CABINET 32 (35).

Meeting of the Cabinet to be held at No. 10 Downing Street, S.W.1., on WEDNESDAY, 5th JUNE, 1935, at 11.0 a.m.

AGENDA.

1. FOREIGN AFFAIRS - (If required).

2. THE GENERAL PURPOSES COMMITTEE.
   (Reference Cabinet 31 (35) Conclusion 2).

3. AIR PARITY IN WESTERN EUROPE
   (Reference Cabinet 31 (35) Conclusion 1).
   Memorandum by the Secretary of State for Air.
   (C.P. 116 (35) - already circulated).

4. THE PROPOSED AERIAL CONVENTION.
   (Reference Cabinet 31 (35) Conclusion 1).
   Memorandum by the Secretary of State for Foreign Affairs, covering Report of Cabinet Committee.
   (C.P. 114 (35) - to be circulated).
   Draft of Air Convention. C.P. 88 (35).

5. NATIONALITY OF MARRIED WOMEN.
   (Reference Cabinet 25 (35) Conclusion 5).
   Statement by the Home Secretary.

6. CREDITS OF UNEMPLOYMENT INSURANCE CONTRIBUTIONS TO JUVENILES
   Memorandum by the Minister of Labour.
   (C.P. 112 (35) - already circulated).
7. **AIR RAID PRECAUTIONS: DRAFT OF CIRCULAR TO LOCAL AUTHORITIES.**

(Reference Cabinet 31 (35) Conclusion 3).

Memorandum by the Home Secretary, covering revised draft Circular.
(C.P. 113 (35) – already circulated).

8. **THE MEAT SITUATION: NEGOTIATIONS WITH THE DOMINIONS –**

(Reference Cabinet 30 (35) Conclusion 5). (If required).

9. **CONCLUSIONS OF HOME AFFAIRS COMMITTEE.**

7th Conclusions (35) of Home Affairs Committee – to be circulated.

1. **Durham University Bill.**

(Reference Cabinet 17 (35) Conclusion 6).

Memorandum by the President of the Board of Education.
(H.A. 15 (35) – already circulated).

2. **Defence (Barracks) Bill.**

(Reference Cabinet 31 (35) Conclusion 4).

Memorandum by the Secretary of State for Air.
(H.A. 16 (35) – already circulated).

(Signed) M.P.A. HANKEY,

Secretary to the Cabinet.

2, Whitehall Gardens, S.W.1.

3rd June, 1935.
CONCLUSIONS of a Meeting of the Cabinet held at 10, Downing Street, S.W.1., on WEDNESDAY, 5th JUNE, 1935, 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. Walter Runciman, M.P., President of the Board of Trade.


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

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


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


The Right Hon.

1. After hearing a report from the Secretary of State for Foreign Affairs, following a meeting of the Committee on Political and Economic Relations with Japan on the previous day, the Cabinet agreed —

(a) That the headquarters of the British Diplomatic Mission to China should be moved to Nanking, but that the present accommodation at Peking should be retained;

(b) That the necessary arrangements to give effect to this decision should be made forthwith by the Foreign Office and the Treasury (the departments mainly concerned) in consultation;

(c) That at the moment, pending a communication by the Secretary of State for Foreign Affairs to the Chinese Government and his decision as to the right moment for an announcement, the utmost secrecy should be preserved in this matter.
2. The Secretary of State for Foreign Affairs and the First Lord of the Admiralty made reports to the Cabinet as to the result of the Meetings held on the previous day between British and German representatives who were considering the question of Naval Limitation. The outstanding point in these Conversations arose out of Herr Hitler's announcement that Germany did not desire more than a ratio of 35 per cent. of the British Fleet, expressed, it was understood, in categories. Herr Hitler was also prepared to let it be known publicly that in no circumstances would he ask for a larger percentage even if other Powers increased their building programmes, or if Germany should acquire colonies. The German representatives, however, had adopted the attitude that acceptance of this proposal was an essential preliminary to further discussion.

In the course of the discussion it was suggested that the German proposal offered advantages as compared with unlimited building, and that if it were now rejected Herr Hitler might in the near future raise his percentage. It was felt, however, that the Government of the United Kingdom could not very well accept a proposal involving a marked departure from the provisions of the Treaty of Versailles without a prior communication to the French and Italian Governments. This, however, was a matter in which we were entitled to take the lead.

