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SECRET

27

WAR CABINET, 552.

Minutes of a Meeting of the War Cabinet held at 10, Downing Street, S.W., on Monday, March 31, 1919, at 12 noon.

Present :

The Right Hon. A. BONAR LAW, M.P. (*in the Chair*).

The Right Hon. the Earl CURZON OF KEDLESTON, K.G., G.C.S.I., G.C.I.E.	The Right Hon. A. CHAMBERLAIN, M.P.
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The following were also present :

The Right Hon. the Viscount MILNER, G.C.B., G.C.M.G., Secretary of State for the Colonies.	The Right Hon. Sir A. C. GEDDES, K.C.B., M.P., Minister of Reconstruction and National Service.
The Right Hon. W. S. CHURCHILL, M.P., Secretary of State for War.	Vice-Admiral S. R. FREMANTLE, C.B., Deputy Chief of the Naval Staff (for Minute 3).
The Right Hon. Lord ERNLE, M.V.O., President of the Board of Agriculture and Fisheries (for Minutes 4 and 5).	The Right Hon. Sir R. S. HORNE, K.B.E., K.C., M.P., Minister of Labour (for Minute 4).
The Right Hon. Viscount GOSCHEN, C.B.E., Controller, Labour Division, Food Production Department (for Minute 4).	The Right Hon. Sir J. MACLAY, Bart., Minister of Shipping (for Minutes 5, 6, and 7).
The Right Hon. Sir A. MOND, Bart., M.P., First Commissioner of Works (for Minute 5).	The Right Hon. R. MUNRO, K.C., M.P., Secretary for Scotland (for Minute 4).
Sir A. DURRANT, M.V.O., H.M. Office of Works (for Minute 5).	The Right Hon. Lord INVERFORTH, Minister of Munitions (for Minute 5).

Mr. THOMAS JONES, *Acting Secretary.*

Mr. PEMBROKE WICKS, *Assistant Secretary.*

Lieutenant-Colonel L. STORR, C.B., *Assistant Secretary.*

Mr. G. M. EVANS, *Assistant Secretary.*

Captain L. F. BURGIS, *Assistant Secretary.*

Equipment for
Roumania.

1. With reference to War Cabinet 550, Minute 1, the War Cabinet took note of Mr. Balfour's telegram No. 570, dated the 26th instant, which stated that, at a meeting with M. Clemenceau, President Wilson, and Signor Orlando on the previous day, Mr. Lloyd George, who was accompanied by the Director of Military Intelligence, agreed that the balance of equipment originally destined for General Denekin should be sent to Roumania. This balance was said to amount to sets of clothing and equipment for 150,000 men.

Utilisation of
National Factories.

2. With reference to War Cabinet 543, Minute 2, the War Cabinet took note of a Memorandum by the Minister of Munitions, on the subject of the utilisation of National Factories (Paper G.T.-7025).

Allied Policy in
Russia.

3. The War Cabinet had before them the following Memoranda:—

(a.) by Lord Curzon (Paper G.T.-7035).

(b.) by the Chief of the Imperial General Staff (Paper P.-111A).

Mr. Bonar Law referred to a report which had appeared in the press that morning of a speech made by the French Under-Secretary of State for War in the Chamber of Deputies, referring to the forces on the Murman coast and in the South of Russia, from which he quoted the following extract:—

“ The Prime Minister has authorized me to tell you that he would be false to his past attitude if he proposed sending an expedition to Russia. From to-day, not a man will go to Russia, and those who are serving there are being relieved.”

The Acting Secretary of State for Foreign Affairs said that, when the matter had last been before the War Cabinet, it had been decided that our policy should be to press for the early evacuation of Murmansk and Archangel. Since that decision had been reached the British Commissioner at Archangel had furnished his views on the subject of the proposed evacuation, which he had briefly summarised in the Paper now before the Cabinet. Apart from the military aspect of the situation, it would be necessary for the Allies to arrange for the removal of, and to find a destination for, some 13,500 men of various nationalities other than Finns, Poles, Esthonians, Letts and Lithuanians, who, it was to be hoped, could eventually be repatriated to their own countries. Secondly, there was the question of the attitude to be adopted by the Allies towards the Provisional Government. In Mr. Lindley's view we were bound to give that Government fair warning. Such a notification, conveyed at the present time, would have effects which would react far beyond Archangel. A third point was,—was it possible or desirable to make terms with the Bolshevik Government, which no doubt would be glad to come to some agreement with us and to see the last of our troops. Such action, however, would run counter to the whole of our policy hitherto. In Mr. Lindley's opinion, the right time for the evacuation to take place was not now, but in the autumn. He further recommended that 3,000 troops should be sent out in order to cover the evacuation and to let the tired men there return home. He further pointed out that by the evacuation the fate of Esthonia would be sealed, and the disastrous effect the announcement of our decision would have upon the various States who were co-operating with us in fighting the Bolsheviks.

