The accompanying Conclusions of a Meeting of the Cabinet Committee on the Report of the Royal Commission on the Coal Industry, held on Thursday, June 24th, 1926, are circulated by direction of the Prime Minister, for consideration in connection with Item 1 on the Agenda Paper for the Meeting of the Cabinet to be held at 11.30 a.m. to-morrow, the 30th instant.

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

2 Whitehall Gardens, S.W. 1.
29th June, 1926.
CONCLUSIONS of a Meeting of the Committee held in the Ministers' Conference Room, House of Commons, S.W., on Thursday, 24th June, 1926, at 4.15 p.m.

PRESENT:-

The Right Hon. Sir Arthur Steel-Maitland, Bart., M.P., Minister of Labour (In the Chair).

The Right Hon. Sir L. Worthington-Evans, Bart., G.B.E., M.P., Secretary of State for War.

The Right Hon. Sir Philip Cunliffe-Lister, K.B.E., M.C., M.P., President of the Board of Trade.


Colonel the Right Hon. G.R. Lane-Fox, M.P., Parliamentary Secretary, Mines Department.

THE FOLLOWING WERE ALSO PRESENT:-

The Right Hon. The Earl of Balfour, K.G., C.M.G., Lord President of the Council.

Sir Frank Heath, K.C.B., Secretary, Department of Scientific and Industrial Research.

The Right Hon. Neville Chamberlain, M.P., Minister of Health.

Mr. E.A. Gowers, C.B., Permanent Under Secretary, Mines Department.


Mr. Thomas Jones, Secretary to the Committee.
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The Right Hon. Neville Chamberlain, M.P., Minister of Health.


Mr. E.A. Gowers, C.B., Permanent Under Secretary, Mines Department.

Mr. Thomas Jones, Secretary to the Committee.
The Committee considered in detail a memorandum by the Secretary for Mines recounting the position in regard to the various recommendations of the Royal Commission on which Government action is required or has been promised, (C.P. 251 (26)), and had before them the Report of the Committee of Civil Research on the appointment of a Fuel and Power Committee and other matters (C.P. 141 (26)).

1. THAT THE GOVERNMENT SHOULD GIVE SYMPATHETIC CONSIDERATION TO ANY PROPOSALS OF THE FUEL RESEARCH BOARD FOR THE FURTHER INVESTIGATION OF PROCESSES OF LOW TEMPERATURE CARBONISATION ON A COMMERCIAL SCALE.

LORD BALFOUR called attention to the following answer to a Parliamentary Question which had been given that same afternoon by Lord Eustace Percy on behalf of the Department of Scientific and Industrial Research:

"In the opinion of the Department of Scientific and Industrial Research, it is doubtful whether any of the existing schemes for low-temperature carbonisation, though they contain many elements of promise, have as yet got beyond the experimental stage. Low-temperature carbonisation cannot, therefore, as yet form part of any scheme for the re-organisation of the coal trade. As soon as any process or processes of low-temperature carbonisation are shown to be commercially practicable, it cannot be doubted that private enterprise will rapidly develop them. In the meanwhile, the Department of Scientific and Industrial Research is carrying on its own investigation at the fuel research station, and is giving its assistance in testing results which are obtained elsewhere." (Hansard Col.197 No.89 Cols.531,532).

The Committee endorsed this answer as reflecting the present position and agreed to recommend to the Cabinet:
(a) That the Department of Scientific and Industrial Research should continue to keep a careful watch on all experimental processes for the better utilisation of coal and should be adequately financed for this purpose;

(b) That if and when the Department of Scientific and Industrial Research is satisfied with an experimental process offering real promise of success, His Majesty's Government should be prepared to help to carry such experiment through to the stage necessary to prove it commercially;

(c) That for the purposes of (b) the Mines Department should be allocated £250,000 from the sum of £3 million earmarked by the Treasury for the assistance of the mining industry;

(d) That the sum so allocated should be spent by the Mines Department on the advice of the Department of Scientific and Industrial Research and in consultation with any Department, such as the Admiralty, which may be specially interested.

