Meeting of the Cabinet to be held at 10 Downing Street, S.W.1, on WEDNESDAY, 17th May, 1933, at 11.0 a.m.

AGENDA.

1. FOREIGN AFFAIRS.
   Foreign Policy of the Present German Government.
   Memorandum by the Secretary of State for Foreign Affairs.
   (C.P. 129(33) - to be circulated).

2. REDUCTION AND LIMITATION OF ARMAMENTS.
   (Reference Cabinet 34(33), Conclusion 1).
   Note by the Secretary, covering telegram sent to Mr. Eden at Geneva, following the Meeting of the Ministerial Committee held on May 12th.
   (C.P. 126(33) - already circulated).

3. THE FORTHCOMING MONETARY AND ECONOMIC CONFERENCE.
   (Reference Cabinet 34(33), Conclusion 5).
   Note by the Secretary, covering draft Conclusions of Second Meeting of Cabinet Committee.
   (C.P. 130(33) - to be circulated).

4. GOVERNMENT BUSINESS - BILLS TO BE PASSED BEFORE THE ADJOURNMENT.
   (Reference Cabinet 62(32), Conclusion 6).
   Note by the Secretary, covering list of Bills furnished by Departments.
   (C.P. 125(33) - already circulated).

   Memorandum by the Minister of Labour.
   (C.P. 128(33) - already circulated).
6. CONCLUSIONS OF HOME AFFAIRS COMMITTEE.

(Reference H.A.C. 6th Conclusions (33) already circulated).

(i) Metropolitan Police Bill. (Reference Cabinet 34(33), Conclusion 7).
Memorandum by the Home Secretary, covering draft Bill. 
(H.A. 14(33) already circulated).

(ii) Service of Process (Justices) Bill.
Memorandum by the Home Secretary, covering draft Bill. 
(H.A. 12(33) already circulated).

(iii) Administration of Justice (Miscellaneous Provisions) Bill.
Memorandum by the Lord Chancellor, covering revised draft Bill. 

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

2 Whitehall Gardens, S.W.1.
16th May, 1933.
CONCLUSIONS of a Meeting of the Cabinet held at 10 Downing Street, S.W.1, on WEDNESDAY, 17th May, 1933, at 11.0 a.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. Sir John Gilmour, Bt., D.S.O., Secretary of State for Home Affairs.


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

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

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

The Right Hon. Sir Irwin, K.G., G.C.S.I., C.I.E., President of the Board of Education.

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

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

The Right Hon. The Viscount Sankey, G.B.E., Lord Chancellor.

The Right Hon. Sir John Hailsham, G.B.E., M.P., Secretary of State for India.

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


Major The Right Hon. Walter Elliot, M.C., M.P., Minister of Agriculture and Fisheries.


CONCLUSIONS of a Meeting of the Cabinet held at 10 Downing Street, S.W.1, on WEDNESDAY, 17th May, 1933, at 11.0 a.m.

PRESENT:--

The Right Hon. J. Ramsay MacDonald, M.P.,
Prime Minister.

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

The Right Hon. Sir John Gilmour, Bt., D.S.O.,
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. Sir Philip Cunliffe-Lister,
G.B.E., M.C., M.P., Secretary of State for the Colonies.

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

The Right Hon. Lord Irwin, K.G., G.C.S.I.,
G.C.I.E., President of the Board of Education.

The Right Hon. Sir Henry Beechton, Bt.,
G.B.E., M.P., Minister of Labour.

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

The Right Hon. The Viscount Sankey, G.B.E.,
Lord Chancellor.

The Right Hon. Sir John Simon, G.C.S.I.,
K.C.V.O., G.B.E., K.C., M.P.,
Secretary of State for Foreign Affairs.

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

The Right Hon. Sir Godfrey Collins, K.B.E.,
C.M.G., M.P., Secretary of State for Scotland.

The Right Hon. Sir Bolton Eyres-Monsell,

Major The Right Hon. Walter Elliot, M.C., M.P.,
Minister of Agriculture and Fisheries.

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

1. The Cabinet had before them a Memorandum by the Secretary of State for Foreign Affairs (C.P.-129 (33)) outlining the foreign policy of the present German Government, which he described as "definitely disquieting", and pointing out, with illustrations, that the Government of Germany, for the first time since the War, are giving State sanction and encouragement to an attitude of mind, as well as to various forms of military training, which could end in only one way. Attached to the Memorandum was a Paper prepared by the military expert to the United Kingdom Delegation at the Disarmament Conference reviewing the present state of German armaments and summarising the evidence of German re-armament, which has been intensified since Herr Hitler became Chancellor.

