Meeting of the Cabinet to be held at No. 10, Downing Street, S.W.1., on WEDNESDAY, 2nd MAY, 1934, at 11.0 a.m.

AGENDA.

1. FOREIGN AFFAIRS - (If required).

2. REDUCTION AND LIMITATION OF ARMAMENTS - (If required).
   (Reference Cabinet 17 (34) Conclusion 2).

3. KENYA LAND COMMISSION REPORT.
   Memorandum by the Secretary of State for the Colonies.
   C.P. 111 (34) - already circulated.

4. CONCLUSIONS OF HOME AFFAIRS COMMITTEE.
   9th Conclusions (34) of the Home Affairs Committee.
   To be circulated.
   Cotton Manufacturing Industry (Temporary Provisions) Bill.
   Memorandum by the Minister of Labour, covering draft Bill.
   H.A. 29 (34) - already circulated.

5. PRIVATE MEMBER'S BILL.
   For Friday, 4th May, 1934 (last day for Private Members' Bills).
   Report and Third Reading.
   Licensing (Standardisation of Hours) Bill.
   (Mr. Lockwood (C)).
   (Reference Cabinet 17 (34) Conclusion 13).

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

2, Whitehall Gardens, S.W.1.,
30th April, 1934.
CONCLUSIONS of a Meeting of the Cabinet held at 10, Downing Street, S.W.1, on WEDNESDAY, 2nd MAY, 1934, 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., 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.C.S.I., G.B.E., C.M.G., M.P.; Secretary of State for India.

The Rt.Hon. The Marquess of Londonderry, K.G., M.V.O., Secretary of State for Air.


The Right Hon. Sir Henry Betterton, Bt., C.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 Godfrey Collins, K.B.E., K.G., M.V.O., Secretary of State for Scotland.

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

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


THE FOLLOWING WERE ALSO PRESENT:

The Earl De La Warr, Parliamentary Secretary of the Ministry of Agriculture & Fisheries. (For Conclusion 8).

1. The Secretary of State for Foreign Affairs, in accordance with the precedent of recent years, asked his colleagues to agree, subject to the King's approval, that the usual Official Dinner should be given at the Foreign Office to the Diplomatic Corps on the occasion of the King's Birthday on Monday, June 4th. He asked his colleagues to take note of this date.

The Cabinet were informed that the Secretary of State for Dominion Affairs, who was unable to be present at the Cabinet, wished to give an Official Dinner on the same date to the High Commissioners of the Dominions, and had expressed the hope that some members of the Cabinet would be able to attend that Dinner.

It was recalled that in former days, before the régime of severe economy, most of the Secretaries of State and some other Ministers had been in the habit of giving Official Dinners, and it was suggested that if a Dinner were given by the Secretary of State for Dominion Affairs other Ministers could hardly avoid reviving the precedent.

A suggestion was made that the Dinner to the Dominions High Commissioners might be given on Empire Day, but the Cabinet were reminded that there was already another annual fixture on that date which was normally attended by the Secretary of State for Dominion Affairs and the High Commissioners.

The Prime Minister thought it was important to watch the precedents. If every Minister were to start an Official Dinner at the expense of the Government Hospitality Fund the numbers would be very considerable. He recalled that in former days there had also been a Government Reception held at the Foreign Office, to which the Dinner had been, as it were, a prelude.
Another suggestion was that the Secretaries of State for Dominion Affairs, Colonies and India should combine in a Dinner, but the Secretary of State for India demurred to this as the issue of invitations, so far as India was concerned, would involve complications, and both he and his staff at the present time were already over-loaded.

A further suggestion was that the High Commissioners of the Dominions and of India should be invited to the Foreign Office Dinner; but this, it was pointed out, would have an implication that might be undesirable.

The Cabinet agreed —

(a) That the Secretary of State for Foreign Affairs should be authorised to make arrangements, subject to the King's approval, for a Dinner at the Foreign Office to the Diplomatic Corps on the King's Birthday, Monday, June 4th, and members of the Cabinet were asked to take note of this date:

(b) That the question of any other Government Dinners should be considered by the following Ministers:—

The Prime Minister,
The Secretary of State for Foreign Affairs,
The Secretary of State for Dominion Affairs,
The First Commissioner of Works.
2. The Prime Minister reported that the question of Disarmament was being proceeded with by the Ministerial Committee on Disarmament, and he hoped that they would be able to report a definite recommendation at the next weekly Meeting of the Cabinet.

