Meeting of the Cabinet to be held at No. 10 Downing Street, S.W.1., on WEDNESDAY, 12th FEBRUARY, 1936, at 11 a.m.

AGENDA.

1. FOREIGN AFFAIRS - (If required).

2. THE ITALO-ABYSSINIAN DISPUTE - (If required).
   (Reference Cabinet 4 (36) Conclusion 5).

3. ANGLO-EGYPTIAN TREATY: MILITARY ASPECTS OF.
   (Reference Cabinet 5 (36) Conclusion (d))
   Note by the Secretary, covering Report by the Chiefs of Staff Sub-Committee.
   C.P. 35 (36) - to be circulated.

4. CREDITS FOR RUSSIAN ORDERS.
   (Reference Cabinet 3 (34) Conclusion 6).
   Memorandum by the President of the Board of Trade.
   C.P. 31 (36) - already circulated.
   Memorandum by the Secretary of State for Foreign Affairs.
   C.P. 32 (36) - already circulated.

5. PROPOSED BROADCASTS: BY THE BRITISH BROADCASTING CORPORATION OF A SERIES OF TALKS ON FASCISM AND COMMUNISM.
   (Reference Cabinet 47 (35) Conclusion 6).
   Memorandum by the Secretary of State for Foreign Affairs.
   C.P. 29 (36) - already circulated.

6. DEFENCE CO-ORDINATION.
   Remarks by the Secretary to the Committee of Imperial Defence on recent suggestions.
   C.P. 30 (36) - already circulated.
   Memorandum by the Chiefs of Staff.
   C.P. 36 (36) - already circulated.
Memorandum by the Secretary of State for Air.
C.P. 37 (36) - circulated herewith.

Memorandum by the Chancellor of the Exchequer.
C.P. 38 (36) - circulated herewith.

7. CONCLUSIONS OF HOME AFFAIRS COMMITTEE: THE MILK
EXTENSION OF TEMPORARY PROVISIONS BILL.

(Reference Cabinet 3 (36) Conclusion 9).
2nd Conclusions (36) of Home Affairs Committee.
Already circulated.

Joint Memorandum by the Minister of Agriculture
and Fisheries and the Secretary of State for
Scotland covering draft Bill.

H.A. 8 (36) - already-circulated.

8. LONDON RATING (UNOCCUPIED HEREDITAMENTS) BILL.

(Reference Cabinet 54 (35) Conclusion 10).
Memorandum by the Minister of Health.
C.P. 28 (36) - already circulated.

9. THE SPECIAL AREAS.

(Reference Cabinet 48 (35) Conclusion 13).
Memorandum by the Minister of Labour,
covering Second Report of Commissioner.
C.P. 33 (36) - circulated herewith.

Memorandum by the Secretary of State for
Scotland, covering Second Report of
Commissioner.
C.P. 34 (36) - circulated herewith.

10. PRIVATE MEMBERS' BILLS.

For Friday, 14th February.
1. Ministry of Defence (Creation) Bill; Second
Reading. (Rear-Admiral Sir Murray Suster (U)).
2. Building Materials (Charges and Supply) Bill;
Second Reading. (Mr. Parker La.)
3. Electricity Supply (Meters) Bill; Second
Reading. (Mr. H.G.Williams (U)).

For Friday, 21st February.
1. Shops (Sunday Trading Restriction) Bill;
Second Reading. (Mr. Loftus (U)).
2. Retail Meat Traders (Sunday Closing) Bill;
Second Reading. (Mr. Liddall (U)).
3. Representation of the People Acts (Amendment) Bill. Second Reading. (Mr. Wise (U)).

(Signed) M.P.A. HANKEY.

Secretary to the Cabinet.

2, Whitehall Gardens, S.W.1.,
11th February, 1936.
3. Representation of the People Acts (Amendment) Bill. Second Reading. (Mr. Wise (U)).

(Signed) M.P.A. HANKEY.

Secretary to the Cabinet.

2, Whitehall Gardens, S.W.1.,
11th February, 1936.
CONCLUSIONS of a Meeting of the Cabinet held at 10, Downing Street, S.W.1, on WEDNESDAY, 12th FEBRUARY, 1936, at 11 a.m.