The Secretary of State for Foreign Affairs did not ask the Cabinet to discuss the question in detail at the moment. Such discussion could not usefully take place until after the German Chancellor's speech. He drew particular attention to the following message that Sir H. Rumbold had been asked to convey to Herr Hitler, as set out on page 5 of the Memorandum:

"At this critical juncture in the life of the Disarmament Conference and on the eve of the World Economic Conference, it is clearly in the interests of the whole world, and not least of Germany herself, that international tranquility and confidence in Europe should be preserved and, if possible, increased. Unfortunately, the recent change of régime in Germany has produced the opposite effect — a fact which His Majesty's Government deeply deplore. We trust, therefore, that during the difficult time ahead of us all we may hope that the German Government will not merely abstain from doing or saying anything which may increase the already existing nervousness in the public opinion of Europe, but that it will go further and, within the framework and in the spirit of the Covenant of the League of Nations, collaborate in the common task of..."
establishing that confidence which is necessary to the success of the Disarmament Conference, which is the aim of the Four-Power Pact negotiations, and which is essential to the success of the World Economic Conference."

In view of the existing delicate position in foreign affairs, the Prime Minister asked his colleagues to be particularly careful in any unavoidable public reference to matters of foreign policy which by force of circumstances they might find themselves compelled to make.

The Cabinet agreed —

That the passage in the Secretary of State's Memorandum referred to above was in accord with the general policy of the Government.

(Note: The Prime Minister warned the Cabinet that events (e.g., at Geneva) arising out of Herr Hitler's speech might compel him to summon a Special Meeting of the Cabinet within the next few days.)
2. The Prime Minister drew the attention of the Cabinet to the fact that President Roosevelt had addressed direct to the King his statement to the nations of the world dealing mainly with the Conferences on Disarmament and Monetary and Economic Policy. This appeared to be an incorrect procedure and raised the question of what attitude His Majesty should be advised by his responsible Ministers to adopt.

The Secretary of State for Dominion Affairs pointed out that the King was the Head of the Empire as well as of the United Kingdom. So far as the United Kingdom was concerned His Majesty would naturally be advised by the Ministers concerned, but Constitutional questions arose affecting the Dominions, e.g., as to whether His Majesty should transmit President Roosevelt's message to the Dominions and consult them as to any reply or acknowledgment.

The Secretary of State for Foreign Affairs informed the Cabinet that the United States Embassy had communicated to the Foreign Office copies of the President's statement.

The Cabinet agreed —

(a) That the Prime Minister should seek the advice of the Lord Chancellor and the Law Officers of the Crown on the Constitutional issues raised (both as affecting the United Kingdom and the Empire) by President Roosevelt's action in addressing his communication direct to the King:

(b) That the Prime Minister should advise the King for the moment to send no acknowledgment or reply to President Roosevelt's message as Constitutional issues were involved, on which the Prime Minister would make a further communication to His Majesty after consultation with the appropriate Constitutional authorities.
3. The Secretary of State for Foreign Affairs gave the Cabinet an appreciation of President Roosevelt's message, in the course of which he pointed out that the proposal "that no nation shall increase its existing armaments over and above the limitations of treaty obligations" was not likely to please Germany or other ex-enemy States, as they were bound by treaty obligations and other nations were not.

It was also pointed out that by a strict interpretation of the fourth step proposed by President Roosevelt, under which the Signatory Powers would "agree that they would send no armed force of whatever nature across their frontiers", a Fleet could not leave territorial waters and the position of British or American troops at Shanghai would be a breach.
4. The Cabinet took note of a telegram (C.P.-126 (33)) despatched to the Parliamentary Under-Secretary for Foreign Affairs, at Geneva, on May 12th, following a Meeting of the Ministerial Committee on Disarmament which was held on the same day, and circulated to the Cabinet by direction of the Prime Minister, the Chairman of the Committee. The telegram related to Germany's attitude at the Disarmament Conference and suggested the line that the Parliamentary Under-Secretary should adopt.
5. After discussing in detail draft Conclusions on the Monetary and Economic Conference submitted by the Cabinet Committee (C.P.-130 (33)), the Cabinet agreed —

**DRAFT AGENDA.**

(a) To approve the suggested re-arrangement (as set out in the draft Agenda attached as an Appendix to this Minute) of the Headings of the Draft Agenda submitted by the Preparatory Commission of Experts: it being understood that this re-arrangement of the draft Agenda will be submitted to the Conference at the conclusion of the Second Reading stage, but that its adoption will not be pressed if it fails to secure general acceptance:

(b) That the heading to Item 4 of the draft Agenda, viz., "Price Levels: Co-ordination of Production", should be put in square brackets, to show that it is reserved pending consultation with Sir Frederick Leith-Ross and Sir P. Phillips by the Minister of Agriculture and Fisheries, who preferred the term "Price Levels: Co-ordination of Supplies".

