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S E C R E T .COPY NO.C A B I N E T 23 (32).

CONCLUSIONS of a Meeting of the Cabinet held in
the Prime Minister's Room, House of Commons,
on MONDAY, April 18th, 1932, at 6.30 p.m.

PRESENT:-

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

The Right Hon.
Stanley Baldwin, M.P.,
Lord President of the
Council.

The Right Hon.
Neville Chamberlain, M.P.,
Chancellor of the
Exchequer.

The Right Hon.
Sir Herbert Samuel, G.C.B.,
G.B.E., M.P., Secretary of
State for Home Affairs.

The Right Hon.
The Viscount Hailsham,
Secretary of State for
War.

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

The Right Hon.
J.H. Thomas, M.P.,
Secretary of State for
Dominion Affairs.

The Right Hon.
Sir Philip Cunliffe-Lister,
G.B.E., M.C., M.P.,
Secretary of State for
the Colonies.

The Right Hon.
Sir Archibald Sinclair, Bt.,
C.M.G., M.P., Secretary of
State for Scotland.

The Right Hon.
Sir Edward Hilton Young,
G.B.E., D.S.O., D.S.C., M.P.,
Minister of Health.

The Right Hon.
Walter Runciman, M.P.,
President of the Board
of Trade.

The Right Hon.
The Viscount Snowden,
Lord Privy Seal.

The Right Hon.
Sir Donald Maclean, K.B.E.,
M.P., President of the
Board of Education.

The Right Hon.
Sir John Gilmour, Bt., D.S.O.,
M.P., Minister of Agriculture
and Fisheries.

The Right Hon.
Sir Henry Betterton, Bt.,
C.B.E., M.P., Minister of
Labour.

Major The Right Hon.
W. Ormsby-Gore, M.P.,
First Commissioner of
Works.

THE FOLLOWING WERE ALSO PRESENT:-

Captain H.D. Margesson, M.C., M.P.,
Parliamentary Secretary to the Treasury
and Chief Whip (For Conclusion 1.)

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

IMPORT DUTIES
ACT (1932).

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First Report
of the
Advisory
Committee.

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List of Pro-
posed Duties.

(Previous
Reference:
Cabinet 15
(32), Con-
clusion 15.)

F.R.

25(32)10.

1. The Chancellor of the Exchequer read to the Cabinet a summary, prepared in the Treasury, of a long Report which he had received from the Advisory Committee set up under the Import Duties Act. He added that the Schedules contained a very long list of articles to be subjected to Duties proposed in the Report. His proposal was that the Report of the Committee and the Orders imposing the Duties recommended therein should be published on Friday next, April 22nd, that the Duties should come into operation on Tuesday, April 26th, and that the Parliamentary Resolution necessary to confirm the Orders should be introduced as soon as possible.

In reply to various questions, the Chancellor of the Exchequer said that Sir William May, Chairman of the Committee, with whom he had had a conversation after the Report had been completed, had indicated that one of the intentions of the Committee in recommending the Duties was to stimulate the re-organisation of various industries, beginning with the Iron and Steel industry. Parliament could reject, but not amend, the Duties included in the Order.

In the course of the discussion it was pointed out that this long Schedule of proposed Duties had been completed by the Committee in a very short space of time. There could have been no examination of particular items comparable with that undertaken, for example, under the Safeguarding of Industries procedure. The Cabinet had not as yet seen the Report as a whole, or the Schedules. The Cabinet were reminded, however, that the Advisory Committee had been set up in order to remove the examination of this question from political influence, and the

general understanding had been that, in the absence of over-riding circumstances, the Government would act on the recommendations.

The Chancellor of the Exchequer was prepared to circulate the Report and Schedules to the Cabinet in advance of publication.

In the circumstances, it was felt that the Report must be accompanied by the Government's decision for implementing it.

The Cabinet were informed that Government Departments had nothing to do with the compilation of the Report except to furnish information required by the Committee, which had been left, as had been intended, to exercise its judgment unfettered.

Some discussion took place as to the date on which the necessary Resolution should be introduced in Parliament, and on this aspect of the question the Parliamentary Secretary to the Treasury was consulted.

There was general agreement that this question was covered by the Cabinet decision of January 22, 1932, referred to in the margin.

Subject to the last paragraph above, the Cabinet agreed —

- (a) That the Report of the Advisory Committee under the Import Duties Act (1932) should be published on Friday, April 22nd:
- (b) That the Orders imposing the Duties recommended by the Advisory Committee should be published on the same date and should come into effect on Tuesday, April 26th:
- (c) That the Debate in Parliament on the Resolution should take place on Tuesday, April 26th, and Wednesday, April 27th, and that the Budget Resolutions should be discussed on Monday, April 25th, and Thursday, April 28th.

CABINET
PROCEDURE

(Previous
Reference:
Cabinet 7
(32), Con-
clusion 1.)

F.R.

27(32)11.

THE CHILDREN
AND YOUNG
PERSONS BILL.

(Previous
Reference:
Cabinet 8
(32), Con-
clusion 3(e).)

2. The Cabinet had before them a Memorandum by the Home Secretary (C.P.-135 (32)) covering a Memorandum by the Parliamentary Under-Secretary, Home Office, who is in charge of the Children and Young Persons Bill, asking for instructions as to the line which he should take in dealing with an amendment to the Bill which has been put down by Lady Astor and is supported by Members of all Parties, proposing that Local Authorities should be empowered to deal by means of by-laws with the conditions of employment of young persons between 14 and 18 in the so-called unregulated occupations. The Parliamentary Under-Secretary pointed out that there were two possible courses:-

- (i) To oppose the new Clause in Committee, and if, as was probable, the Government was defeated in Committee, to trust to the deletion of the offending Clause on the Report Stage:
- "(ii) I could oppose the inclusion of the proposals in this Bill and at this time, but give on behalf of the Government an assurance of sympathy with the principle and sincere intention to proceed with the proposals as soon as opportunity offered. To be successful I should probably have to go as far as pledging the Government to the introduction of a measure as soon as the industrial situation improved. It will be remembered that before the crisis such a pledge had been given on behalf of both the Conservative and Labour Parties".

He did not propose to use this latter authority unless satisfied that it would be effective, but he wished to have an assurance, if he did use it, that the pledge would in fact be implemented at the earliest possible moment.

After discussion, the Cabinet agreed —

To authorise the Parliamentary Under-Secretary, Home Office, to adopt the course set forth in alternative (ii) above, and, if necessary, to go as far as pledging the Government to the introduction of a measure as soon as the industrial situation improved.