CABINET 75 (36).

Meeting of the Cabinet to be held at No. 10, Downing Street, S.W.1., on WEDNESDAY, 16th DECEMBER, 1936, at 11.0 a.m.

AGENDA.

1. FOREIGN AFFAIRS.
   
   (a) The Five Power Conference - (If required).
   
   (Reference Cabinet 73 (36) Conclusion 3).
   
   (b) The Situation in Spain.
   
   (Reference Cabinet 73 (36) Conclusions 3 & 6).

   The Balearic Islands. Memorandum by the Secretary of State for Foreign Affairs.
   
   C.P. 335 (36) - already circulated.

2. RELATIONS WITH THE IRISH FREE STATE - (If required)
   
   (Reference Cabinet 62 (36) Conclusion 16).

3. ROLE OF THE BRITISH ARMY.
   
   (Reference Cabinet 73 (36) Conclusion 8).

   Memorandum by the Secretary of State for War.
   
   C.P. 326 (36) - already circulated.

   Memorandum by the Chancellor of the Exchequer.
   
   C.P. 334 (36) - already circulated.

   Memorandum by the Secretary of State for War.
   
   C.P. 337 (36) - already circulated.

   See also Memorandum by the Secretary of State for War on the organisation, armament and equipment of the Army.
   
   C.P. 335 (36) - already circulated.

4. FOOD SUPPLY IN TIME OF WAR.
   
   (Reference Cabinet 73 (36); Conclusion 19).

   Statement by the Minister for Co-Ordination of Defence.
5. **UNDISIRABLE EMPLOYEES IN NAVAL ESTABLISHMENTS.**
   (Reference Cabinet 31 (36) Conclusion 8).
   Statement by the First Lord of the Admiralty.

6. **RATIFICATION OF THE LONDON NAVAL TREATY, 1936.**
   (Reference Cabinet 62 (36) Conclusion 21)
   Memorandum by the First Lord of the Admiralty.
   C.P. 335 (36) - already circulated.

7. **TO TAKE NOTE OF:**
   **THE CORONATION: DATE OF AND ARRANGEMENTS FOR.**
   (Reference Cabinet 66 (36), Conclusion 11).
   Note by the Lord President of the Council.
   C.P. 338 (36) - already circulated.

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

2. Whitehall Gardens, S.W.1.
15th December, 1936.
Conclusions of a Meeting of the Cabinet held at No. 10 Downing Street, S.W.1, on Wednesday, 16th December, 1936, at 11.0 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. W. Ormsby-Gore, M.P., Secretary of State for the Colonies.

The Most Hon. The Marquess of Zetland, G.C.S.I., G.C.I.E., Secretary of State for India.

The Right Hon. Walter Elliot, M.C., M.P., Secretary of State for Scotland.


The Right Hon. W.S. Morrison, M.C., K.C., M.P., Minister of Agriculture and Fisheries.


The Right Hon. The Earl Stanhope, K.G., D.S.O., M.C., First Commissioner of Works.

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

The Right Hon. Anthony Eden, M.C., M.P., Secretary of State for Foreign Affairs.

The Right Hon. Malcolm MacDonald, M.P., Secretary of State for Dominion Affairs.

The Right Hon. A. Duff Cooper, D.S.O., M.P., Secretary of State for War.

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. 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 Right Hon. L. Hore-Belisha, M.P., Minister of Transport.

Colonel Sir M.P.A. Hankey, G.S.B., G.C.M.G., G.C.V.O. ... Secretary.
2. The Secretary of State for Foreign Affairs had nothing to say on the subject of the Five-Power Conference.
3. The Secretary of State for Foreign Affairs reported that the United States of America had issued a helpful statement on the Anglo-French proposals for mediation. The Soviet Government had replied affirmatively to the proposals both for improving the non-intervention arrangements and for mediation. Germany and Italy had not definitely refused to negotiate. Portugal had been the least helpful of all. In the meanwhile volunteers were still pouring into Spain and it was urgent to take some action to follow up the Anglo-French initiative. He was considering the matter in consultation with the French.

So far as the policy of non-intervention was concerned, the present situation could not be allowed to continue without an effort to put it right, as very large numbers of volunteers were pouring into Spain and changing the whole aspect of the war. If General Franco had won the war earlier, no great difficulties would have arisen, such as the Majorca venture. Any plan must not be opposed by the parties concerned. The International Committee's plan was rather over-elaborate and no answer had yet been received from either of the contending parties in Spain.