**INDUSTRIAL ADVISERS TO THE UNITED KINGDOM DELEGATION.**

(c) That there should be constituted a Panel of Industrial Advisers to the United Kingdom Delegation to the Conference:

(d) That this Panel should consist of one or, at most, two representatives from each of the following National Industrial organisations:

- The Federation of British Industries,
- The Association of Chambers of Commerce,
- The Chamber of Shipping (in consultation with the Liverpool S.S. Owners' Association),
- Agriculture, and
- The Trades Union Congress General Council:

(e) That, as in the case of the Ottawa Conference, the Panel of Industrial Advisers should include an Adviser on the Trade and Commerce of the Crown Colonies:

(f) That the members of the Panel should be consulted as and when the United Kingdom Delegation, or individual members of that Delegation, desired advice; and it should be intimated, in addition, that United Kingdom Delegates would be glad to see them if at any time they had any special representations to make.
(g) That members of the Panel should not be admitted as of right to the proceedings of the Conference, and should not be eligible for representation on Committees of the Conference:

(h) That the Secretary to the United Kingdom Delegation should arrange for members of the Panel to be supplied with copies of the published Journal of the Conference, but that they should not be furnished with documents prepared for the use of the United Kingdom Delegation at the Conference save with the express sanction of Delegates in the case of particular documents:

(i) That the carrying out of the above arrangements for Industrial Advisers to the United Kingdom Delegation should be entrusted to the following Ministers:

(i) The President of the Board of Trade in the case of the Federation of British Industries, the Association of Chambers of Commerce, the Chamber of Shipping (in consultation with the Liverpool S.S. Owners' Association).

The President of the Board of Trade (after consultation with the Minister of Labour if he deemed desirable) was asked to try and arrange that the representation of the Federation of British Industries should include also that of the National Confederation of Employers' Organisations.

(ii) The Minister of Agriculture and Fisheries in the case of Agriculture.

(iii) The Prime Minister in the case of the Trades Union Congress General Council.

(iv) The Secretary of State for the Colonies in the case of the Adviser on the Trade and Commerce of the Crown Colonies.

COMPOSITION OF THE UNITED KINGDOM DELEGATION.

(j) That the United Kingdom Delegation to the Monetary and Economic Conference should be constituted as follows:

The Prime Minister.
The Chancellor of the Exchequer.
The Secretary of State for War.
The Secretary of State for Foreign Affairs.
The Secretary of State for Dominion Affairs.
The Secretary of State for the Colonies.
The President of the Board of Trade.
The Minister of Agriculture and Fisheries.
(k) That as the Prime Minister would be much preoccupied in his work as President of the Conference and would not be able to attend regularly the meetings of the United Kingdom Delegation, the Chancellor of the Exchequer should, in his absence, be the Leader of the Delegation:

(l) That the composition of the United Kingdom Delegation should be announced on the following day, Thursday, May 18th, both in the House of Commons and the House of Lords:

(m) That the Secretary of State for Foreign Affairs should communicate the names to the Secretary-General to the League of Nations after their announcement in Parliament as above:

(n) That the Secretary to the Cabinet should arrange with the Secretary-General of the League of Nations that the First Commissioner of Works, as Minister responsible for the building in which the Conference is to be held, as well as for hospitality arrangements, should be given an appropriate status in the Conference and all the facilities he requires to enable him to discharge his responsibilities:

THE LEAGUE OF NATIONS JOURNAL.

(o) To invite the attention of the Prime Minister, as President of the Conference, to the desirability of making appropriate arrangements to control what was published in the daily Journal of the Conference:

THE CABINET COMMITTEE.

(p) To take note that the Cabinet Committee is meeting practically daily to complete its work.
APPENDIX TO CONCLUSION 5.

COMMITTEE ON THE MONETARY AND ECONOMIC CONFERENCE.

PROPOSED REARRANGEMENT OF THE DRAFT AGENDA.

(As approved by the Committee at their Meeting on May 16th, 1933).

1. **Money and Prices.**
   - (a) Action to raise price levels:
   - (b) Relative value of principal currencies:
   - (c) Central Banking co-operation:
   - (d) Reform of international monetary standard:
   - (e) Silver.

2. **International lending and Exchange restrictions.**
   - (a) Abrogation of exchange controls:
   - (b) Problems of external commercial indebtedness (both long and short term):
   - (c) Resumption of international lending:

3. **Trade Restrictions and tariff policy.**
   - (a) Tariff policy (including M.F.N.):
   - (b) Quotas:
   - (c) Balance of trade problems: clearing agreements, etc.