WAR CABINET

552.

(Minute 3)

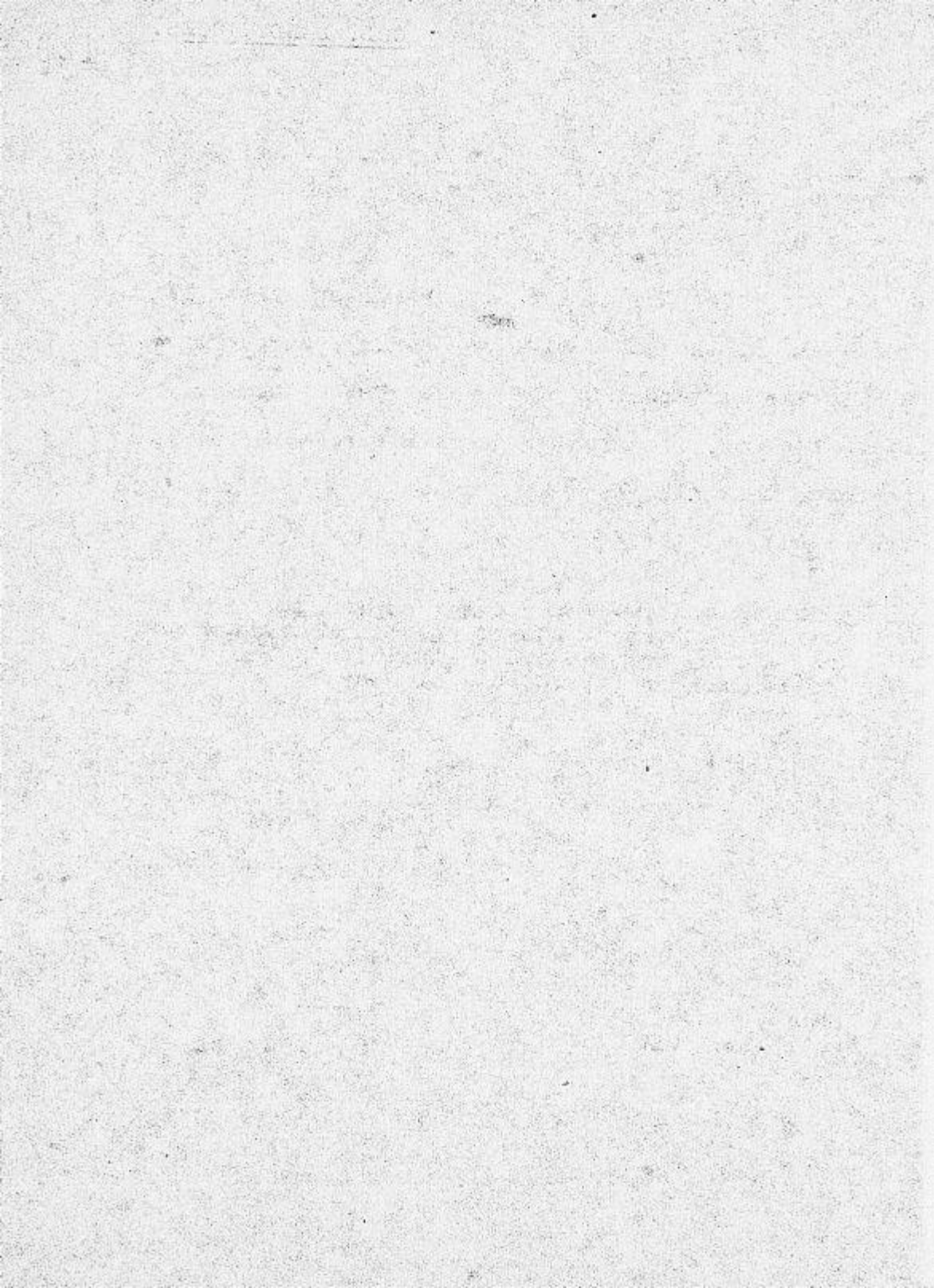
With reference to the discussion on Allied Policy in Russia at the War Cabinet on Monday, March 31st., and to the statement by the French Under Secretary of State for War, to which Mr Bonar Law referred at the meeting, the following message has been received from the Prime Minister:-

"The Prime Minister did not approve the making of this statement but it does in fact represent his strong opinion and the opinion of his colleagues on the Council of Four."

