WAR CABINET, 468.

Minutes of a Meeting held at 10, Downing Street, S.W., on Tuesday, September 3, 1918, at 11.30 A.M.

Present:
The Prime Minister (in the Chair).
The Right Hon. A. Bonar Law, M.P.
The Right Hon. G. N. Barnes, M.P.

The following were also present:
The Right Hon. Lord Robert Cecil, K.C., M.P., Assistant Secretary of State for Foreign Affairs.
The Right Hon. the Viscount Milner, G.C.B., G.C.M.G., Secretary of State for War.
Brigadier-General J. B. Wells, War Office (for Minute 13).
The Right Hon. Lord Weir, Secretary of State for the Royal Air Force (for Minute 13).
The Right Hon. W. S. Churchill, M.P., Minister of Munitions (for Minute 13).
Mr. W. J. Jones, Ministry of Munitions (for Minute 13).
Major M. B. U. Dewar, Ministry of Munitions (for Minute 13).
Mr. P. G. Lewis, Ministry of Munitions (for Minute 13).

Lieutenant-General the Right Hon. J. C. Smuts, K.C.
Rear-Admiral G. P. W. Hope, C.B., Deputy First Sea Lord (for Minutes 1 to 8).
The Right Hon. Sir Joseph Maclay, Bt., Shipping Controller (for Minutes 7, 8, 10, and 13).
Sir Guy Calverley, Bt., Coal Controller (for Minute 13).
Major-General Sir Charles Callwell, K.C.B. (for Minute 8).

Mr. Thomas Jones, Assistant Secretary.
Captain Clement Jones, Assistant Secretary.
Lieutenant-Colonel I. Wilson, C.M.G., D.S.O., M.P., Assistant Secretary.
Major the Hon. W. Ormsby-Gore, M.P., Assistant Secretary.
THE Western Front.

1. The Chief of the Imperial General Staff reported that, as far as could be judged from photographs, it would appear that the Canadian and British advance on the previous day had broken through the whole depth of the fortified Drocourt-Queant line. We had used seven divisions and about sixty tanks. The original breakthrough was on a front of 4 kilom., and this had now been extended to a breach of 12 kilom. It appeared from the photographs that there was no further continuous line of defence in front of them, but only a series of broken lines in highly canalised low-lying country. The country immediately to the east of this advance appeared to be marshy and liable to inundations, and it would seem that this valley, running east and west, would divide the German forces opposite Lens from those operating from Cambrai. The Germans had brought three more divisions out of reserve, leaving only eight fresh German divisions on the whole Western front. A blow anywhere by the Americans might involve serious consequences for the Germans. Captured documents showed that the Germans were in a bad condition.

At a later stage in the meeting a further telephone message was received, recounting a further German withdrawal in the Lys salient, the occupation of the town of Lens, which has never hitherto been in our hands, by British troops, and a further considerable advance astride the old Hindenburg line south of the Cambrai road. The prisoners captured by our troops on the previous day exceeded 10,000. It looked as if the Germans were in a very bad way, but it was very difficult to tell how fast fresh troops could be brought up from the rear to exploit our great success. Field-Marshal Sir Douglas Haig had begun the movement of the American Corps formed in the north in General Plumer's area. The Chief of the Imperial General Staff thought that Marshal Foch would adhere to his original plans, and not effect any serious diversion of troops to the north. Documents showed that the German Commanders were finding great difficulty in getting their troops to dig, which was the first time this had been recorded.

The First Lord of the Admiralty stated that the inducement which the Germans had hitherto had to hang on to the Flanders coast was now largely gone, and they might be contemplating a withdrawal to the Antwerp-Brussels line. The reason for this was that the short-distance submarines, which had operated in the Channel from Zeebrugge and Ostend, were reduced by more than 50 per cent. They were not building any new ones of this type, and, from the German point of view, there was no advantage in the continued use of these short-distance submarines over the long-distance submarines that could go northabout. Surface craft operating from Bruges, Zeebrugge, and Ostend had suffered enormous losses since last March. Their Flanders Flotilla showed a 50 per cent net loss since that date.

The Chief of the Imperial General Staff asked whether there was any sign of German pressure upon Holland which might result from any contemplated withdrawal to Antwerp.

Lord Robert Cecil stated that, so far from there being any sign of pressure upon Holland, the tone of German representations showed greater lenience than ever before.

The Deputy First Sea Lord stated that an undated telegram had been received on the 2nd September, 1918, from Commodore Norris, via Baghdad, reporting that the fall of Baku was imminent, and that the details of terms were not known. The local authorities had refused to hand over ships until too late.

