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S E C R E T.C A B I N E T 40 (28).Copy No.

CONCLUSIONS of a Meeting of the Cabinet held in the  
Prime Minister's Room, House of Commons, on  
MONDAY, July 23rd, 1928, at 5.30 p.m.

...

PRESENT:-

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

The Right Hon.  
Sir Austen Chamberlain, K.G.,  
M.P., Secretary of State for  
Foreign Affairs.

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

The Right Hon.  
Lord Hailsham,  
Lord Chancellor.

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

The Right Hon.  
W.S. Churchill, C.H., M.P.,  
Chancellor of the Exchequer.

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

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

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

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

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

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

The Right Hon.  
W.C. Bridgeman, M.P.,  
First Lord of the Admiralty.

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

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

The Right Hon.  
W.E. Guinness, D.S.O., M.P.,  
Minister of Agriculture and  
Fisheries.

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

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

The Right Hon.  
Lord Cushendun, Chancellor  
of the Duchy of Lancaster.

THE FOLLOWING WERE ALSO PRESENT:-

Lieut-Colonel The Right Hon.  
Wilfrid Ashley, M.P.,  
Minister of Transport.  
(For Conclusion 1).

Sir M.P.A. Hankey, G.C.B. .... Secretary.

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R E T.

Copy No.

C A B I N E T 40 (28).

MEETING of the Cabinet to be held in the Prime  
Minister's Room, House of Commons, on  
MONDAY, 23rd July, 1928, at  
5.30 p.m.

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AGENDU.

THE UNEMPLOYMENT SITUATION.

(Reference Cabinet 39 (28) Conclusion 2).

Draft Report of the Unemployment Policy Committee  
and Appendices.

(C.P. 245 (28) - Draft copy circulated herewith).

Memorandum by the Secretary of State for War on  
Concentration of output in the Steel Trade.

(C.P. 239 (28) - already circulated).

(Signed) M.P.A. HANKEY,

Secretary, Cabinet.

Whitehall Gardens, S.W.1,

23rd July, 1928.

THE UNEMPLOYMENT  
SITUATION.

1. The Cabinet had before them the following documents in connection with the Unemployment

Situation:-

(Previous  
Reference:  
Cabinet 39  
(28), Con-  
clusion 2.)

A Note by the Secretary of the Cabinet (Paper C.P.-245 (28)) covering the following documents that had been submitted to the Unemployment Policy Committee for their Meeting the same morning at 11-30 a.m.:-

Draft Report of Committee (Paper U.P.(28) 7).

Report of Migration Sub-Committee (Paper U.P.(28) 7, Appendix I).

Memorandum by the President of the Board of Trade on Concentration and Anticipation (Paper U.P.(28) 9).

Memorandum by the Minister of Transport on Concentration and Anticipation (Paper U.P.(28) 11.)

Memorandum by the President of the Board of Education on Health of School Children in the distressed Areas (Paper U.P.(28) 8).

Note on Grants for Work in Relief of Unemployment, circulated by direction of the Secretary of State for War (Paper U.P.(28) 10).

A Memorandum by the Secretary of State for War on Concentration of Output in the Steel Trade (Paper C.P.-239 (28)).

A Memorandum by the Minister of Labour on Iron and Steel (Paper C.P.-255 (28)).

The Chancellor of the Exchequer gave the Cabinet an account of the work of the Unemployment Policy Committee, which, he explained, had not been completed in time for the circulation of an agreed Report. In the course of this statement Mr Churchill mentioned that since the Meeting of the Committee the same morning he had made enquiries and had ascertained from a most competent quarter (which he mentioned to the Cabinet) that the negotiations between the railwaymen and the Managers for reducing

the cost of working the railways would not be hampered by <sup>an announcement of</sup> the proposed anticipation of freight relief to coal. He read to the Cabinet a draft summary (which was altered in the course of the Meeting) of the Conclusions reached by the Unemployment Policy Committee.

The Secretary of State for War made a verbal report on the work of the Migration Sub-Committee to supplement the written Report (Paper U.P. (28) 4).

The Cabinet then discussed in detail the Conclusions of the Unemployment Policy Committee under each head, and agreed —

(a) "MIGRATION". To approve the Conclusions and Recommendations of the Migration Sub-Committee in the form contained in the Appendix.