At a later stage of the Meeting the Prime Minister pointed out that there were two most urgent questions to be decided:

(i) What was to be done about the Report of the Defence Requirements Committee?

(ii) What line was to be taken at Geneva on the re-assembly of the General Commission of the Disarmament Conference on May 28th?

The latter question would be dealt with at the next Meeting of the Cabinet, to which he had just referred, but measures ought to be taken to proceed more rapidly with the Report of the Defence Requirements Committee.

The Cabinet agreed —

(a) That the Report of the Defence Requirements Committee should be referred to the Ministerial Committee on Disarmament:

(b) That during the absence of the Prime Minister and the Lord President of the Council, the First Commissioner of Works should be added to the Ministerial Committee:

(c) That the Committee should meet on the following dates:

Thursday, May 3rd, at 11 a.m.
Friday, May 4th, at 11 a.m.
3. The Cabinet had before them a Memorandum by the Secretary of State for the Colonies (C.P.-111 (34)) covering the Report of the Kenya Land Commission, on which he must make an early pronouncement. He had discussed the Report with the Governor of Kenya, and they were both in general agreement with all the recommendations — which the Secretary of State summarised in his Memorandum — with the exception of a suggestion, made under a misconception of the functions of the Privy Council, that the present Land Trust Board in Kenya should be abolished and superseded by a Board, appointed by Order in Council, to sit in London. He was convinced that this proposal was unsound in principle and unworkable in practice, and that the ultimate authority must be the Secretary of State, responsible to Parliament. He thought, however, that the Board, as at present constituted, was overweighted with Government representatives and members of the Legislative Council, and he had suggested to the Governor the constitution of a new Board. The Governor had asked for further time to consider this suggestion, and unless the Secretary of State obtained his concurrence before making a pronouncement on the Report he proposed to announce that His Majesty's Government do not accept the proposal to establish a Board in London, for the reasons given in his Memorandum, and that the constitution of the Board in Kenya is under consideration.

After hearing from the Secretary of State for the Colonies a statement amplifying the information in C.P.-111 (34), and after discussing with him a number of points of major detail, the Cabinet agreed —

(a) To reserve for the moment the question of finance raised in Paragraph 28 of C.P.-111 (34). (See Note below.)

(b) Subject to (a), to approve all the remaining recommendations in C.P.-111 (34).
(NOTE: For the Cabinet’s provisional conclusions on the question of finance and of publication and procedure generally, see Conclusion 4.)
The Chancellor of the Exchequer took exception to the publication of paragraphs 2048-2068 of the Report of the Kenya Land Commission, on the ground that it was a purely ex parte statement on a question of long controversy between the Colonial Office, on the one hand, and the Treasury and War Office on the other, namely, the retention of money claimed to be owing to dead native porters killed in the War. This matter, he pointed out, lay outside the Terms of Reference to the Kenya Land Commission, who had not taken any evidence from the Departments in London which took the other view of the controversy. He drew attention in particular to the following quotation from the Report contained in Paragraph 28 of C.P. 111 (34):

"We consider that if such treatment (i.e., the retention of the money owing to dead porters killed in the War) were meted out, it would constitute a much more callous violation of the principles of trusteeship to the natives than any of the injuries which the natives have suffered by the alienation of their land."

There was no justification, he suggested, for this attack on British Governments of recent years. He suggested that the Secretary of State for the Colonies should try and persuade the Commission to modify or withdraw such passages. Without such alterations publication would prejudice the decision to be taken on the controversy to which he had referred.