The Cabinet were reminded that in the case of the Conversations with Japan and the United States of America an effort had been made to get rid of ratios and to substitute programmes; and it was suggested
that possibly the German representatives might be induced to convert their ratios in each category into programmes.

It was also suggested that it might be explained to the German representatives that, while we ourselves had no intention of letting the Conversations come to an end on the question of a ratio, we could not well agree to it without consulting France and Italy.

The Cabinet agreed —

(a) That the British negotiators, before the Conversations adjourned for Whitsuntide, should try and find out exactly what was meant by the German proposal for a 35 per cent. ratio:

(b) That the results of the Conversations should be reported to the Ministers who have been dealing with the Naval Conference, 1935, namely,

The Prime Minister,
The Lord President of the Council,
The Chancellor of the Exchequer,
The Secretary of State for Foreign Affairs,
The Secretary of State for Dominion Affairs,
The First Lord of the Admiralty,

who would give any instructions to the Delegates that might be required.
3. The Prime Minister reported that the meetings with Mr Lloyd George were continuing, and that the subject would be kept on the Agenda Paper. He warned the Cabinet that reports in certain newspapers of what had happened were inaccurate. (See also Conclusion 12.)
AIR PARITY IN WESTERN EUROPE.

(Previous Reference: Cabinet 30 (35). Conclusion 1.)

1. The Cabinet had before them a Memorandum by the Secretary of State for Air (C.P.-116 (35)) quoting statements by Herr Hitler expressing his willingness to limit the size of Germany's Air Force to parity with the other Western European Powers, viz., a strength of 2,000 first-line aircraft, which he hoped to attain this year. The Air Attaché in Paris, however, had now been informed that the Germans were taking the French figure as 2,500 and claiming parity, whereas the French had actually less than 1,000, not all of which were modern in type and performance. If, therefore, some limitation could be agreed by Germany, and if they could rely on the sincerity of such an undertaking, the French would be only too glad not to have to build up to that number. The Secretary of State felt that the first step should be to convince the Germans that they were overestimating the present French strength and that the figure for agreement should be in the region of 1,500 first-line aircraft. He thought also that the projected Naval talks with Germany provided an opportunity for a tripartite conference with a French representative on the limitation of air armaments, and suggested that His Majesty's Ambassadors in Paris and Berlin should be instructed to sound the respective Governments as to the acceptability of an invitation to discussions of this kind in London.

After discussion, the Cabinet agreed —

(a) That the Air question (including both Air Limitation and the Air Pact) should be taken up as a separate question and should no longer be considered to be necessarily linked up with a general settlement (See Cabinet 12 (35), Conclusion 7, and Minutes of the 268th Meeting of the Committee of Imperial Defence).

(b) That the Secretary of State for Foreign Affairs should consider this decision with a view to early action.
5. The Cabinet had before them a Note by the Secretary of State for Foreign Affairs (C.P.-114 (35)) covering the Report of a Cabinet Committee appointed at the Meeting mentioned in the margin to consider the tentative draft, prepared in the Foreign Office, of a Treaty of Mutual Guarantee against Air Attack (C.P.-88 (35)), which had been discussed at the 269th Meeting of the Committee of Imperial Defence and referred by them to the Cabinet, together with a Note prepared by the Air Ministry. The Report suggested amendments to the Preamble and Articles 1 and 2 of the draft Treaty.

The Cabinet did not consider it necessary to take a decision at this Meeting, and limited themselves to taking note of the existence of the Memorandum (C.P.-114 (35)).

(See also preceding Conclusion 4 (a).)
NATIONALITY OF MARRIED WOMEN.

(Previous Reference: Cabinet 25 (35), Conclusion 5.)

6. The Home Secretary recalled that, as a result of the First Meeting of the Prime Ministers of the British Commonwealth, a Committee under the Chairmanship of the Prime Minister of Australia (by whom the question had been raised) had met to consider the question of the Nationality of Married Women. The representatives of the Dominions were anxious to know the views of His Majesty's Government. On his suggestion the Cabinet agreed —

(a) That the Home Secretary, in consultation with the Foreign Secretary and the Secretary of State for Dominion Affairs, should draw up a Memorandum setting forth the attitude of the United Kingdom Government towards the question of the Nationality of Married Women;

(b) That the Memorandum should be submitted to the Cabinet before being circulated to the Representatives of the Dominions on the Committee.
7. The Cabinet had before them a Memorandum by the Minister of Labour (C.P.-112 (35)) asking authority to introduce a Bill to amend the Unemployment Insurance Act, 1934, in respect of the "credit" of contributions for attendance at school beyond the school-leaving age of 14 years. As the Act stood the provisions as to crediting contributions could not apply to any children who left school earlier than September 3, 1935, whereas a definite pledge had been given in the House of Commons by the Parliamentary Secretary to the Ministry of Labour that the credit would be given to those leaving school in the summer of 1935. The proposed amending Bill would involve no charge on the Exchequer.