PRESENT:
The Right Hon. Stanley Baldwin, M.P., Prime Minister. (In the Chair).
The Right Hon. J. Ramsay MacDonald, M.P., Lord President of the Council.
The Right Hon. The Viscount Hailsham, Lord Chancellor.
The Right Hon. Anthony Eden, M.C., M.P., Secretary of State for Foreign Affairs.
The Right Hon. A. Duff Cooper, D.S.O., M.P., Secretary of State for War.
The Most Hon. The Marquess of Zetland, G.C.S.I., G.C.I.E., Secretary of State for India.
The Right Hon. J.H. Thomas, M.P., Secretary of State for the Colonies.
The Right Hon. The Viscount Monsell, G.B.E., First Lord of the Admiralty.
The Right Hon. Walter Elliot, M.C., M.P., Minister of Agriculture and Fisheries.

The Right Hon. Neville Chamberlain, M.P., Chancellor of the Exchequer.
The Right Hon. The Viscount Swinton, G.B.E., M.C., Secretary of State for Air.
The Right Hon. Walter Runciman, M.P., President of the Board of Trade.
The Right Hon. Lord Eustace Percy, M.P., Minister without Portfolio.
The Right Hon. Oliver Stanley, M.C., M.P., President of the Board of Education.
The Right Hon. Ernest Brown, M.C., M.P., Minister of Labour.


The subject of Defence Co-Ordination which appeared as Item (6) on the Agenda paper was considered not quite ripe for discussion and more appropriate to the meeting when the Reports on Defence Policy and Requirements were considered.

The Cabinet agreed:

(a) that a Special Meeting should be held at 10 Downing Street on Monday next February 17th, at 11 a.m. for consideration of —

(i) the Report of the Sub-Committee on Defence Policy and Requirements;

(ii) Defence Co-Ordination;

(b) that the Secretary should circulate the Reports on Defence Requirements as soon as possible. If the Report of the (Ministerial) Committee on Defence Policy and Requirements is not immediately ready the Report of the Committee of Defence Requirements (Official) should be circulated in advance.
8. The Secretary of State for Foreign Affairs informed the Cabinet that his Memorandum on Policy towards Germany would be ready for circulation almost immediately and required investigation either by the Cabinet or by some Cabinet Committee. The Prime Minister said that when he had received the Memorandum he would consider which was the appropriate body to examine it and would make an announcement at the next meeting of the Cabinet. He thought it probable that whichever Committee was selected it might, with advantage, meet on the afternoon of Monday, February 17th.
3. The Secretary of State for Foreign Affairs reported that during his visit at the time of the Late King's Funeral, M. Flandin had informed him of the French intention to ratify the pact with Soviet Russia and had asked for his views. He had declined to express any opinion. He had now received a message from His Majesty's Ambassador in Paris which indicated the probability that the French Ambassador would call to consult him as to the desirability of French ratification. If so, he proposed to express no opinion. We had not been consulted before the signature of the pact and there appeared no reason why we should express any opinion now although, unfortunately, it might be impossible for us to remain outside the consequences of the pact.

In the course of a short discussion it was suggested that it would be a distinct advantage to be able to tell Germany that we had had nothing to do with the matter.

The Cabinet approved the line proposed by the Secretary of State for Foreign Affairs as summarised above.
made a verbal report to the Cabinet on the present position of the enquiries by the Geneva Committee into an oil sanction. The Report should be available within a few days but it seemed probable that two or three weeks would elapse before the Committee of Eighteen would meet to consider what action, if any, should be taken on the Report.

Meanwhile the prospects of the Neutrality Bill being passed by Congress had reached vanishing point.

The Secretary of State for Foreign Affairs said that it would be useful for him to receive any information that might be in the possession of the Defence Departments as to the progress of the War in Abyssinia. Such scraps of information as the Foreign Office had received were not favourable to the prospects of the Italians.
ITALO-ABYSSINIAN DISPUTE.

Oil Sanctions.

(Previous Reference: Cabinet 4(36) Conclusion 5).

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5. The First Lord of the Admiralty reported that he had taken advantage of the present lull in the situation to bring home a Destroyer Flotilla for re-conditioning.
GLO-Egyptian
1. The Cabinet had before them a Note by the
military
Secretary covering a Memorandum by the Chiefs of
plots OP.
Staff (C.P. 35 (36)). The Memorandum contained
Previous
the information for which the Cabinet had asked
Reference:
at their last Meeting regarding the value of
Cabinet 5 (36),
Helouan as a station for British troops.
Conclusion (2).