The Foreign Office, without having had time for inter-Departmental consultation, had suggested that some international naval action might be adopted, not to supersede the International Committee's plan, but to supplement it. Of course this suggestion could only be adopted by international agreement. The French Government were willing for international control on the Spanish frontier, though Portugal was likely to be more difficult. The idea was that the navies of the United Kingdom, France and Italy in the Mediterranean, and of the United Kingdom and Germany on the Atlantic coast
of Spain, should operate internationally in the same manner as the British ships were operating today; that is to say, to allow innocent cargoes to go forward, under escort if necessary, and to stop ships carrying munitions.

In the course of the discussion on this proposal it was pointed out that this scheme would not work without the good will of Germany and Italy. If those countries wished to continue sending arms to Spain they could easily conceal the weapons under an innocent cargo and escort the ships into port. The war material would only be revealed by international examination of every ship. If Germany, Italy and Russia were prepared to work the Non-intervention Agreement this new arrangement would be unnecessary. If they were not, it would be ineffective.

The proposal was also criticised on the ground that it would be disliked by both of the parties to the Spanish civil war and would render this country unpopular throughout Spain.

An alternative suggestion was that since the volunteers came almost wholly by land, across the Pyrenees, it would be better to concentrate international efforts on the land approach.

The Home Secretary mentioned that the Spanish civil war was getting troublesome from a domestic point of view. That very evening, for example, there was to be a rally by the Left Wing Parties outside the German Embassy, led by a deputation to the German Ambassador asking that Germany should not continue to help General Franco.

In this connection adverse comment was made on the propagandist character of the speech delivered on the previous day by the German Ambassador.

The view was expressed that at the moment it would be better to take no action at all. All action was
fraught with difficulties and dangers, and would involve our carrying the main burden. The fact that so far the Government had kept this country out of the Spanish war was popular in the country. In these circumstances was it not wiser to wait until there was a stalemate, when Germany, Italy and Russia might themselves be tired of the war and seek our good offices? To abstain from action, it was urged, was important from the point of view of the Italian negotiations, which were going well.

The Secretary of State for Foreign Affairs, in reply to a question, said that the scheme for international naval action was not likely to be raised that Friday at the International Committee, but the Committee's own scheme would be raised. He pointed to the undesirability that General Franco should succeed as the result of German and Italian assistance.

The Chancellor of the Exchequer said it was clear that the Cabinet did not like the idea of a naval blockade in which we should have to play the principal part. He himself did not mind participating in watching the land frontier. The only way he could see to stop assistance from overseas was to get Germany, Italy and Russia to agree to stop it.

The Secretary of State for Foreign Affairs said that he had been considering whether it would not be wise to use the authority of this country in international affairs, which had been rather enhanced by the recent crisis, to invite the countries mainly concerned -- France, Germany, Italy, Portugal and Russia -- to come to London to discuss the matter as principals. The weakness of the existing International Committee was that its members had no authority. He felt, however, that it would
not be much use to summon a meeting unless we had a plan to put before them.

The suggestion was made that the right plan to put before them was the plan we ourselves were carrying out, namely, of ascertaining the character of cargoes in British bottoms, stopping the ships containing munitions of war and allowing innocent cargoes to proceed, under escort in some cases.

The Prime Minister thought that the proposed Conference was well worth considering. It could go to the root of the matter. If responsible representatives of the countries concerned were to attend we could ascertain if they were willing to co-operate.

The Foreign Secretary said that his proposal was to invite the representatives of the countries he had mentioned to come to London to discuss the question. He would propose to send a Despatch to each nation setting forth the seriousness of the situation. Possibly he would prefer to send it after the invitations had been accepted.

Doubts were expressed as to whether it would be wise to take a decision without further opportunity for deliberation. It was suggested that the state of affairs in Spain was likely to remain unsettled for a long time. It was unlikely either that General Franco could conquer Catalonia or that the Spanish Government could recover the territory occupied by General Franco. Conditions were more analogous to South or Central America than to Europe.

The Foreign Secretary thought that a convenient time for the Conference would be about the 11th January.

The Prime Minister and the Chancellor of the Exchequer both rather favoured the idea of a Conference.
The Secretary of State for Air urged that before deciding upon a Conference it was necessary for the Cabinet to know what was to be proposed. Any idea, for example, of suggesting the partition of Spain would only result in the hatred of all parties in Spain being directed towards this country. The matter was not urgent, as it was bad weather for fighting.