Thomas Jones

Acting Secretary

2 Whitehall Gardens, S.W.
April 1st. 1919



The Chancellor of the Exchequer expressed the view that we should come to some arrangement with the Bolshevik Government, if we could, in regard to the withdrawal of our troops, who were in a serious position. In regard to the suggested evacuation of thousands of men of other nationalities, few of whom had never lifted a finger in our support, he did not think that we were under any real obligation to do this.

The Deputy Chief of the Naval Staff said that considerable trouble had been caused at Archangel by the behaviour of certain French troops who had been demobilised there, 150 of whom were now under arrest. He suggested that it was equally urgent for us to decide our policy in regard to the Baltic States. On a previous occasion he had pointed out to the War Cabinet in what a perilous situation our troops there would find themselves when the ice broke.

The Acting Secretary of State for Foreign Affairs expressed doubts as to the wisdom of the policy suggested by the Chancellor of the Exchequer. Any recognition of, or negotiations with, even a provincial Bolshevik Government would give considerable impetus to Bolshevik prestige throughout Russia. With regard to what the Deputy Chief of the Naval Staff had said about the Baltic States, he had, in accordance with the recent War Cabinet decision, written a despatch on the subject to Mr. Balfour which he would circulate shortly, pressing very strongly for a decision of the Allies in regard to the policy to be pursued in that quarter.

The War Cabinet decided:—

- (a.) That the Secretary of State for War should furnish a Paper giving particulars of the steps the War Office had taken and were taking to prepare for the evacuation of our troops and such friendly inhabitants as we might be under an obligation to remove.
- (b.) To resume the discussion as soon as the War Office programme had been circulated.

The Secretary of State for War (who entered at this moment) said that the announcement of the Allied policy in the French Chamber completely compromised our position in North Russia, and might gravely endanger the lives of our soldiers, of whom there were some 13,000 in that theatre. There was nothing to indicate whether the said announcement had been made with the approval of the British delegates in Paris.

Retention of
Prisoners and
Soldiers on the
Land.

—
Soldiers.

4. With reference to War Cabinet 551, Minute 3, the War Cabinet had under consideration a Memorandum by the President of the Board of Agriculture and Fisheries (Paper G.T.-7042), and a Memorandum by the Secretary for Scotland (Paper G.T.-7056), on the subject of the retention of prisoners and soldiers on the land.

The President of the Board of Agriculture said that, owing to the bad weather of the last few months, work on the land had been postponed. All farming operations, such as ploughing and sowing, would be taking place from now onwards, especially during the next two months. The present was a bad moment to withdraw soldiers and prisoners from the land. At this time of year the Army generally lent additional men to farmers, instead of taking men away. There were still engaged on the land 27,000 soldiers, 25,000 of whom the War Office wanted for the Armies of Occupation. The farmers would only require them for the next two months, and they could then be returned to the duties for which the War Office was keeping them.

Mr. Bonar Law said that to retain soldiers in agriculture would be in opposition to the declared policy of the Government to release from the Army all men who were not required for the Armies of Occupation.

The Secretary of State for War said that it was impossible to exercise the power of enforcing compulsory military service for the purpose of providing agricultural labour. Men who were being kept in the Army by the War Office were those who fulfilled certain conditions as regards age and the time at which they joined the service. It was not possible to retain these men for any purpose except military service. If there was a surplus, the War Office would have to consider the modification of the conditions under which they were retained. It was intended to release from the Army all those who were not required for the Armies of Occupation.

The Secretary of State for the Colonies suggested that, if the 25,000 men who were in agriculture would be kept in any case as a military reserve, there was no reason why they should not be employed in this country instead of being sent to France.

The Secretary for Scotland said that if the soldiers could be retained on the land for the next two months it would make a great difference to farmers. The War Cabinet should consider the effect of taking these men away upon the agricultural community. The announcement of the guaranteed prices of cereals, which would take place in the course of the next week, would raise a storm amongst farmers. If at the same time soldiers, whose work meant so much to the farmers, were withdrawn from the land at such a busy period as the present, there might be a great deal of trouble.

The Chancellor of the Exchequer pointed out that the question entailed more than the mere provision of agricultural labour. The Government at present were paying out-of-work donation to people who refused to take work. There was a shortage of men on the land, and at the same time we were asked to keep and pay soldiers for doing work which the people drawing unemployment donation refused to do. He thought it was time that the whole question of the out-of-work donation should be reconsidered.

The War Cabinet decided that—

The withdrawal of soldiers from work on the land should continue, but should proceed as slowly as is consistent with our military requirements.

Prisoners of War.

