CABINET 14(30).

Meeting of the Cabinet to be held at No. 10, Downing Street, S.W. on Tuesday, March 11th, 1930, at 10.30 a.m.

AGENDA.

1. AGRICULTURAL POLICY.

Reference Cabinet 13(30) Conclusion 5.

Memorandum by the Minister of Agriculture and Fisheries.

(C.P. 76(30) - already circulated).

(a) THE AGRICULTURAL SITUATION IN SCOTLAND.

Memorandum by the Secretary of State for Scotland.

(C.P. 80(30) - to be circulated.)

(b) AGRICULTURE AND UNEMPLOYMENT.

Memorandum by the Lord Privy Seal.

(C.P. 85(30) - already circulated).

(c) PROPOSED IMPORT BOARD SCHEME.

Memorandum by the Minister of Agriculture and Fisheries.

(C.P. 78(30) - circulated herewith).

(d) THE DRAFT AGRICULTURAL MARKETING BILL.

Report of Cabinet Committee covering Draft Bill.

(C.P. 79(30) - circulated herewith).

(e) UNEMPLOYMENT INSURANCE FOR AGRICULTURE.

Memorandum by the Minister of Labour.

(C.P. 81(30) - already circulated).

(f) TRAINING CENTRES AND AGRICULTURE.

Memorandum by the Minister of Labour.

(C.P. 82(30) - already circulated.)
If time permits.

2. VOLUNTARY SCHOOLS.

Reference Cabinet 13(30) Conclusion 6(a).

Memorandum by the President of the Board of Education.

(C.P. 73(30) - already circulated).

(Signed) M.F.A. HANKBY.

Secretary, Cabinet.

2, Whitehall Gardens, S.W.1.

8th March, 1930.
Conclusions of a Meeting of the Cabinet held at 10, Downing Street, S.W.1 on Tuesday, March 11th 1930, at 10.30 a.m.

Present:

The Right Hon. J. Ramsay MacDonald, M.P.,
Prime Minister. (in the Chair).

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

The Right Hon.
J.H. Thomas, M.P.,
Lord Privy Seal.

The Right Hon.
Lord Parmoor of Frieth, K.C.V.O., K.C.,
Lord President of the Council.

The Right Hon.
Wedgwood Benn, D.S.O., D.F.C., M.P.,
Secretary of State for India.

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

The Right Hon.
Margaret Bondfield, M.P.,
Minister of Labour (for item 1 only).

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

The Right Hon.
A.V. Alexander, M.P.,
First Lord of the Admiralty.

The Right Hon.
Margaret Bondfield, M.P.,
Minister of Agriculture and Fisheries.

The Right Hon.
Noel Buxton, M.P.,
Minister of State for the Colonies.

The Right Hon.
William Adamson, M.P.,
Secretary of State for Scotland.

The Right Hon.
Lord Passfield, Secretary of State for Dominion Affairs and Secretary of State for the Colonies.

The Right Hon.
Arthur Henderson, M.P.,
Secretary of State for Foreign Affairs.

The Right Hon.
William Graham, M.P.,
President of the Board of Trade.

The Rt. Hon.
Lord Sankey, G.B.E.,
Lord Chancellor.

The Rt. Hon.
Tom Shaw, C.B.E., M.P.,
Secretary of State for War.

The Rt. Hon.
Arthur Greenwood, M.P.,
Minister of Health.

The Rt. Hon.
Noel Buxton, M.P.,
Minister of Agriculture and Fisheries.

The Rt. Hon.
William Adamson, M.P.,
Secretary of State for Scotland.

The Rt. Hon.
Sir Charles Trevelyan, Bt., M.P.,
President of the Board of Education.

The Right Hon.
A.V. Alexander, M.P.,
First Lord of the Admiralty.

The Right Hon.
Lord Passfield, Secretary of State for Dominion Affairs and Secretary of State for the Colonies.

The Right Hon.
Sir Charles Trevelyan, Bt., M.P.,
President of the Board of Trade.

The Right Hon.
William Adamson, M.P.,
Secretary of State for Scotland.