(b) "CONCENTRATION AND ANTICIPATION". That the Prime Minister should announce in Parliament that the Government were prepared —

- (1) To accept the principle that the railway freight relief to coal should be concentrated upon coal for export and foreign bunkers, and coal for blast furnaces and steel works; and
- (2) To consider the principle that this concentrated railway freight relief should be anticipated, subject to the Government being satisfied —

(A) That it would not hamper the present negotiations between the Railway Companies and the Unions with a view to economies, and

(B) That the railway freight relief should not be used either by the Railway Companies or the Railway Rates Tribunal as a reason for singling out the selected traffics for an increase of freight rates under the general powers of the Act of 1921.

- (c) That the Chancellor of the Exchequer and the President of the Board of Trade should see the Railway Management with a view to obtaining from them, if possible, some assurance that they would make no application to the Railway Rates Tribunal until experience had been gained of the effect of freight relief on the selected traffics.
- (d) That at present no date should be named as from which "anticipation" should come into operation, and that the question whether that date should be December 1, 1928, or January 1, 1929, should be reserved for later consideration.
- (e) That the relief on the other selected traffics, viz., agriculture, iron ore, pit props, etc., should be anticipated.
- (f) That the case of canals and private railways for anticipation should, if necessary, be considered later.
- (g) That there should be no anticipation of the rating relief to be afforded to harbours and docks.
- (h) "THE APPEAL TO EMPLOYERS". To approve in principle the issue of an appeal to employers, and the adoption of the draft suggested by the Unemployment Policy Committee as the basis of a personal appeal by the Prime Minister to employers.
- (i) "AMALGAMATIONS". To defer the question of amalgamations for consideration at a later date.
- (j) "EXPORT CREDITS GUARANTEE SCHEME". To adopt the following recommendation of the Unemployment Policy Committee:-

To approve the proposals set out in paragraph 9 of U.F. (28) 7 relative to (a) the extension for a further period of two years from September 1929 of the Export Credits Guarantee Scheme, and (b) the announcement of the Government's intention to set up an inquiry into the administrative expenses of the Scheme.

- (k) "EXTENSION OF ADULT TRAINING CENTRE SCHEME".

To adopt the following recommendation of the Unemployment Policy Committee:-

To accept the recommendations of the Industrial Transference Board that the Ministry of Labour Adult Training Centres for giving young unemployed men from the depressed areas training in a new trade

should be extended to the fullest extent justifiable by the prospect of a reasonable degree of successful placing at the end of the training period, and also that the special efforts made by the Employment Exchange Services to secure openings for these men when they are trained should be continued.

(1) "EXTENSION OF SYSTEM OF JUVENILE TRAINING CENTRES".

To adopt the following recommendation of the Unemployment Policy Committee:-

To approve the proposal to increase as may be necessary the centres established to give training to unemployed boys in the depressed areas, and to continue the special efforts now being made by the Ministry to find employment for the boys in other parts of the country, and to request the Ministry of Labour, in association with the Board of Education, to make every effort to induce Local Authorities who are responsible for juvenile employment questions to achieve results in the direction of finding vacancies for juveniles commensurate with the size of their areas and the opportunities existing there.

- (m) "FOREST HOLDINGS". To accept the recommendation of the Unemployment Policy Committee against the proposal of the Industrial Transference Board that the plans of the Forestry Commission should be accelerated so as to provide within, say, the next three years, not less than 1,000 Forest Holdings for miners. Further, that the Treasury should issue an instruction to the Forestry Commissioners that among new applicants preference should be given to miners in any Forest Holdings that may be provided.

(n) "GRANTS FOR WORK IN RELIEF OF UNEMPLOYMENT".

This question was reserved for further consideration, but the view of the Committee was accepted that no useful purpose would be served by a reference in the Prime Minister's speech to the question of Unemployment Relief Works.

(o) ECONOMY IN GOVERNMENT DEPARTMENTS.

That, in order to assist the Chancellor of the Exchequer in meeting the

unforeseen expenditure involved in the above recommendations, every Departmental Minister should do his utmost to reduce expenditure both in the present and in the coming financial year, by means of administrative economies, under-spending, postponement of expenditure, saving, and in every possible way.

SCOTLAND.

--  
Immigration  
from Ireland.

2. In the course of the discussion referred to in the preceding Minute on the subject of migration, the attention of the Cabinet was drawn to the strong feeling aroused in Scotland at the great influx of immigrants from Ireland, many of whom were undesirable characters. It was suggested that <sup>at</sup> the time when pressure was being put on the Dominion Governments to facilitate the entry of British emigrants, the Government should not refuse those who demanded that measures be taken to check the influx from Ireland.