The Foreign Secretary said that he would examine this proposal further.
5. The Secretary of State for Dominion Affairs gave the Cabinet some details of legislation passed by the Irish Free State Dail in connection with the late King's abdication. For some time past Mr De Valera had been proposing to introduce legislation which would have the effect of divorcing the Crown from any connection with the internal affairs of the country, while admitting it to some extent in external affairs. Mr De Valera had promised that both the United Kingdom and the Dominions should receive some forecast of the legislation before it was introduced. When the recent crisis arose over the abdication of King Edward VIII Mr De Valera had been helpful to the extent that he had done his utmost to pass his legislation simultaneously with our own legislation, although he had not found it possible to complete it until Saturday, December 12th. Mr De Valera, however, had seized the opportunity of the crisis to rush through legislation founded on the Constitutional bases proposed for his major legislation.

The Secretary of State for Dominion Affairs then gave the Cabinet an account of the legislation passed in the Irish Free State, and promised to circulate a Memorandum giving particulars. It had not been possible to circulate this Memorandum before the present Meeting for the reason that copies were only received on Monday last.

As soon as the Irish Free State legislation had been received, the Irish Situation Committee had met. They had much regretted the nature of the legislation, but saw no chance of getting it altered. They felt that more important than the abolition of the Crown in internal affairs was its retention in matters of external relationships. The Committee had formed the
impression that Mr De Valera meant to be in a position where he could face the world as a member of the British Commonwealth of Nations with the Crown as its symbol. They had felt that there might be advantages in our admitting that the latter was an acceptable scheme, and in trying to get it acknowledged in due form. He suggested, therefore —

(i) An informal approach to Mr De Valera, to whom it would be pointed out that his legislation was a matter of concern to all members of the Commonwealth. It would be suggested to him that he should send particulars to all the Dominions.

(ii) That we should say that, for our part, we wanted information on various points, including, in particular, whether the second Bill covered all functions in connection with external affairs and whether the Irish Free State under the Bill would remain a full member of the British Commonwealth of Nations, or would revert to the position of an associate member.

(iii) That we should keep in touch with the other Dominions on the subject.

The Irish Situation Committee, the Secretary of State added, had contemplated that if the answers from Mr De Valera were not too unsatisfactory it might be possible to work up to a new declaration setting forth the position of the Crown in regard to the Dominions.

The Minister of Labour pointed out the importance of whether the Irish Free State remained free to send people to this country. At present people came from the Irish Free State, obtained work without much difficulty, then went on the dole and were replaced by other Irish folk who did the same thing.

The Secretary of State for Dominion Affairs said that we had the right to exclude them, and that such a right was already exercised in Canada and other Dominions. He thought that the Bills passed by the Irish Free State did not carry out the whole of Mr De Valera's plans, but were only an instalment.
The Cabinet agreed --

(a) That the Secretary of State for Dominion Affairs should circulate a Memorandum to the Cabinet giving particulars of the Irish Free State legislation:

(b) That he should arrange for the Bills to be sent to the Dominions (whether by Mr De Valera or by himself):

(c) That he should invite the comments of the Dominions:

(d) That the Home Secretary, in consultation with the Secretary of State for Dominion Affairs, should take steps to ascertain the views of the Prime Minister of Northern Ireland:

(e) That the Secretary of State for Dominion Affairs should ask such questions as he might deem desirable of Mr De Valera:

(f) That he should abstain from any comment addressed to Mr De Valera until the Cabinet had had a further opportunity of considering the matter:

(g) That after the Recess, with the above further material before them, the Cabinet should again consider the question.
6. In pursuance of the Conclusion mentioned in
the margin, the Cabinet had before them the following
Memoranda on the subject of the Role of the British
Army:

A Memorandum by the Secretary of
State for War (C.P.-326 (36)), in
which he set forth his reasons for:
asking his colleagues to reaffirm
their decision with regard to the
role of the Army as it appeared in
the "Statement relating to Defence"
(Cmd.5107), viz.:

"The Army has three main functions
to perform. It has to maintain
garrisons overseas in various
parts of the Empire, to provide
the military share in Home Defence,
including Anti-Aircraft Defence,
Coast Defence and Internal Security,
and lastly, in time of emergency or
war, to provide a properly equipped
force ready to proceed overseas
wherever it may be wanted",

and, in accordance with that decision, to
authorise the re-equipment of the Territorial
Army as and when opportunity occurred,
priority being given, of course, to the
needs of the Regular Army:

A further Memorandum by the Secretary
of State for War (C.P.-325 (36)), con-
taining a summary of the present position
as regards the organisation, armament
and equipment of the Army in relation to
its readiness for war, and a forecast of
the stages by which it was hoped to re-
organise and re-equip it on modern lines:

A Memorandum by the Chancellor of the
Exchequer (C.P.-334 (36)) commenting on
C.P.-326 (36) and advancing considera-
tions which should be taken into account
before a final decision is reached on the
relative sizes of the three arms of the
Fighting Services:

A Memorandum by the Secretary of State
for War (C.P.-337 (36)) containing his
rejoinder to the Chancellor of the
Exchequer.
The Secretary of State for War pointed out that the lack of a decision on the Territorial Army was holding up the equipment not only of the Territorial Army but also of the Regular Army. In addition, it was causing uneasiness in the Territorial Army. For these reasons, an early decision was most important.

The Chancellor of the Exchequer recalled the following recommendation of the Ministerial Sub-Committee on Defence Policy and Requirements:

"To reserve the decision as to whether or when the proposals for reconditioning the Territorial Force can be implemented for three years, or until such time as the industrial situation of the country and its capacity for output brings these proposals within the range of actual possibilities - by which time other factors in the decision may have become clearer." (C.P. 26 (36))

He attached importance to the words "whether or when" which show that no decision of principle had been taken as to arranging the Territorial Force on the same scale as the Regular Army. The fact that the successive Chiefs of Staff and Secretaries of State for War had taken the view that, in the event of an attack by Germany on France, we should be prepared to send a land force to Belgium or France (C.P. 337 (36) paragraph 6) did not weigh very much with him as the War Office was the interested Department. He himself raised a much larger question of whether by equipping 12 Divisions in the Territorial Force as well as Regular 5 Divisions of the Army, we should be making the best possible use of our resources. He did not think the question had ever been examined from that point of view by the Chiefs of Staff together. He quoted a recent paper by the Minister of Labour to show how heavy were the demands on labour from the present Programme and how difficult the outlook. He suggested it was
madness to add to our commitments by trying to equip the Territorial Army on the same scale as the Regulars. He urged that the Government should consider afresh the policy of sending the Territorial Army abroad and the possible alternative of utilising the Air Force, even if it involved an increase. Our aim should be to deter war and this might be better accomplished by increasing the Air Force than by equipping the Territorial Army.

The Minister for Co-Ordination of Defence said that he had been giving continuous attention to this problem. Twelve months ago, the Cabinet had approved the rearmament of the 5 regular Divisions. As explained by the Chancellor of the Exchequer the rearmament of the Territorial Army had been reserved. The Territorial Army, however, was the second line of strength and as such was a constituent part of our land forces. He recalled the decision already quoted that the reconditioning of the Territorial Force had been reserved "for three years, or until such time as the industrial situation of the country and its capacity for output brings these proposals within the range of actual possibilities." The conditions under which the Territorial Army serve included an announcement that if they went abroad they would go in their own formations. Without some new announcement, they could not be used as mere drafts to the Regular Army. At present, the Territorial Force was not equipped for going abroad. That fact affected both recruiting and the maintenance of strength. At the moment, the Territorial Army was not in a fit state to reinforce the Regular Army. If the Territorials were to be re-equipped within the next three years, the plans must be made now. To
await the completion of the Regular Army before taking a decision would prove extravagant and costly as firms did not know how to plan out their future without some assurances. Orders at present were being given from hand to mouth. In the case of labour, for example, this consideration was an important one.

Messrs. Vickers Armstrong, for example, were engaging apprentices for five years and were prepared to take on further men if the Programme justified this. It was necessary, therefore, to lay our plans sufficiently far ahead to justify the various firms in taking on new labour. In the case of guns and especially gun mountings, the planning had to be done a long way in advance. The Secretary of State for War, as he understood the matter, was not asking for a decision that 5 Divisions should be sent to the Continent on the outbreak of war or that they should be reinforced at intervals by Territorial Divisions, but only that both the Regulars and the Territorials should be equipped to fulfil this role if and when the Government should so decide. If no start was made with re-equipping the Territorial Army before the Regular Army was finished, there would be no equipment before 1941. The Director-General of Munitions Production in the War Office had shown him a Programme, but he could not really get ahead with it until he really knew whether he had to provide for the equipment of only 5 Divisions or of the Territorial Divisions as well. That was why the Minister was asking for a decision as to whether the Territorial Army was to be equipped.