6. The Secretary of State for Foreign Affairs

The Secretary of State for Foreign Affairs reported that as requested by the Cabinet he had
asked the British High Commissioner in Egypt to say what he had meant by stage "C" in his telegram
No.125 (Foreign Office telegram No.80). Sir Miles Lampson had replied that "C" in his telegram No.125
was meant to be Helouan (or some other equally central or technically suitable point) as our
minimum, if we leave Helmish and Abbassia plus, of course, the Suez Canal and Alexandria, or the near
neighbourhood. The Foreign Office thought that Sir Miles Lampson was rather optimistic if he thought
he could secure this minimum.

The Secretary of State for War, in the
course of discussion read a telegram received by the
Chief of the Imperial General Staff from General Dill
who believed that there would be a reasonably good
chance of obtaining the dispositions we desire (i.e. stage "A") if we could create an atmosphere of
confidence at the outset of negotiations and lead the Egyptians to believe that our object was to
cooprate with their Army in the defence of the
country and not to maintain a stranglehold on the
potential hostile Egyptian Army. General Dill's
view was that there were greater risks in reservations
implying lack of confidence in the Egyptian Army
than in giving up our grip on such things as
munitions.
that, whilst he did not wish in any way to fetter the discretion of the High Commissioner, the latter should be asked to send home a warning if he found in the course of negotiations that he was likely to have to come to agreement on the lines of Stage "C".
The Secretary of State for War also informed the Cabinet (with reference to paragraph (4) of the Report of the Chiefs of Staff Sub-Committee C.P. 35(56)) that the War Office had received a telegram to the effect that Helouan was a healthy station though the military authorities at Cairo disliked it on the same grounds as the Chiefs of Staff Sub-Committee, namely, that it was cut off by Cairo from Alexandria or the Suez Canal.

The Secretary of State for Foreign Affairs said that he proposed, in instructions to Sir Miles Lampson, to use the same phrase as in the later telegram, No. 136, viz:

"Helouan (or some other equally central and technically suitable point)"

After considerable discussion the Cabinet agreed:

(a) that the Secretary of State for Foreign Affairs should authorise the British High Commissioner in Egypt to negotiate on the basis of stages "A", "B" and "C" as set forth in his telegram No. 125 of 8th February, with stage "A" as the maximum and stage "C" as the minimum. The Secretary of State should inform Sir Miles Lampson that the Cabinet were not enthusiastic about stage "C", more especially as once we had committed ourselves to that course it would be difficult ever to withdraw from it and that they would like to be warned, if possible, when the stage was approaching when the High Commissioner would wish to fall back on that minimum. At the same time the Secretary of State for Foreign Affairs should make it quite clear that, whilst he did not wish in any way to fetter the discretion of the High Commissioner, the latter should be asked to send home a warning if he found in the course of negotiations that he was likely to have to come to agreement on the lines of Stage "C".

(b) that as a make-weight in the negotiations the High Commissioner should be allowed to agree to an increase in the strength of the Egyptian Army;
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(b) that as a make-weight in the negotiations the High Commissioner should be allowed to agree to an increase in the strength of the Egyptian Army;
(c) that the Secretary of State for Foreign Affairs should have authority to discuss any outstanding details on the military aspects of the Treaty direct with the three Defence Departments. If all the Departments were agreed he should take the Prime Minister's instructions as to whether he could proceed with the issue of instructions to the British High Commissioner in Egypt, or whether the Cabinet should first be consulted informed as the negotiations proceed.
The Cabinet had before them the following documents:

A Memorandum by the President of the Board of Trade (C.P. 31 (36)) proposing that the Export Credits Guarantee Department should be informed that they were free to consider credits for Russia in the same way as for other countries, subject to Treasury approval, and that the 18 months limit no longer applied. The object was that the Export Credits machinery should be used to secure for this country orders for capital goods to the amount of about £1,000,000, of which the Russian Trade Representative had given indications, and which he had said would be followed by further orders. The President preferred this method of finance to guaranteeing a long-term loan to the Soviet Government, in particular because some provision against loss in the event of default was part of the Export Credits machinery.

A Memorandum by the Secretary of State for Foreign Affairs (C.P. 32 (36)) stating that he was prepared to postpone discussion of a loan for Russia and to agree to the President's proposal. At the same time, he wished the Cabinet to take its decision in the light of the following considerations:

(a) that Russia was likely to give us a better bargain in return for a loan;

(b) that a loan, on which he believed that Russia could be induced to pay something higher than the commercial rate of interest, was the last means open to His Majesty's Government of fulfilling their pledges by obtaining satisfaction for the British creditors of Russia.