4. **Price levels: Co-ordination of Production.**
   - (a) Wheat and other foodstuffs:
   - (b) Raw materials:
   - (c) Industrial Cartels.

5. **Government subsidies.**
   - (a) Transport (particularly Shipping):
   - (b) Export subsidies.

* See Conclusion (b) above.
6. The Cabinet had before them a List of Bills (C.P.-125 (33)) which in the opinion of the Ministers concerned it was necessary to pass into law before the adjournment in July.

The Prime Minister made an estimate to the Cabinet of the proposed Parliamentary time-table up to the date to which he was working for the Summer Adjournment.

One or two Ministers thought that the time allowance for particular Bills was slightly in excess of requirements.

In view of the small amount of time available for carrying out the programme, the Cabinet agreed —

(a) That Ministers should aim at introducing as many of the essential Bills as possible in the House of Lords;

(b) That they should give notice to the Leader of the House of Lords as early as possible of the Bills they wished to introduce, as the present time is a favourable one in the Upper House;

(c) That the Bills in question should be brought before the Committee of Home Affairs as soon as possible;

(d) That any Minister who was doubtful as to the amount of time allowed for his Bills in the time-table should communicate with the Parliamentary Secretary to the Treasury on the subject.
7. The Cabinet had before them a Memorandum by the Minister of Labour (C.P.-128 (33)) on the subject of the extension of the operation of the Unemployment Insurance Act, 1930, most of the provisions of which will cease to have effect after June 30, 1933. The Memorandum stated that, in view of the impossibility of bringing into operation by June 30th the comprehensive Unemployment Insurance and Assistance Bill which had been promised, it would be necessary to extend the existing provisions temporarily, and the Minister suggested an extension for twelve months. He asked authority to introduce an Extending Bill and pass it into law by June 30th, and approval for the following answer to a Question to be asked in the House of Commons on the subject on Thursday next, May 18th:

"The Government have announced that they intend to introduce comprehensive legislation on this subject this session. It will not be practicable, however, to bring this legislation into operation by June 30th, and a Bill for prolonging the existing arrangements temporarily will therefore be introduced at an early date."

The Cabinet approved the proposals of the Minister of Labour.
8. The Cabinet had under consideration a Memorandum by the Home Secretary (H.A.-14 (33)) covering the draft Metropolitan Police Bill, the object of which is to obtain the necessary legislative powers for the purpose of giving effect to certain changes in the organisation and administration of the Metropolitan Police Force, to which general approval was given by the Cabinet on March 29, 1933 (Cabinet 22 (33), Conclusion 1): together with the following recommendations of the Committee of Home Affairs thereon (H.A.C. 6th Conclusions (33) Minute 1):

(1) To approve the Metropolitan Police Bill in the form of the draft annexed to H.A.-14 (33) subject to agreement being reached in regard to the alteration of the First Schedule and to the settlement of the matter raised by the Solicitor-General; and subject also to any drafting or other minor alterations that may be found necessary or desirable:

(2) To take note that, in pursuance of Cabinet 34 (33), Conclusion 7 (d), the Home Secretary would give notice of presentation of the Bill with a view to its Second Reading being taken in the House of Commons on Monday, May 22, 1933.

The Cabinet approved the above recommendations.
9. The Cabinet had under consideration a Memo­randum by the Home Secretary (H.A.—12 (33)) covering the draft Service of Process (Justices) Bill, 1933, the object of which is to enable, subject to safeguards, summonses issued by Justices to be served by post and to facilitate the proof of service: together with the following recommendation of the Committee of Home Affairs thereon (H.A.C. 6th Conclusions (33), Minute 8):

To authorise the introduction in the House of Commons of the Service of Process (Justices) Bill, 1933, in the form of the draft annexed to H.A.—12 (33), subject to any drafting or other minor alterations that may be found necessary or desirable.

The Cabinet approved the above recommendation.
10. The Cabinet had before them a Memorandum by the Lord Chancellor (H.A.-13 (33)) covering the draft Administration of Justice (Miscellaneous Provisions) Bill, the object of which is to carry out those recommendations in the Interim Report of Lord Hanworth's Business of Courts Committee, which call for legislation, and a further Memorandum (H.A.-13A (33)) covering a revised draft of the Bill: together with the following recommendation of the Committee of Home Affairs thereon (H.A.C. 6th Conclusions (33), Minute 3):

To authorise the introduction forthwith in the House of Lords of the Administration of Justice (Miscellaneous Provisions) Bill in the form of the draft annexed to H.A.-13A (33), subject to the amendments mentioned at the Meeting, and to any drafting or other minor alterations which may be found necessary or desirable.

The Cabinet approved the above recommendation.

2, Whitehall Gardens, S.W.1.
May 17, 1933.