The Chief of the Imperial General Staff said that he feared the troops at Baku were probably lost. These included one battalion, possibly two, and a battery.
3. The Deputy First Sea Lord stated that the Senior Naval Officer, Mudros, reported on the 31st August, 1918, that H.M.S. "Endymion" had been torpedoed whilst at anchor inside the nets at Stavros. The "Endymion" was protected with bulges, and five compartments had been flooded on either side. The ship was still floating on an even keel. The submarine was engaged by bombs and gunfire, and was thought to be damaged.

Situation in North Russia.

4. With reference to War Cabinet 466, Minute 3, the Chief of the Imperial General Staff referred to telegram No. M. 582, dated the 2nd September, 1918, from General Maynard, at Murmansk, asking for reinforcements, and stating that it appeared likely that the Germans would undertake an early offensive against Murmansk. The General Staff were considering the question as to where the men could be obtained for despatch to Murmansk. If any action was to be taken, it must be taken quickly. There were three possible sources from whence the men could be obtained:

(1.) From the 25th Division, now at Aldershot, which was being got ready to proceed to France.
(2.) From Ireland.
(3.) From Home Defence.

The Chief of the Imperial General Staff said that the third alternative would be most politic, as he thought, with the improved naval arrangements in the North Sea, that the risk of a raid upon the coast was now reduced to a minimum. If there was any prospect of the application of compulsory service to Ireland, he would not advise a reduction of the forces in the Irish Command.

The First Lord of the Admiralty pointed out that the presence of a submarine base at Blyth should protect what the War Cabinet were reminded used before the war to be regarded as a likely objective of such a German adventure. Sir Eric Geddes added that the position of the Admiralty in regard to Home Defence had undergone no change, that is to say, they could not give any guarantee against a raid.

The Chief of the Imperial General Staff then read a letter from General Poole, at Archangel, dated the 12th August, 1918, which showed that he had advanced some 70 miles south from Archangel, and had obtained great quantities of booty, especially machine-guns and small arms ammunition. 600 Russian recruits had been obtained in the first week, but there appeared to be a general disinclination on the part of the Russians to fight on either side.

The War Cabinet decided that—

The Chief of the Imperial General Staff should be authorised, if he considered it urgently necessary, to withdraw troops either from the 25th Division (which would then be completed from Home Defence forces) or divert from Home Defence, for employment in North Russia.

5. The Chief of the Imperial General Staff reported that he had recently inspected the 25th Division at Aldershot. Another 4,000 infantry were required to complete the division, which was otherwise ready to proceed to France. He had found in that division a number of unfit men, and he was at a loss to understand how they had been passed by the doctors.

The War Cabinet decided that—

The attention of the Minister of National Service should be called to the presence of these inferior men in the 25th Division, with a view to obtaining from him a report on the circumstances in which they had been passed by the doctors.
6. The First Lord of the Admiralty drew attention to the Report of the Inter-Allied Naval Council at Versailles, which had been submitted to the Military Representatives at Versailles, in regard to the great importance of preventing the Austrians obtaining possession of the heights which commanded Valona. If the Austrians obtained command of Valona they would be in a position seriously to interfere with the anti-submarine barrage across the Straits of Otranto. This barrage was already showing its effect in reducing the number of submarine sinkings in the Mediterranean, and it was vital, from a naval point of view, that the efficiency of this barrage should be maintained.

The War Cabinet requested—

The Chief of the Imperial General Staff to communicate with our Military Representative at Versailles, in the sense that the War Cabinet attach great importance to the retention of the command of Valona by the Italians.

7. The Minister of Shipping drew attention to the Memorandum to the Admiralty (Paper G.T.-5585), and reported that the decision of the American War Department not to allow the embarkation of further American troops through Canada for embarkation in St. Lawrence ports would render useless accommodation for about 17,000 troops in British shipping now waiting in the St. Lawrence, and space for a further 27,000 men in British shipping now on the way to the St. Lawrence. He urged that the matter should be dealt with immediately, as, if desired, it might be possible to divert shipping now on passage to Canadian ports to United States ports.

The First Lord stated that the Americans had raised every possible objection to the embarkation of American troops in St. Lawrence ports. We had, however, overcome all these difficulties by offering rest-camps and providing supplies, clothing, &c. It would seem that the American decision not to allow embarkation of more troops in the St. Lawrence was the result of a deliberate desire to curtail their programme for the shipment of troops.

Lord Milner held the view that the shipment of American troops from other ports was now so large that it was more important, from the point of view of the Allies, that the shipping now in the St. Lawrence, or on the way there, should be diverted as soon as possible to other uses.

The War Cabinet took note of the fact that the American Government declined to make use of the shipping facilities given by the British shipping authorities, and decided that—

The shipping allocated for the conveyance of American troops from St. Lawrence ports should be used as the Admiralty Shipping Ministry find it necessary.