After the President of the Board of Trade and the Secretary of State for Foreign Affairs had presented their views on the lines of their respective memoranda the Chancellor pointed out that the subject under consideration was not that of whether to finance the Russian Soviet Government, but how to finance it. This appeared at the present time both wrong and foolish; wrong, because the aims of Soviet Russia were what they always had been, namely, to upset
the present system of civilisation is foolish, because the money was to be spent on re-equipping Russian railways and this was likely to annoy both Japan and Germany. It was most unwise to do this at the time when we were most anxious to be friends with Japan and to avoid any provocation to a Germany already highly suspicious of the Franco-Soviet Treaty. He did not wish, however, to revive old controversies and he presumed that the step now proposed was involved in the decision taken 2 years before.

The question was also raised as to whether the Russian Soviet Government could not be induced to stop the propaganda of the Third International and the despatch of money for that purpose to this country, of which examples were given.

The Secretary of State for Foreign Affairs said he had already spoken sharply to the Soviet Ambassador on this subject.

The Cabinet agreed:

(a) that the President of the Board of Trade should have authority to inform the Export Credits Guarantee Department that they were free to consider credits for Russia in the same way as for other countries, subject to Treasury approval and that the eighteen months limit no longer applied;

(b) that the President of the Board of Trade should look into the question of the Baring Balances and at the appropriate stage discuss the matter with the Chancellor of the Exchequer;

(c) to take note that the Secretary of State for Foreign Affairs was prepared to postpone the discussion of a loan for Russia and to agree to the above conclusions.
8. The Cabinet had before them a Memorandum by the Secretary of State for Foreign Affairs (C.F. 29 (36)), in which it was stated that the B.B.C. had intended that a series of broadcasts on Fascism and Communism should take place last year, but had agreed to postpone them in view of the imminence of the General Election. Nevertheless, in spite of representations by the Foreign Office, the B.B.C. had declined to delete these items permanently from the programme on their own initiative. They had offered, however, to do so if they were authorised to state that "they had been given to understand that the broadcasting of these talks would be an embarrassment to the Government" or something similar. The Secretary of State saw no hope of inducing the B.B.C. not to mention the Government's intervention, and his proposal was that, if the B.B.C. insisted on their procedure, he should secure the deletion of the phrase "would be an embarrassment to the Government" and the substitution of "would not be in the national interest".

The Cabinet realised that care would have to be taken in the British Broadcasting Corporation who had announced a certain programme, now to make an announcement that they were not going to be allowed to carry it out because the Government said that these programmes "would not be in the national interest", although if the matter could not be arranged otherwise, it might be necessary to adopt that course. The course which commended itself to the Cabinet was that the Postmaster-General should see the Chairman and Members of the Board of the British Broadcasting Corporation rather than the Director and point out to them the objections to the broadcasts on Fascism and Communism. He should...
suggest that this particular scheme required a good deal more consideration than had been given to it at present: that if the British Broadcasting Corporation was to undertake the political education of the people it must be done on carefully considered lines and not in the crude and ineffective form now proposed. He might, for example, point out the absurdity of asking Mr. Morrison to reply on the subject of Communism since he would merely use it as an opportunity to state his own political programme. He might refer to the recent litigation in which Sir Oswald Mosley had been engaged and point to the impossibility in the circumstances of allowing him to give a broadcast on Fascism. This argument would be strengthened by the fact that Fascism and Communism were, so to speak, bracketed together in the British Broadcasting Corporation's proposal. He should, however, lay the utmost stress on the dangers of the proposed broadcasts from the point of view of foreign policy, as set forth in C.P. 29 (36). That was a line which, it was thought, the Directors of the British Broadcasting Corporation would find it difficult to resist.

The Cabinet agreed:

(a) That the Prime Minister should see the Postmaster-General and ask him to discuss the matter with the Chairman and Directors of the British Broadcasting Corporation on the above lines, and authorise him to try and induce the Directors to withdraw the talks by Sir Oswald Mosley and Mr. Pollitt without mentioning the Government in the withdrawal. The Postmaster-General, however, should be authorised, if necessary, to make quite clear that the Government would not permit the broadcasts.