The Secretary of State for War supported the Chancellor of the Exchequer. Although Kenya was only concerned to the extent of £50,000 in this claim, the total amount when Tanganyika and Uganda were considered was £150,000. He recalled that the claim had first been made in 1921, and then again in 1925. The Secretary of State concerned at that time (Mr. Amery),
though by no means lacking in pertinacity, had eventually decided not to pursue the claim. In 1928 the question had been reopened and the claim had been rejected by the Cabinet. In 1931 the question had once more been raised and was referred to the Parliamentary Under-Secretaries of the Treasury, Colonial Office and War Office, but the Colonial Office had again decided not to press the matter. Now, in 1934, without taking any account of the previous history of this question, the Kenya Land Commission made the accusation of "callous violation of the principles of trusteeship to the natives", to which the Chancellor of the Exchequer had demurred, and which really amounted to an attack on the Government of this country over a series of years, notwithstanding that the matter lay outside the Terms of Reference to the Commission. He asked that publication should be postponed until the Cabinet had had an opportunity of considering Paragraphs 2048–2068 of the Report.

The Secretary of State for the Colonies said he would have a good deal to say at the right moment, on the merits of this question, on which he, like all his predecessors, felt very strongly. For the moment, however, he contented himself with drawing attention to the impossibility of getting the Commission to alter the Report or of postponing its publication for long. As to the former proposal, the Chairman of the Commission, he believed, was still in London, though he was about to leave for Kenya; but other members were in Kenya. In the circumstances it would not be physically possible for them to meet at the present time to alter their Report, even if they were willing to do so. As a matter of fact, however, he was aware that they attached great importance to this matter.
and he was convinced that they would never agree to alter their Report.

Apart from that, there was the fact that the Report, according to present arrangements, was to be published both in this country and in Kenya in two days' time: that was to say, on May 4th. The copies were all ready for publication, and it would be physically impossible, without great delay and expense, to re-print a number of pages of the Report, more especially as it was a Kenya document. Such delay, however, would be extremely embarrassing, for administrative reasons. Certain new mining leases were to be issued shortly in Kenya, and prior to this it was necessary to obtain the issue of a Mining Ordinance in that Colony. This could not be done until the Report was published. He would find it difficult to suggest any reason for holding up after May 4th the publication of the Report, which had been promised both at home and in Kenya.

The Cabinet then turned to the question of whether it would be possible to take a decision on the financial point at issue before publication. The time available was limited by the facts, firstly, that before the Whitsuntide Recess the Secretary of State for the Colonies would have to make a statement in the House of Commons, and, secondly, that it would not be fair to the House of Commons for him to make that statement before Members had had the Report in their possession for a few days. It was appreciated, however, that if a decision could be reached on the financial point, it might be announced either in writing with the Report or by the Secretary of State in making his statement.
A suggestion was made to the Chancellor of the Exchequer that possibly the difficulty might be surmounted by an ex gratia payment, which would be smaller than the total claim: but the Chancellor of the Exchequer pointed out that this solution, even if acceptable, would be very much harder after publication of the Report, as it would look like yielding to outside pressure from persons who had heard only one side of the case.

In this connection the Cabinet were reminded that one of the difficulties of this matter was that no reasoned case had been issued by the Government for refusing the grants.

The First Commissioner of Works reported that during his visit to Kenya in 1924 these claims had been brought up in practically every native village he had visited. He thought it probable that the Commission had met with the same experience and that they had regarded the claims as part of the land grievance of the natives, for the reason that the natives were in the habit of asking how they could trust the British Government in the matter of land when the claims in respect of the porters had never been met.

A suggestion was made that there should be a consultation between the Chancellor of the Exchequer, the Secretary of State for War and the Secretary of State for the Colonies with a view to reaching an accommodation, but the Chancellor of the Exchequer felt that no useful purpose would be served by such consultation and that it would be better that each side should submit their case to the Cabinet.

The Cabinet agreed on the following procedure:—

(a) That the Cabinet should consider the question at their next weekly Meeting on Wednesday, May 9th:

(b) That for this Meeting Memoranda should be prepared and circulated —
(i) By the Secretary of State for the Colonies:

(ii) By the Chancellor of the Exchequer and the Secretary of State for War in co-operation if possible.

(The Prime Minister particularly asked that not more than two Papers should be circulated.)