The Rt. Hon.
Tom Shaw, C.B.E., M.P.,
Secretary of State for War.

The Rt. Hon.
Arthur Greenwood, M.P.,
Minister of Health.

The Rt. Hon.
Noel Buxton, M.P.,
Minister of Agriculture and Fisheries.
AGRICULTURAL POLICY.

1. The Cabinet had before them the following documents in regard to Agricultural Policy:

(A Previous Reference: Cabinet 13 (30), Conclusion 5.)

A Memorandum by the Minister of Agriculture and Fisheries (Paper C.P.-76 (30)) which had been before them at their previous Meeting:

A Memorandum by the Minister of Agriculture and Fisheries (Paper C.P.-78 (30)) on the subject of Home-grown Wheat, covering a scheme for an Import Board for purchasing home-grown wheat as well as wheat for import (Appendix I to Paper C.P.-78 (30)), and a scheme for organising the marketing of the home wheat crop (Appendix II to Paper C.P.-78 (30)). In this Memorandum the Minister of Agriculture and Fisheries expressed the hope that it might be found practicable to authorise him to announce that the Government has decided to introduce legislation with a view to the establishment of a Marketing Board to deal with the home wheat crop, coupled with a statutory quota for millers, and contingent financial assistance:

A Memorandum by the Secretary of State for Scotland (Paper C.P.-80 (30)) on the subject of the Agricultural Situation in Scotland, advocating a policy including a Marketing Bill: measures for dealing with tuberculosis and contagious abortion: a Bill for the licensing of bulls so as to improve the quality of livestock: an amendment of the Agricultural Holdings Act especially in regard to compensation for permanent and other improvements, such as provision of silos, installations of electricity, etc.:

A Memorandum by the Lord Privy Seal on the subject of Agriculture and Unemployment (Paper C.P.-85 (30)) suggesting a policy based on organised marketing and putting statutory support behind the efforts of the industry to organise itself, and of supplying the initial expenses of organisation: legislation to stipulate for a fixed percentage (say 15 per cent) of home-grown wheat in all flour milled either for consumption or export: a declaration against a direct subsidy to wheat or against a Wheat Import Board for purchasing home-grown wheat by the State above the level of import prices:
The Report of a Cabinet Committee (Paper C.P.-79 (30)) covering the draft Agricultural Marketing Bill:

A Memorandum by the Minister of Labour on the subject of Unemployment Insurance for Agriculture (Paper C.P.-81 (30)), in which it was stated that, as the result of discussion between the Chancellor of the Exchequer, the Minister of Agriculture and Fisheries, the Secretary of State for Scotland and the Minister of Labour, the conclusion had been reached that the next step should be to issue to the representatives of the employers and employed in the industry a Memorandum setting out, as a basis for discussion, the heads of a proposed scheme. A draft of this scheme was attached to the Memorandum:

A Memorandum by the Minister of Labour (Paper C.P.-92 (30)) on the subject of Training Centres and Agriculture, containing some suggestions on this subject:

A Note by the Minister of Agriculture and Fisheries (Paper C.P.-91 (30)) covering the Report of an Inter-Departmental Conference with regard to the importation into this country of so-called "bounty fed" cereals:

A Memorandum sent to the Prime Minister by one of the most important grain importers in the country (Paper C.P.-95 (30)), containing a plan in outline for the purchase of wheat and flour and the milling of flour by a company that is to enjoy a monopoly of this trade.

The Cabinet discussed the subject under the following main heads:

- SUBSIDY.
- PROTECTIVE TARIFFS.
- PURCHASING SCHEMES AND MARKETING.
- THE COMPULSORY INCLUSION IN THE LOAF OF A PERCENTAGE OF BRITISH WHEAT and WHETHER ANYTHING CAN BE DONE TO PROTECT THE PRICE OF BRITISH PRODUCE.
After considerable discussion the Cabinet agreed —

(a) That no proposal that involved either a crude subsidy or protective tariffs could be considered:

(b) That, subject to the above, a Committee composed as follows —

The Secretary of State for War
(Chair)

Mr E.H. Henderson, of the Economic Advisory Council.

