expressed as to whether it was desirable to reopen the question by appointing a Select Committee to examine the working of the Acts of 1912 and 1920.

The Home Secretary was asked to discuss the matter with the Chief Whip, with a view to avoiding a Select Committee, if possible.
9. The Cabinet had before them a Memorandum by the Secretary of State for the Colonies in regard to the percentage of rubber which will be allowed to be exported from Ceylon and Malaya during the three months beginning on the 1st of May next (Paper C.P.-149 (26)).

The Secretary of State for the Colonies informed the Cabinet that he had brought this question before the Cabinet as the new proposals involved some slight departure from the original Stevenson scheme, which had been approved by the Cabinet of the day, but that Lord Stevenson concurred in the new proposals.

The Cabinet agreed —

(a) To approve generally the proposals of the Secretary of State for the Colonies as set forth in Paper C.P.-149 (26), subject to the following:

(b) That 2/-, instead of 1s.9d., should be adopted as the pivotal figure, provided that the Secretary of State for the Colonies on enquiry finds that his expert advisers have no serious objection to this proposal. In the contrary event, however, the question of the pivotal figure should be referred to a Committee composed of:

The Secretary of State for the Colonies,
The Chancellor of the Exchequer,
The Secretary of State for War,
The President of the Board of Trade.
10. The Cabinet took note of a despatch from the Government of India (Foreign and Political Department), dated October 15, 1925, to the Secretary of State for India, in regard to the principles to be adopted in flying on the Indian Frontier (Paper C.P.-139 (26)).
11. The Home Secretary informed the Cabinet that the Newspaper Representatives insisted, as a condition of their agreeing to the Judicial Proceedings (Regulation of Reports) Bill, that all divorce proceedings should be conducted in camera.
12. The Cabinet agreed —

(a) To meet on the following day, THURSDAY, APRIL 15th, in the Prime Minister’s Room at the House of Commons, at 4.15 p.m., for the purpose of discussing a question to be raised by the Chancellor of the Exchequer in connection with the Budget, as well as the Memorandum by the Minister of Agriculture and Fisheries in regard to Malting Barley (Paper C.P.-151 (26)):

(b) That the Budget discussion should take place either at the usual Meeting on Wednesday, April 21st, or, if this was found impossible, at a Special Meeting next week.

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2, Whitehall Gardens, S.W.1.

April 14, 1926.