(c) That publication of the Report should be postponed until Thursday, May 10th, and that when issued the Report might perhaps be accompanied by a statement of the Government's decision on the financial point dealt with in Paragraphs 8049-8069:

(d) That the Secretary of State for the Colonies should telegraph to Kenya in order, if possible, to secure postponement of publication until Thursday, May 10th:

(e) That the Secretary of State for the Colonies should make his statement in Parliament on Monday, May 14th, in order that the Opposition might have an opportunity, if they so desired, to raise the question in the Debate on the Whitsuntide Adjournment.
5. The Cabinet had under consideration a Memorandum by the Minister of labour (H.A.-29 (34)) covering the draft Cotton Manufacturing Industry (Temporary Provisions) Bill, which was designed to give power to the Minister of Labour to give effect to agreed wage rates, and the conditions surrounding them, if forming part of an agreement voluntarily reached by the organisations of the employers and the employed in the Cotton Manufacturing Industry: together with the following recommendation of the Committee of Home Affairs thereon (H.A.C. 9th Conclusions (34)):

"To authorise the introduction forthwith in the House of Commons of the Cotton Manufacturing Industry (Temporary Provisions) Bill, in the form of the draft annexed to H.A.-29 (34), subject to any drafting or other minor alterations that might be found necessary or desirable."

The Cabinet agreed:

(a) To approve the recommendation of the Committee of Home Affairs as set forth above.

(b) That the following names should be placed on the back of the Bill:

Sir Henry Betterton,
Mr. Hudson,
Mr. Runciman.
6. The Cabinet had under consideration again the Licensing (Standardisation of Hours) Bill, introduced in the House of Commons by a Private Member and down for Report and Third Reading on Friday, May 4th.

The Home Secretary thought that it was probable that this Bill would be talked out, and that no action would be necessary on behalf of the Government.

(See also following Conclusion.)
7. In connection with the short discussion on the preceding Conclusion, the Home Secretary said that he was to receive a deputation that afternoon on the Hotels and Restaurants Bill. He did not think that the sponsors of this Bill had any hope in the present session though they were likely to ask whether the Government would give facilities in the next session of Parliament. One aspect of the question which they were likely to raise was the recent judicial decision now subject to an appeal that allowance should not be made for summer time in granting licences. The deputation would want to know whether the Government contemplated legislation in the event of the failure of the appeal. Such legislation would only involve a one-clause bill.

The Cabinet agreed -

(a) That on the question of the Hotels and Restaurants Bill the Home Secretary should content himself with listening to what the deputation had to say and promise to report their views to the Cabinet.

(b) That on the question of licensing appeal he should say that the attitude of the Government was to wait and see what was the result of the appeal which appeared to him to deal with a rather technical matter.
8. The Secretary of State for War, as Leader of the House of Lords, called the attention of the Cabinet as a matter of urgency to the present position of the Tithe Bill. This Bill, it will be recalled, contained two operative Clauses, namely, Clause 1, dealing with remission of Tithe Rent Charge, and Clause 2, with an alternative mode of recovering Tithe Rent Charge, etc. He recalled that when the matter was considered at the Cabinet they had been told that the Opposition would clamour for a public enquiry but the Minister of Agriculture and Fisheries had thought at the time that there was no case for such an enquiry, and that the relief afforded to hard cases by this Bill would meet the present situation. The forecast of a demand for an enquiry had proved correct and a very strong opposition to the Bill had developed. In the House of Lords Earl de la Warr and Lord Stanhope had succeeded in obtaining a second reading by 48 to 17 but since then the opposition had developed further against the principle of making tithe a personal debt. He also understood that the Minister of Agriculture and Fisheries was less strongly opposed than before to an enquiry. He gathered that which the suggestion had commended itself to the Minister of Agriculture was that the Government should insist on a third reading of the Tithe Bill and should then promise an enquiry. He himself felt, however, that that was not a wise way in which to approach the House of Lords. He thought that the question of an enquiry ought to be settled before the Bill was taken. The position at the moment was that a proposal was to be made in the House of Lords to refer the Bill to a Select Committee. Tomorrow he would have to decide when this resolution would be considered, and at the moment he was contemplating Monday next, May 7th. He
brought the question before the Cabinet, however, for a decision as to whether the Minister of Agriculture and Fisheries was satisfied that the third reading could be secured and as to whether an enquiry was to be granted, and, if so, at what stage.