Mr Hawtrey, of the Treasury.

Mr E.F. Wise, M.P.

Sir Daniel Hall, K.C.B., F.R.S.

Mr A.T. Street, C.1.E., K.C., of the Board of Agriculture and Fisheries.

Sir Robert Greig, of the Scottish Office.

Mr A.M. Hurst.

A representative of the milling or purchasing side of the Co-operative Movement.

A representative of the milling trade

(N.P. As regards the two latter, the following names were suggested:—

Mr Hobley.

Mr Arthur Rank.) —

should be appointed to examine Agricultural Policy in the light of the Memoranda before the Cabinet and to advise on a series of specific questions to be put to them, which would include such matters as:

**THE BULK PURCHASING OF GRAIN:**

How far would this be of assistance?

Would it involve the purchase of flour as well as of grain?

Would it involve milling control?

Could the purchase be confined to wheat or would it have to be extended to other cereals?

Would home crops have to be purchased by the Board, and, if so, at a fixed special price?
Who would find the money for financing the scheme?

What measures would be necessary to ensure that the money was employed for purposes useful to the public?

HOW FAR WOULD MARKETING (FOR EXAMPLE, THE PROPOSALS IN THE DRAFT AGRICULTURAL MARKETING BILL) AFFECT THE SITUATION?

How far would the situation be affected by a stipulation for a fixed percentage of home-grown wheat in flour, and would this necessitate fixing a special price for home-grown wheat?

(c) That the Prime Minister should be responsible for the precise composition and Terms of Reference to the Committee, on the above lines:

(d) That the Committee should be appointed at once and should work continuously with a view to reporting, if possible, within a few days:

(e) That the question of Unemployment Insurance for Agriculture, raised in the Memorandum by the Minister of Labour (Paper C.P.31 (30)) could not be discussed in the absence of the Minister, but that in any event, in view of the heavy Parliamentary programme, there was no prospect of passing legislation on the subject during the present Session.
In connection with the discussion on Agricultural Policy, which forms the subject of the preceding Minute, reference was made to the general question of Unemployment Policy, and enquiry was made in regard to the progress of the Cabinet Committee that was appointed by the Minute referred to in the margin.

The Chancellor of the Exchequer informed his colleagues that the necessary material for the work of the Committee had only just been completed, and that the Committee would meet during the present week.
8. In connection with the discussion on Agricultural Policy, which forms the subject of the preceding Minute, reference was made to the general question of Unemployment Policy, and enquiry was made in regard to the progress of the Cabinet Committee that was appointed by the Minute referred to in the margin.

The Chancellor of the Exchequer informed his colleagues that the necessary material for the work of the Committee had only just been completed, and that the Committee would meet during the present week.
3. The Cabinet had before them a Memorandum by the President of the Board of Education (Paper C.P.-73(30)) on the subject of Voluntary Schools. Attached to the Memorandum were proposals for an accommodation which had been received from the Archbishop of Canterbury, acting on behalf of the Church authorities and the Executive of the National Society. In his Memorandum the President of the Board of Education submitted a solution based on a modification in some respects of the Archbishop's proposals. He proposed, if the Cabinet were prepared to proceed on these lines, (i) to consult again with the representative bodies with whom he had already been in contact, in order to obtain any further observations that they might have to make on these modified proposals, at the same time suggesting to them that all parties should, in the interests of the nation and of the children, be ready to enter into such an accommodation. He suggested the appointment of a Cabinet Sub-Committee to work with himself. (ii) To prepare a White Paper explaining the policy and its implications.

The Cabinet agreed —

(a) To authorise the President of the Board of Education to proceed with the consultations with representatives of the various authorities concerned, on the lines suggested in his Memorandum;

(b) That the President of the Board of Education, if in need of Ministerial assistance, should approach his colleagues individually, rather than that a special Committee should be appointed;

(c) That the question of the issue of a White Paper should stand over until a later stage.
4. In view of the heavy Agendas circulated in connection with the meeting of the Cabinet on the following day, the Cabinet agreed —
   To meet at 10-30, instead of 11 a.m.

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