(b) That the Minister of Health, as a former Postmaster-General, should also discuss the matter with the Postmaster-General who had not been present at the Cabinet.
9. The Cabinet had under consideration a Joint Memorandum by the Minister of Agriculture and Fisheries and the Secretary of State for Scotland (H.A. 3 (36)), covering the draft Milk (Extension of Temporary Provisions) Bill, the object of which was to extend for 18 months the main provisions of the Milk Act, 1934, which would expire at the end of March, 1936; together with the following recommendation of the Committee of Home Affairs thereon (H.A.C. 2nd Conclusions (36)):-

"To authorise the introduction forthwith in the House of Commons of the Milk (Extension of Temporary Provisions) Bill in the form of the draft annexed to H.A. 8 (36), subject to the alteration of Clause 3 (1) to give effect to any agreement which may be reached with the Government of Northern Ireland on the subject of the financial limit, and subject also to the settlement of the exact financial arrangements to be incorporated in Clause 4, and to any drafting or other minor alterations that may be found necessary or desirable."

After the Minister of Agriculture and Fisheries had informed the Cabinet that he had reached agreement with the Chancellor of the Exchequer as to the financial arrangements to be incorporated in Clause 4, and the Chancellor of the Exchequer had stated that there was nothing in Clause 3 (1) which need trouble his colleagues.

The Cabinet agreed -

To approve the proposals of the Home Affairs Committee as set forth above.
10. The Cabinet had before them a Memorandum by the Minister of Health (C.P. 89 (36)), dealing with a Bill introduced by the London County Council for the rating of unoccupied properties. The Bill would be highly controversial, and an expression of the Government's opinion would be expected. The Minister proposed to oppose the Bill mainly on the ground that a case has not been established for this revolutionary change, and further, that a change of this magnitude should not in any event be applied to a single area, and is not therefore appropriate to local legislation.

The Cabinet authorised the Minister of Health to oppose the Bill, and asked him as far as possible to keep off the merits of the Bill and to oppose it on the grounds of the reaction it would have elsewhere.
The Cabinet had before them the following documents:

A Memorandum by the Minister of Labour (C.P. 33 (30)) covering the Second Report of the Commissioner for England and Wales. Unlike its predecessor, the Report was confined almost entirely to a description of the actual work of the Commissioner. The Minister had promised to publish the Report during the present week, and he proposed to do so on Thursday evening, February 13th.

A Memorandum by the Secretary of State for Scotland (C.P. 34 (36)) covering the Second Report of the Commissioner for the Special Areas in Scotland, which it was proposed to publish simultaneously with the English Report. It was pointed out that the Commissioner did not seek to form any general conclusions from his operations at this stage.

The Minister of Labour informed the Cabinet that in paragraph 133 on page 39 of the Report for England and Wales there was an inconvenient and misleading statement to the effect that maternal mortality was much above the average in certain parts of the Special Areas. As a matter of fact, however, the same phenomenon could be found in comparatively wealthy districts.

The Cabinet agreed:

(a) to confirm the decision to publish the two Reports;

(b) to take note that the Reports would be examined by the Cabinet Committee on Special Areas;

(c) that on future occasions, the Chancellor of the Exchequer, as Chairman of the Cabinet Committee, should be consulted before the date of publication of corresponding Reports was announced.
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(b) to take note that the Reports would be examined by the Cabinet Committee on Special Areas;

(c) that on future occasions, the Chancellor of the Exchequer, as Chairman of the Cabinet Committee, should be consulted before the date of publication of corresponding Reports was announced.
12. The Cabinet had before them the Ministry of Defence (Creation) Bill to be introduced by a Private Member of Parliament on Friday, February 14th.

The Prime Minister said he had ascertained that the Opposition would not oppose the withdrawal of the Bill and did not want a vote. He had asked the Minister without Portfolio to speak in this Debate on behalf of the Government.

The Minister without Portfolio said that the Bill itself was quite easily riddled on the ground that it set up an executive Ministry that could not possibly function effectively in time of war. In the Debate, however, the Bill had to be regarded rather as a preface to the controversy that was to be raised later in the Session and it was not enough to riddle the Bill. The alternative forms of organisation were either, one, a Ministry of Defence, or, two, the Committee of Imperial Defence. He proposed to say that the Government had decided on the latter system which they regarded as better even for the purpose of setting up other Ministries, if required, in time of war. He thought, however, that he ought to make quite clear in the Debate that adherence to the Committee of Imperial Defence system did not mean that the existing organisation was not capable of being strengthened. In fact, he could be as sympathetic as possible towards proposals of that kind without committing himself.

The suggestion was made that the system contemplated in the Bill was as open to criticism as from the point of view of peace as well in war. Nowadays, it was far too much for one man to try and direct all three Services.
The Cabinet agreed:

(a) To approve the general line proposed by the Minister without Portfolio. He was asked to make clear that the Bill was totally unacceptable, and should say that the Government could not give up the Committee of Imperial Defence system.