After some discussion —

The Cabinet authorised the Minister of Labour to make enquiries through the appropriate channels as to whether there was likely to be any opposition to the proposed Bill, and, if there was no opposition, to proceed with the Bill.
AIR RAID PRECAUTIONS.

Revised Draft Circular to Local Authorities.

(Previous Reference: Cabinet 31 (35), Conclusion 3.)

The Cabinet approved the revised draft of the Circular to the Local Authorities attached to C.P.-113 (35).
THE MEAT SITUATION.

 Negotiations with Dominions.

(Previous Reference: Cabinet 30 (35), Conclusion 5.)

9. The Secretary of State for Dominion Affairs reported prospects of progress in the Meat negotiations with the Dominions.

FR 35(35)5.
The Cabinet had under consideration a Memorandum by the President of the Board of Education (H.A.-15 (35)) covering the draft Durham University Bill, which was based on the Report of the Royal Commission on the University of Durham and which in form followed closely a similar Act passed in 1926 for the University of London; together with the following recommendation of the Committee of Home Affairs thereon (H.A.C. 7th Conclusions (35). Minute 1):

"To authorise the introduction forthwith in the House of Lords of the Durham University Bill in the form of the draft annexed to H.A.-15 (35), subject to any drafting or other minor alterations that might be found necessary or desirable, on the understanding that if any amendment were considered desirable as a result of the examination of Clause 4 (1)(a) of the Bill by the Attorney-General and the Treasury Solicitor, the appropriate alteration should be made before the Second Reading."

The President of the Board of Education reported that all outstanding matters relating to the Bill had been cleared up.

The Cabinet approved the recommendation of the Committee of Home Affairs as set forth above.
The Cabinet had under consideration a Memorandum by the President of the Board of Education (H.A.-15 (35)) covering the draft Durham University Bill, which was based on the Report of the Royal Commission on the University of Durham and which in form followed closely a similar Act passed in 1926 for the University of London; together with the following recommendation of the Committee of Home Affairs thereon (H.A.C. 7th Conclusions (35), Minute 1):

"To authorise the introduction forthwith in the House of Lords of the Durham University Bill in the form of the draft annexed to H.A.-15 (35), subject to any drafting or other minor alterations that might be found necessary or desirable, on the understanding that if any amendment were considered desirable as a result of the examination of Clause 4 (1)(a) of the Bill by the Attorney-General and the Treasury Solicitor, the appropriate alteration should be made before the Second Reading."

The President of the Board of Education reported that all outstanding matters relating to the Bill had been cleared up.

The Cabinet approved the recommendation of the Committee of Home Affairs as set forth above.
THE DEFENCE (BARRACKS) BILL.

(Previous Reference: Cabinet 31 (35), Conclusion 4.)

II. The Cabinet had under consideration a Memorandum by the Secretary of State for Air (F.A.-16 (35)) covering the draft Defence (Barracks) Bill, which was designed to repeal the proviso to Section 19 of the Defence Act, 1842, precluding the erection of barracks on land acquired; together with the following recommendation of the Committee of Home Affairs thereon (F.A.C. 7th Conclusions (35), Minute 2):

"To authorize the introduction forthwith in the House of Lords of the Defence (Barracks) Bill, in the form of the draft annexed to F.A.-16 (35), subject to any drafting or other minor alterations that might be found necessary or desirable."

The Cabinet approved the recommendation of the Committee of Home Affairs as set forth above.
LONDON PASSENGER TRANSPORT.

Electrification of Suburban Railway lines in East London.

(F.R. 34(35)15.)

Previous Reference: Cabinet 5 (34), Conclusion 7.)

18. The Chancellor of the Exchequer drew the attention of the Cabinet to a statement in "The Times" of the previous day, and rather conveying the impression that Mr Lloyd George had urged a considerable programme of electrification. This was not the case, and the subject had not been discussed at the Meeting of the General Purposes Committee.