8. With reference to War Cabinet 395, Minute 11, the War Cabinet had before them a memorandum by the Secretary of State for War (Paper G.T.-5477), in regard to the mobilisation of Greece.

General Callwell said that the mobilisation of the Greek army was now proceeding in a satisfactory manner, and nine Greek divisions were already mobilised. The nominal strength of the Greek divisions was 17,500, but actually the divisions averaged about 15,000. It was now suggested that the War Cabinet should agree in principle to our undertaking to feed ten divisions with 50 per cent reserves in the war zone in place of nine. But it was proposed that, at the same time, the maximum number of troops that we could undertake to keep clothed should be fixed at 300,000.

The War Cabinet approved of this suggestion.
9. With reference to War Cabinet 465, Minute 4, in which it was decided that, subject to the approval of the Prime Minister, a submission should be made to His Majesty to appoint a Royal Commission to consider Regulation 40 D, the War Cabinet decided that—

Mr. Barnes,
Sir George Cave, and
Lord Robert Cecil

should frame, for the consideration of the Prime Minister, the Terms of Reference of, and suggest the names of members to serve on, the Royal Commission, having special regard to the desirability of proceeding in the matter as rapidly as possible, and reporting within two months.

10. With reference to War Cabinet 461, Minute 3, the War Cabinet approved the action taken by Sir Joseph Maclay in authorising the provision of tonnage to meet the food situation at Archangel, as set out in the memorandum by the Minister of Shipping (Paper G.T.-5523).

11. With reference to War Cabinet 463, Minute 8, the War Cabinet took note of the appointment of a Committee—

“To investigate and report upon the relation which should be maintained between the wages of women and men, having regard to the interests of both, as well as to the value of their work. The recommendations should have in view the necessity of output during the war, and the progress and well-being of industry in the future.”

The War Cabinet approved a suggestion made by Mr. Barnes (Paper G.T.-5553) that Sir M. Nathan should be an ex officio member of the Committee, as well as Secretary.

12. With reference to War Cabinet 462, Minute 13, the War Cabinet had before them a memorandum by the President of the Board of Trade dealing with fresh demands for increased wages, which had recently been put forward by the Railway Unions (Paper G.T.-5550).

The War Cabinet decided—

To delegate the matter to Mr. Barnes and Sir Albert Stanley, with power to decide.

13. With reference to War Cabinet 467, Minute 2, the War Cabinet had under consideration the notes of a conference held in accordance with the decision of the War Cabinet on Friday last (Paper G.T.-5552), a memorandum by the Coal Controller circulated by the President of the Board of Trade (Paper G.T.-5597), and the notes of a conference held at the Ministry of National Service on the subject of the release of coal-miners from the Forces (Paper G.T.-5589).

The Prime Minister expressed the opinion that the present output of coal could be very largely increased if the miners could be induced to realise the gravity of the coal situation. An increase of 5 per cent. on the present output would mean an increase of 12½ million tons produced. From information which had been given him, Mr. Lloyd George said that several of the leading miners' agents were of opinion that the miners could be persuaded
to produce more coal. The Secretary of State for War was naturally alarmed at the prospect of taking miners away from the army. It was undoubtedly a very serious thing to return 50,000 men from the Services when there must be a very serious reduction in the strength of the fighting forces next year. It was well known that it would be impossible to expect that the reinforcements to the Services for next year would be in any way comparable with this year or the year before, and no men should be taken out of the Services unless it was absolutely necessary. If it were possible to arrange a meeting in London of coal-owners, colliery managers, and miners' agents and put the whole case before them, he was convinced that the result of such a meeting would be of the greatest benefit. In the meantime it was most advisable that, if possible, some of the leading miners' agents should be interviewed in order to ascertain from them their views as to a possible increase of output, but the arrangements for such an interview should be made privately, as objections to such a proceeding would undoubtedly be taken by the Miners' Federation. It should be realised at the same time that all the fault did not lie with the miners, as he had been told that the mine-owners and colliery proprietors were not taking all the steps possible towards a maximum output, because of the excess profits tax.

The Coal Controller said that the trouble at the present time was that the leaders in the mining industry were not leading the miners in the right direction. Sir Guy Calthrop quoted as an example the pits of Fifeshire, which was admittedly a very loyal county, where the County Miners' Association had now issued instructions to picket the pits on Saturdays, so that work could not be done on twelve days a fortnight, as had been the custom at certain collieries in that district. Sir Guy Calthrop pointed out that he was not asking for 50,000 Grade 1 men, and was prepared to take B 1, but the Minister of National Service and the Adjutant-General both agreed that B 1 was a very limited class, in which there were not more than a few thousand miners. Questioned by the Prime Minister as to the extent to which the deficiency in coal would be met if 25,000 B men were withdrawn from the army, Sir Guy Calthrop said that the employment of these men would be equivalent to about $\frac{1}{2}$ million tons.