The Secretary of State for War, referring to the request of the Board of Agriculture to be allowed to retain German prisoners of war on the land, said that the War Office had no objection to offer to this course. He thought the main objections in the country and the House of Commons were to their retention in industry. In reply to Mr. Bonar Law, he said that he had certainly advised that all prisoners of war should be returned to France as soon as possible, but he had proposed that exception should be made in the case of those employed in agricultural and limestone quarries.

The Minister of Reconstruction referred to a Paper (G.T.—7022) which he had circulated on the state of trade and employment in Sussex, in which attention was called to the unrest occasioned by the continued employment of prisoners of war in that country. This condition of unrest had been growing since the declaration of policy by the Secretary of State for War that prisoners would be returned to France.

The Minister of Labour agreed with the Chancellor of the Exchequer that the unemployment donation was a source of considerable anxiety, although it was true that a considerable reduction had been made for the second period of payment—in the case of men, from 29s. to 20s. a week, and, in the case of women, from 25s. to 15s. a week. The lack of agricultural labour was accounted for in some measure by the prevailing wages conditions. Before the War an agricultural labourer was earning 18s. a week compared with 20s. a week earned by a railway porter in the same district. Since then, railwaymen's wages had been increased by

33s. a week, but agricultural wages had not increased in the same proportion.

The Employment Exchanges were supposed to scrutinise each application for unemployment donations, but the volume of work laid upon them had become very heavy, and it was possible that it had occasioned irregularities in the granting of unemployment donations.

The War Cabinet decided that—

Farmers should be permitted, for the present, to retain German prisoners of war for work on the land.

Office Accommodation and Demobilisation.

5. With reference to War Cabinet 471 (14) and War Cabinet 550, Minute 2, the War Cabinet had under consideration a note by Lord Curzon (Paper G.T.-7039) relating to office accommodation for the Department of Overseas Trade, together with Memoranda by the President of the Board of Agriculture (Paper G.T.-6864), the First Commissioner of Works (Paper G.T.-6889), and the Minister of Munitions (Paper G.T.-7026).

Lord Curzon explained that it had become very necessary that adequate accommodation for the Department of Overseas Trade should be provided close to the Foreign Office and the Board of Trade. Sir Arthur Steel-Maitland's staff was working at high pressure and under great difficulties, with the result that their work was suffering, and many of the chief officials had broken down. The staffs of the Foreign Office and of Sir Arthur Steel-Maitland's department were so overcrowded that it might be necessary at some future date to ask that the Colonial Office should be given over entirely to house these staffs.

The Chancellor of the Exchequer, in reply to a suggestion by the First Commissioner of Works that new offices should be erected, said that there would be the strongest opposition in the House of Commons to the erection of additional buildings, while the premises still held by various departments were not being vacated. He thought the proper procedure would be to bring pressure on departments to give up all the accommodation necessary.

The First Commissioner of Works said that, in his opinion, the Government would have to come to a decision to put up new blocks of buildings. He had already made a preliminary examination of various sites, but thought that it would be necessary to scrap the buildings in Whitehall Gardens and Montagu House and to put up a new and modern block of offices which would house a considerable staff. With regard to Sir Arthur Steel-Maitland's department, he could not requisition premises for his staff, as they were not a war department. He was experiencing great difficulties in housing staffs of Government departments, because in a great many departments the rate of demobilising certain parts of the staff was not equal to the rate of increase of other parts. At the same time, he was continually being met with demands for accommodation which was required urgently. He instanced, in his connection, the occupation of certain houses in Pall Mall by the Eastern Command. The War Office, however, had said that it was necessary for the Eastern Command to be housed in those buildings.

Mr. Bonar Law enquired if Sir Auckland Geddes had gone into this matter at all (War Cabinet 550, Minute 2).

Sir Auckland Geddes pointed out that, in accordance with that minute, he had prepared a scheme, which he proposed to ask the Treasury to carry out, for obtaining a return from all departments of the numbers of their staffs, and the particular work that each was doing, and a somewhat similar scheme with regard to

Mr. Bonar Law said that he thought the Government should assist an ex-soldier to emigrate, and, provided Lord Milner's proposals were confined to ex-service men, for whom the Dominions made suitable provision, he saw no objection to their receiving War Cabinet approval.

The War Cabinet decided that—

Subject to the Prime Minister's approval, free passages to the Dominions for ex-soldier settlers should be provided.

Communications
Board.

8. With reference to War Cabinet 525, Minute 4, the War Cabinet approved of the appointment of the Hon. Sir Henry Norman, Bart., as Vice-Chairman of the Communications Committee.

2, *Whitehall Gardens, S.W.1,*
March 31, 1919.