The Chancellor of the Exchequer stated, however, that for some time past he had been in communication with Lord Ashfield and the London Passenger Transport Board with a view to the adoption of a large scheme of increased electrification of railways involving the expenditure of a considerable sum of money within the next five years. He then read to the Cabinet an announcement which he proposed to make in reply to a Question in the House of Commons the same afternoon, setting out the agreement.

The Cabinet took note of, and approved, the Chancellor of the Exchequer's statement.
The Prime Minister informed his colleagues with regret that, unless a very short Meeting of the Cabinet might be necessary on Friday next (which he did not now anticipate), this was probably the last Cabinet Meeting at which he would preside as Prime Minister. The reasons for this were known to his colleagues, and had nothing to do with policy or co-operation. He thanked Members of the Cabinet warmly for the splendid co-operation and friendship they had given him during the time they had been sitting with him as colleagues and friends.

The Lord President of the Council said that he felt sure Members of the Cabinet would wish him to reply on their behalf to the Prime Minister's words. He paid a tribute to the loyalty displayed by the Prime Minister himself after the events of 1931. This had made loyalty to the Prime Minister by his colleagues easy: the more so owing to the Prime Minister's personality. All had learned to admire his unvarying courtesy and kindness. The Prime Minister had never shown himself a Party member of the Cabinet, but always a National member, with the result that all members of the Cabinet had worked as a National body for National ends. The Prime Minister's fairness to everyone was conspicuous. All those present admired his courage: not only his moral courage, but his physical courage in carrying on his work in circumstances of ill-health, especially when his eyesight was affected. The Lord President felt that he could say with confidence that the Cabinet would continue its work in the same spirit as heretofore.

The Secretary of State for Foreign Affairs said that the Lord President had spoken for the whole
Cabinet and he had little to add. The Prime Minister and the Lord President of the Council had made the National Government possible, and a success.

(The Secretary to the Cabinet, as Clerk of the Council, made a short statement on the proposed programme for the change of Government.)

...
PROVISIONAL ARRANGEMENTS FOR THE CHANGE OF GOVERNMENT ON FRIDAY, JUNE 7th.

Note by the Clerk of the Council.

The following is a summary of the provisional arrangements as communicated to the Cabinet today for the change of Government so far as Members of the Cabinet generally are affected:

5.0 p.m. A Meeting of Ministers at No. 10, Downing Street, at which Ministers will be invited to put their resignations at the disposal of the new Prime Minister - also the resignations of their respective Parliamentary Under-Secretaries.

5.30... Outgoing Ministers with or without Seals to attend at Buckingham Palace upon relinquishing their appointments.

(Note: Ministers who are changing Office need not attend if they will be attending the meeting of the Privy Council at 6 p.m. They should, however, send their Seals.

6.0... Meeting of the Privy Council to administer the Oath to new occupants of Offices (preceded by a short rehearsal at Buckingham Palace at 5.45 p.m.).

The attention of Ministers is invited to the following points:

(1) Seals of Office should be at Buckingham Palace before 5.30 p.m. Ministers who will be retaining their Seals in the new Government need not send them, nor need they attend at Buckingham Palace at 5.30 p.m. or 6 p.m.

(2) Ministers attending Buckingham Palace should wear frock-coats.

(3) Parliamentary Under-Secretaries should be asked confidentially to put their respective Ministers in a position to place their resignations at the Prime Minister's disposal at the Meeting of Ministers at 5 p.m.

(Signed) M.P.A. HANKEY.

Whitehall Gardens, S.W.1.,
5th June, 1935.
NOTES of a Meeting of Ministers held in the Cabinet Room, 10, Downing Street, on FRIDAY, 7th JUNE, 1935, at 5 p.m.

PRESENT:

The Right Hon. Stanley Baldwin, M.P., Prime Minister. (In the Chair).

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

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


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

The Right Hon. Oliver Stanley, M.C., M.P., Minister of Labour.

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. Walter Elliot, M.C., M.P., Minister of Agriculture and Fisheries.


Colonel Sir M.P.A. Hankey, G.C.B., G.C.M.G., G.C.V.O., Secretary
The Prime Minister, who had just returned from Buckingham Palace, informed Ministers that the King had invited him to become Prime Minister and form a Government, and he had accepted. He then invited his colleagues to place their offices at his disposal in order that he might reconstruct the Government.

The Ministers present then verbally placed their offices at the Prime Minister's disposal, and the Meeting adjourned.

2, Whitehall Gardens, S.W.1.
June 7, 1935.