The Minister of Munitions said that, in his opinion, it was impossible to say what coal would be needed until the policy to be pursued as regards the war had been decided. It was proposed to take these men from the army and use them for bulk production. In his opinion it would be far better to take a smaller number of men to be utilised for highly skilled grades of production, such as gun mechanism, tanks, &c, the contribution of such men towards the war effort next year being far greater. Mr. Churchill said that his department was prepared to make a cut on basic bulk production, and a reduction on the steel output. He had held a meeting with the First Lord of the Admiralty, who had agreed to consider carefully whether it was not possible to reduce heavy production in order to lighten the demand on coal. His Department had asked for an increase of 5 million tons over the amount of some 80 millions which it had used last year. This extra amount had been asked for in order to produce steel from the new blast furnaces, and it had been hoped that the amount of 10 million tons of steel produced this year would be increased to 12 millions next year. In the circumstances he recognised that this extra amount could not be got. Mr. Churchill said that he had come to the conclusion that, unless it was absolutely necessary, miners should not be withdrawn from the Services.

The Chancellor of the Exchequer said that the conclusions which the Conference over which he presided had arrived at were that the deficiency of 23 million tons could be reduced to 6 million
or 7 million tons if the 5 million tons asked for in addition by the Ministry of Munitions were not granted; if a saving of 3 million tons, owing to the working of the Bruay mines, could be made on the amount asked for by France and Italy, and if rationing of coal for the industries of this country were decided on. With regard to the latter point Mr. Bonar Law said that the danger, which undoubtedly would have to be faced, would be that of increased labour trouble, and that, as the effect of this rationing must inevitably mean a considerable amount of unemployment, some scheme for the payment of wages to those out of employment would have to be brought into force.

The Minister of National Service expressed the opinion that the industrial rationing of coal would have a very serious effect on the moral of the country unless steps, such as Mr. Bonar Law had suggested, were adopted. At the present moment wages were high, but were being fully spent. If a period of transition were possible, thousands of women could undoubtedly be absorbed in domestic and transport services and the various Women's Corps which had been organised, but any sudden cessation of employment would have serious results.

(At this stage of the proceedings all those representing the various Departments withdrew, with the exception of Ministers of Departments, the Chief of the Imperial General Staff, and the Adjutant-General).

The Prime Minister pointed out that nothing which the Government could do in the way of man-power could possibly assist in maintaining the same amount of front next year as we were doing at present. Undoubtedly the American Army would take a large slice of the front now occupied by our troops, and also a large portion of that at present occupied by the French troops. The front would also be reduced in another way, the Germans having already shortened theirs by their retirement, and consequently ours would be shortened equally. The result of this must be that less ammunition would be expended by the British Army in France next year.

The Chief of the Imperial General Staff said that, while the total line might be shorter, the whole fighting line might become longer when battles were over a broader and deeper front.

Mr. Churchill said that he had been considering whether it was not justifiable now to use a certain portion of the reserve supply of ammunition. During the battle days of last year an average of 43,000 tons a week of ammunition was fired. During this year the average had been 38,000 tons, and it would probably not be greater than that amount during the coming year. It might therefore be possible to allow the reserve of ammunition, now in store to fall to two-thirds or one-half of the present amount, but it would be necessary for the Army to use up the stock now available, and drastically cut down bulk production. If it were decided to do this, it would be necessary to begin slowing down immediately the making of shell, which would naturally create considerable dislocation in the Labour Department of his Ministry.

The Prime Minister said that, with the intimate knowledge he had of the urgent need of the army for men, he was very reluctant to take a decision to withdraw 50,000 "A" men, or their equivalent, from the Services without a real and genuine effort being made, on the one hand, to induce the miners to produce more coal, and, on the other hand, to reduce our consumption. He was in favour of taking risks in cutting down our ammunition reserves, and he pointed out that the organisation would still be in existence, and that it would be possible to expand again in a very short time should the necessity arise.
The War Cabinet deferred further discussion on this question until Friday next, and decided that—

(a.) The President of the Board of Trade should make private arrangements for as many well-known miners' leaders as possible to interview the Prime Minister at an early date.

(b.) The First Lord of the Admiralty and the Minister of Munitions should hold a conference and lay before the War Cabinet their proposals for a substantial reduction in the manufacture of steel and bulk production for their respective Departments.

The War Cabinet took note of a warning by the President of the Board of Trade that even this short delay would necessitate an extension in the application of the scheme of rationing worked out by the Coal Controller under instructions from the War Cabinet (War Cabinet 417, Minute 14).

2, Whitehall Gardens, S.W.,
September 3, 1918.