The Cabinet agreed --

That the Home Secretary, before their next Meeting, should circulate a Memorandum on the subject.

. . .

2, Whitehall Gardens, S.W.1,

July 23, 1928.

APPENDIXREPORT OF MIGRATION SUB-COMMITTEE.SUMMARY OF PRINCIPAL RECOMMENDATIONS.

(As approved by the Cabinet on 23rd July, 1928).

- (1) The Sub-Committee entirely agree with the Industrial Transference Board as to the necessity for simplifying migration procedure and dispensing with non essential formalities and restrictions, and recommend that this question which they regard as of primary and urgent importance should be at once taken up with the Dominion Governments. (Paragraph 4).
- (2) A scheme for the reduction of passage rates should not discriminate on the ground of destitution, but there should be a uniform reduced rate of which any reputable British subject should be eligible to take advantage. (Paragraph 5).
- (3) The negotiations between the British Government and the Shipping Companies should be directed to securing that the Canadian standard Third Class passage rate should, during the emergency period of the next three to five years, be reduced in the case of British subjects to a figure as near £10 as possible (Paragraph 8).
- (4) In the case of any intending migrant who is able to satisfy the competent Authority in Great Britain -
  - (a) that he cannot migrate without financial assistance;
  - (b) that it is reasonable that he should seek work overseas and that he is likely to make a good settler

arrangements should be made for the advance to him of a free ticket, outfit, landing money, etc. up to such amount not exceeding £25 in value (assuming a standard fare of £10), as may be recommended by the competent Authority. Arrangements should be made in Canada under which the shipping and/or railway companies would undertake to do their best to recover the advances on the basis of a small commission (Paragraph 11).

(5) It is essential that an agreement should be reached with the Canadian Government that that Government (1) will not regard the above arrangements as 'charity migration' or treat the persons taking advantage of the scheme as 'assisted migrants' and will therefore not treat the men as prohibited migrants, and (2) will not raise the present 'landing rate' of 20 dollars a head in the case of British migrants without previous consultation with the British Government. (Paragraph 12).

(6) As regards Australia a substantial increase in the number of 'requisitions' is needed. The conditions of entrance to Australia should be intelligible and fixed, the procedure easy, and the policy stable over a period of years. These and other considerations raised in paragraph 120 and elsewhere in the Report of the Industrial Transference Board should be vigorously taken up with the Australian authorities.

After a better understanding has been reached with the Australian Authorities negotiations should be undertaken with the shipping companies with a view to securing a substantial reduction of the ordinary Australian passage rate. (Paragraph 14).

(7) The proposals of the Oversea Settlement Committee for the annual training at home and settlement overseas of 2,500 boys, 7,000 single men, 2,500 families and 2,000 single women at a total net cost estimated at £601,300 a year should be accepted on the understanding that in the case of the scheme for the annual recruitment, training and migration of 2,000 single women every effort will be made to secure a Dominion contribution towards the estimated cost (£59,600 per annum) equivalent in amount to that made by the British Government. (Paragraph 16).

(8) Acceptance of the Land Settlement Loan Scheme is recommended on condition that the scheme is placed on a pound for pound basis, i.e. that the British Government loan of a hundred pounds is equated by a contribution of like amount from some Canadian source. (Paragraph 18).

- (9) Acceptance of the proposal that not less than 5000 men should be sent in August next to work as harvesters in Canada is recommended. (Paragraph 19).
- (10) The Sub-Committee recommend that the representative of the British Government should be authorised to enter into negotiations with the Canadian Authorities with a view to securing the reservation in certain undeveloped districts of areas of land for British settlers. The negotiations to proceed upon the basis that the British Government are willing to make arrangements with existing organisations, such as the Provincial Governments, the Canadian Pacific Railway or the Hudson's Bay Company, for jointly financing development schemes by which British migrants may be employed and settled. (Paragraph 20).
- (11) The Sub-Committee state that various suggestions have been submitted to them for strengthening the existing official administrative machinery in this country concerned with migration. While they do not feel able to make any specific recommendations as to what changes should be made, they are satisfied as to the need for strengthening the central organisation and for securing the fullest possible measure of effective co-operation between the various Departments concerned with the subject. The Sub-Committee accordingly recommend that the Secretary of State for Dominion Affairs should, after consultation with the Treasury, submit recommendations to the Prime Minister with as little delay as possible. (Paragraph 21).

2, Whitehall Gardens, S.W.1.

20th July, 1928.

(iii)