(b) That it was too early to say whether the Committee of Imperial Defence required re-organisation. (See also Conclusion 1 above).

(c) That the Minister without Portfolio would be well advised to speak at the end of the Debate.
13. The Lord Privy Seal informed the Cabinet that the Marquess of Salisbury had put down a Motion for the 27th February raising in the House of Lords the whole question of Defence organisation.

The Cabinet agreed -

That a little later the Lord Privy Seal should approach the Marquess of Salisbury with a view to the postponement of the Debate so as to fit in conveniently with the House of Commons Debates on the same subject.
14. The President of the Board of Trade reported an arrangement which had just been concluded with the Irish Free State.

The "coal-cattle" arrangement with the Irish Free State fell to be reviewed at the end of 1935. Agreement has now been reached continuing the arrangement with some extension.

The exchange of coal for cattle on a £ for £ basis is to continue. The United Kingdom will retain a monopoly of the Irish Free State market for coal and our exports of coal to the Irish Free State in 1936 should be some 400,000 to 500,000 tons greater than in 1935, or approximately 3 million tons in all. The Irish Free State Government have removed the duty of 5/- a ton on United Kingdom coal and have told us that the tax will not be reimposed.

To balance this increase in our exports of coal, the allocation of fat cattle for 1936 will be increased to 40,000 head more than that for 1935.

Secondly, it has been agreed to reduce certain duties on both sides. The estimated net cost to the revenue is £650,000 per annum - a figure well within what the Chancellor of the Exchequer agreed to give up in return for "value received". Further, the Free State Government have agreed to reduce by one-half the existing special duties on United Kingdom goods (now 20 per cent. ad valorem) and to refrain from influencing importers against the purchases of United Kingdom goods. He could not say how great an increase in our export trade will result, but roughly, the effect of the action taken against United Kingdom trade by the Free State Government in recent years has been to...
divert about £2 millions worth of trade to foreign countries (apart from coal). There is good reason to hope that the present proposals will lead to our recovering a substantial part of this lost trade. The Free State are particularly anxious that the removal of administrative discrimination should not be mentioned publicly - it is obviously a delicate question, but the President of the Board of Trade was satisfied with the assurance we had received.

Finally, we have agreed to an increase of 10 per cent. in the Free State quota for bacon in return for the Free State making arrangements to reserve for the United Kingdom a third of their imports of cement, practically the whole of which have come from foreign countries in recent years. This subsidiary arrangement should lead to an increase of mutual trade of about £150,000 a year.

It has been agreed that no public statement should be made until its form has been agreed.

The President of the Board of Trade was especially grateful to the Chancellor of the Exchequer for the concessions he had made in revenue (in return for trade) and to the Minister of Agriculture and Fisheries without whose whole-hearted co-operation agreement could not have been reached.

The Prime Minister congratulated the President of the Board of Trade and other Ministers concerned on this very satisfactory arrangement.
The Minister of Agriculture and Fisheries was asked as to the effect of this agreement on British agriculture. He replied that one of his reasons for accepting the arrangement was that he was anxious to maintain the live cattle trade in general and that he did not like the present concentration of all meat supplies in the Port of London. Consequently, he looked favourably on an increase in the Irish cattle quota all the more since the Irish Free State was cut 50 per cent. as a means of holding the market until other arrangements could be made. This increase, he was advised, would not take place until the second half of the present year. The Irish quota might not be filled, since they had not filled it completely last year. In the negotiations for the schedules for the second half year he had the President of the Board of Trade's assurance that Irish Free State supplies would be taken into account. He attached much importance to getting moral support of the Irish Free State to stop smuggling.

The Minister of Agriculture and Fisheries was asked to consider carefully the nature of the publicity arrangements in order to give clear explanations to the agricultural community and as far as possible to remove their objections in advance.
16. The Secretary of State for the Colonies informed the Cabinet that Lord Elibank had put down a Motion for Debate in the House of Lords on the subject of German Colonies which was inconvenient and ill-timed. He had explained the circumstances and asked Lord Elibank to withdraw the Motion. He was now confronted with various questions in the House of Commons, to one of which he proposed to reply as follows:

"No Sir: His Majesty's Government has not considered, and is not considering, the handing over of any of the British Colonies or Territories under Mandate".

He pointed out that this did not bind the Government for the future.

The Cabinet approved the above answer.

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2, Whitehall Gardens, S.W.1.,
12th February, 1936.