The Parliamentary Secretary to the Ministry of Agriculture and Fisheries who attended this meeting in the absence of the Minister who was still indisposed, said that the Ministry did not welcome an enquiry and thought that it might be possible to force the Bill through the House of Lords and by the personal intervention of the Minister of Agriculture and Fisheries, through the House of Commons also. To such a policy, however, considerable political and social reactions in the countryside must be expected. Before the Bill was introduced the Ministry had consulted representatives of a number of agricultural bodies but though these representatives had received the proposals in the Bill in a friendly way, they had not been able in every case to convince the bodies they represented and consequently had to take up a stiffer attitude than they would have adopted as individuals. The Minister of Agriculture and Fisheries had been consulted and had left it to himself and the Permanent Secretary to give advice but he was prepared to agree to an enquiry. There had been some consultation with Queen Anne's Bounty and the Archbishop of Canterbury whose reaction to an enquiry had not been so hostile as before.

It had been suggested that if an enquiry were decided on it would be desirable to postpone it until after the third reading of the Bill. At a council meeting in the presence of the Permanent Secretary, the Committee Stage would be postponed so that an enquiry could be decided on. Later it became known that an enquiry would be considered at the third reading of the Bill, to which the Archbishop of Canterbury had given his assent, with the intention of an inquiry being held which would be as wide as possible so as to include the means by which ultimately tithes would be extinguished and converted into ordinary debts. His idea was that
notwithstanding the announcement of an enquiry the Bill should be passed in order to avoid loss of prestige to the Government and to save Clause 2. The grant of an enquiry would be used as an opportunity to secure withdrawal of the opposition to the Bill and to exercise a favourable influence on the countryside. He thought that this course would be acceptable. In confirmation of this he recalled that the critics of the Bill had asked for some relief in hard cases as well as an enquiry, which would probably have to take the form of a Royal Commission.

In the course of the discussion on this proposal doubts were expressed as to the result of this policy. History might repeat itself and assurances of support might fail. The law on tithe would be changed by this Bill which would make tithe a personal charge. People might not be willing to accept that as the basis of an enquiry which of course would have to be made under the existing law. On the other hand, it was recognised that without the Bill nothing would be done for the existing situation which would even get worse owing to the fact of the enquiry.

One suggestion was that the proposal for a Select Committee should be adopted and the Select Committee procedure should be turned into a general enquiry.

The Parliamentary Secretary to the Ministry of Agriculture and Fisheries pointed out, however, that the title of the Bill would narrow the enquiry too much for this to be possible.

The Secretary of State for War agreed with this view.
The Lord Chancellor said that if an enquiry was to be held it would be a pity to alienate the Government's friends, some of whom had now turned against the Bill. The Archbishop of Canterbury had been himself very lukewarm about Clause 2. He thought the best plan would be to take advantage of the proposal to refer the Bill to a Select Committee. This would give the Government time although in the end it might be necessary to hold a wider enquiry.

The Prime Minister thought it might be possible to accept the referring of the Bill to a Select Committee. At a later stage the Government could announce a Royal Commission and the Select Committee could then be dropped.

The Secretary of State for War suggested that the Bill should be sent to a Select Committee in order to see what evidence was obtained before making final decision.

The Prime Minister thought this might be a good plan and the appointment of a Royal Commission could, if desirable, be announced later. If the opposition to the Bill continued and grew the Bill could be dropped, otherwise the Bill might be passed.

The Secretary of State for War said that he was prepared, if necessary, to announce that the business of the House of Lords did not enable the Tithe Bill to be taken up next week. Possibly even it might be impossible to take it before Whitsuntide.

The Cabinet agreed -

(a) That the Secretary of State for War, as Leader of the House of Lords, should arrange that the Tithe Bill should not come up for consideration on Monday, May 7th.

(b) That the Ministry of Agriculture and Fisheries should circulate a Memorandum containing definite proposals for consideration by the Cabinet at their next meeting on Wednesday, May 9th.
9. The President of the Board of Education raised the question as to what line members of the Government were to adopt when the Marquess of Salisbury's Bill for the Reform of the House of Lords came up next week.

The Secretary of State for War recalled that at the Cabinet Committee it was agreed that members of the Cabinet should not vote and the Lord Chancellor had been asked to get in touch with Ministers who were not members of the Cabinet with the same object.

The Lord Chancellor said he hoped that this recommendation would be adhered to.

2, Whitehall Gardens, S.W.1.

2nd May, 1934.