The Chancellor of the Exchequer appreciated that it was necessary to give directions to the firms as to the provision to be made, but it was necessary
first to know what kind of equipment was required. So far as the Territorial Army was concerned, no decisions had ever been taken on this point. If, for example, the Territorials were to be armed on the same scale as the Regulars owing to the increasing estimates of cost for the latter, the expenditure would be of the order of £135,000,000 instead of £45,000,000 estimated by the original Defence Requirements Committee.

In the course of the discussion, one suggestion was that instead of relying on the Territorial Forces to reinforce the Regular Army, if sent to the Continent, the War Office should bring home Regular Force from abroad, replacing them with Territorials. This would not involve so high a scale of equipment for the Territorial Force. Another suggestion was that, owing to the lack of reserves for drafting purposes, it would be necessary, if that plan were adopted, to utilise the whole of the Regular Forces as drafts.

The Minister for Co-Ordination of Defence said that the present idea for arming the Territorial Force was not to re-equip one Division at a time, but to spread new equipment evenly throughout the Force. If it was necessary to send Territorial Divisions abroad, the equipment would be redistributed so as to arm the number of Divisions for which the aggregate available armaments suffice. He was disturbed at the suggestion that the Territorial Army might not be equipped on the same scale as the Regular Army. He reiterated that what he wished to know was whether it was to be assumed that the equipment was to be provided for 5 Regular Divisions and nothing more. All sorts
of orders were held up for lack of a decision on this point. In the case of the Bren gun, for example, a decision was required as to whether it was to be produced for the Territorial as well as for the Regular Army. In this event, the British Small Arms Company should be given an order now in order that they might get ready their jigs and gauges. The same principle applied to filling factories, explosive factories, cordite factories, etc.

The Secretary of State for War said that if the Territorial Force was not to be re-equipped, it might as well be abolished.

The First Commissioner of Works pointed out that the whole of the Army abroad only amounted to about 5 Divisions. If it was to be replaced by the Territorial Force on the outbreak of war, the latter might as well be reduced to 5 Divisions. At present, there were only enough men to send about 2/Divisions abroad at the outset of a war. He recalled the conditions at the outset of the last war when no arms had been available - even for Regular Forces in some cases. Troops would be required for the control of the civil population in the next war and the Territorial Force would be required for this purpose. At present, they only had a peace establishment of 50 per cent of the war establishment. Although it might be doubtful whether 17 Divisions could be sent in eight months, some armaments ought to be obtained to start the training of the Territorials - unless it was proposed to tell the French that under no conditions would we send an army to support them beyond the Regulars.
Though the effect of Air Forces was very great, they had not yet proved capable of bringing a war to an end—not even in China and Abyssinia, where the conditions had been very favourable. Consequently, Air Forces alone would not be regarded on the Continent as a sufficient deterrent to war. Therefore, he thought there should be some plan of rearmament.

The Chancellor of the Exchequer said he was not approaching the matter from a financial point of view. The doubt he felt was as to whether we were right in approaching any war from the point of view of the last war. To think that we could send an Expeditionary Force at the outset of a war might involve a rude awakening. He had not said that he was unwilling to equip the Territorial Army. The Minister for Co-Ordination of Defence had been talking from the point of view of supply, but he had another function to oversee strategy. He himself doubted whether we were right in equipping the Territorial Force for the trenches. He thought the question had not been considered impartially. It was always assumed that we must make a contribution to a land war. As one of his colleagues said, the French might not be satisfied, but it was not for France to dictate to us the distribution of our Forces. He did not want to say that no army should go to the Continent, but he had tried to make a prima facie case to show that the idea of sending 5 Regular Divisions to France at the outset of War and 12 Divisions later required re-examination.

The Secretary of State for War felt confident that the Chiefs of Staff had examined this question again and again and were not likely to change their views.
The suggestion was made that there was not enough skilled labour in the country to justify starting on a new Programme for the Territorial Army. On the other hand, it was pointed out that the industrialists could not say whether they could carry out such a Programme until they knew details.

The Home Secretary said that every one accepted the proposition that the Cabinet were not deciding now how the Territorial Army should or should not be used - on the Continent or otherwise. He thought the point made by the Minister for Co-Ordination of Defence was that if we refuse to arm the Territorial Army now we were deciding how it should not be used. The facts ought to be considered by the Chiefs of Staff.

The Prime Minister said that it would be impossible to take a decision that morning. Every member of the Cabinet sympathised with the Chancellor of the Exchequer in his very difficult task. They could realise that he wanted to be satisfied that he was getting the best value for money. He suggested that the Chancellor of the Exchequer should let the Minister for Co-Ordination of Defence know the points on which he wished to satisfy.

The Minister for Co-Ordination of Defence agreed to consider the reference to the Chiefs of Staff Sub-Committee with the Chancellor of the Exchequer. The Chiefs of Staff had had a very heavy time lately and he proposed to direct them to this question early in the New Year.

The Cabinet agreed:

(a) That, with a view to providing material for an early decision, the Minister for Co-Ordination of Defence should, early in the New Year, invite the Chiefs of Staff Sub-Committee to consider further the role of the British Army in time of war.
(b) That the reference to the Chiefs of Staff Sub-Committee should be concerted by the Minister for Co-Ordination of Defence with the Chancellor of the Exchequer.
7. The Minister for Co-Ordination of Defence reported that having regard to the rapid rise in wheat prices, he found it necessary to advise the Cabinet that the present time was not an opportune one for the purchase of a store of wheat.

The Cabinet took note of the above statement.
The First Lord of the Admiralty stated that in accordance with the decision of the Cabinet referred to in the margin, the case of five undesirable employees in Naval Establishments had been brought before a Departmental Committee composed of the Secretary to the Admiralty, the Establishment Officer and a representative of the Treasury. The Committee after reviewing these cases had recommended the dismissal of five dockyard employees. As regards four men from Devonport, the Committee were of opinion that it was certain beyond any reasonable doubt (though it is impossible, largely owing to the inability to disclose secret sources of information, to produce proof to satisfy a Court of Law) that all four men had been actively engaged in dangerous subversive propaganda, and not merely in the doctrinaire preaching of Communism as a political creed. There was also very strong suspicion, though not amounting to certainty, that they were intimately connected with acts of sabotage. He himself had carefully examined the circumstances of all these cases in which the Committee recommended dismissal, and had come to the conclusion that these men should be discharged. He proposed to take action in the first fortnight of January.

The Secretary of State for Air said that one or two cases of the same kind had come before him but he had thought it had been the intention of the Cabinet that Ministers should act on the
general decision and not bring the detailed cases before their colleagues. He presumed, however, that the First Lord had brought the matter up owing to the number of men involved.

The Cabinet agreed -

To approve the action proposed by the First Lord of the Admiralty as set forth above.
THE LONDON NAVAL TREATY, 1936.

Ratification of.

The Cabinet had before them a Memorandum by the First Lord of the Admiralty (C.P.-336 (36)) recalling that at their Meeting on March 18, 1936 (Cabinet 21 (36), Conclusion 2), the following conclusion was reached:

"To authorise the signature of a Three-Power Naval Treaty on the understanding that it would not be ratified unless or until a corresponding bilateral Treaty was concluded with Germany", and suggesting, in the light of the present position and for the reasons given in his Memorandum, that the following action should be taken:

(a) That the Cabinet should revise the Conclusion quoted above in the sense that the Secretary of State for Foreign Affairs and the First Lord of the Admiralty should be given discretion to decide, in consultation, when the appropriate moment has arrived for ratification.

(b) That all arrangements should be made here and in the Dominions to permit of ratification at short notice.

(c) That French Government should be invited to conform their procedure to ours, so that, if negotiations proceed satisfactorily, the Treaty may come into force as from January 1st.

(d) That the Italian Government should be asked to give a written assurance that they will accept the 14-inch gun maximum if Japan accepts it.

The Cabinet approved the proposals of the First Lord of the Admiralty as set forth in C.P. 336 (36) and summarised above.
10. The Cabinet took note of a Memorandum by the Lord President of the Council (C.P.-338 (36)) informing them that the King had agreed that the date of the Coronation already announced, Wednesday, May 12, 1937, should stand, and had expressed his wish that the Coronation Committee of the Privy Council and the Coronation Commission should be re-constituted as soon as possible, with no changes in personnel other than those necessitated by the fact that His Majesty would no longer be a member.
11. The Cabinet agreed that their next Meeting should take place on Wednesday, January 13th, 1937, at 11 a.m. at No.10, Downing Street.

2, Whitehall Gardens, S.W.1.

16th December, 1936.