2. THAT AN ANNOUNCEMENT SHOULD BE MADE BY GOVERNMENT THAT IF AND WHEN THE FUEL RESEARCH BOARD IS ABLE TO REPORT THAT A SMOKELESS SEMI-COKE IS AVAILABLE AS SUITABLE AS RAW COAL THE DEPARTMENTS WHICH ARE LARGE USERS OF COAL SHOULD BE INSTRUCTED TO PURCHASE THE SEMI-COKE IN PREFERENCE.

The Committee agreed to recommend:

the acceptance of this proposal subject to the semi-coke being suitable in quality and price.

3. THAT A NATIONAL FUEL AND POWER COMMITTEE SHOULD BE FORMED FOR THE PURPOSE OF A CONTINUOUS AND COMPREHENSIVE SURVEY OF THE HEAT, LIGHT AND POWER REQUIREMENTS OF THE COUNTRY.

The Committee agreed to recommend:

(a) That the proposal to set up a National Fuel and Power Committee as a Standing Sub-Committee of the Committee of Civil Research (C.P. 141 (26)) should be rejected.

(b) That the functions of the National Fuel and Power Committee as set out in the Report of the Royal Commission should be exercised by a Standing Committee of the Mines Department, in association with the Ministry of Transport (for electricity) and with representatives of the gas and all industries.
(c) That the terms of reference of the Standing Committee should be:

"To consider and advise upon broad questions affecting the economic use of fuels, their conversion into other forms of energy and concomitant problems, having regard to the needs of industry as a whole and in the light of technical developments."

(d) That specific problems respecting particular industries arising out of the deliberations of the Advisory Committee should be referred to the Committee of Civil Research for examination and report.

4. THAT THE RESEARCH ORGANISATION OF THE COLLIER OWNERS SHOULD BE EXPANDED WITH INCREASED FUNDS PROVIDED PARTLY BY THE OWNERS AND PARTLY BY THE DEPARTMENT OF SCIENTIFIC AND INDUSTRIAL RESEARCH.

5. THAT THE WORK OF THE FUEL RESEARCH DIVISION OF THE DEPARTMENT OF SCIENTIFIC AND INDUSTRIAL RESEARCH SHOULD BE PRESSED FORWARD AND PROVIDED WITH AMPLE FUNDS.

6. THAT THE DEPARTMENT OF SCIENTIFIC AND INDUSTRIAL RESEARCH SHOULD BE MADE RESPONSIBLE FOR CO-ORDINATING THE VARIOUS BRANCHES OF RESEARCH WORK.

The Committee agreed to recommend:

(i) That the functions of the Department of Scientific and Industrial Research should not be to co-ordinate the various research organisations, but that the reports of these organisations should be submitted to the Department which would make suggestions for co-operation between them.

(ii) That with a view to stimulating research into coal getting (as distinct from coal using) the Department of Scientific and Industrial Research should be empowered to spend up to £50,000 (from the £3 million earmarked by the Treasury) on the basis of roughly £1 from State Funds to £3 from colliery owners.

7. THAT LEGISLATION SHOULD BE PASSED TO FACILITATE DESIRABLE AMALGAMATIONS.

This is dealt with in the Mining Industry Bill.

8. THAT LEGISLATION SHOULD BE PASSED TO IMPOSE COMPULSORY AMALGAMATIONS AFTER A PERIOD OF THREE YEARS.

This is dealt with in the Mining Industry Bill.
9. THAT COAL ROYALTIES SHOULD BE ACQUIRED BY THE STATE.

It is not proposed to proceed with this at present (See Cabinet 41 (26) Conclusion g)).

10. THAT LOCAL AUTHORITIES SHOULD BE EMPOWERED TO TRADE IN COAL.

The Committee considered the Report of the Sub-Committee on Municipal Trading (Appendix to C.P. 122 (26) and R.C.C. (26) 52).

The Minister of Health stated that if the Commission's Report is to be carried out the method indicated by the Sub-Committee seemed the most suitable, but there were obvious and important objections to embarking on municipal trading in coal. Pressure would follow in favour of trading in milk, bread and boots.

The Lord President of the Council suggested using the Food Council for enquiries into the allegations of profiteering in coal.

The President of the Board of Trade stated that public enquiries had already been held but without good result. He thought the remedy lay in direct sales by colliery companies to the consumers.

The Secretary for Mines stated that the agitation against the retailers of coal was persistent and widespread and not confined to one political party. He should like to see some steps taken to counter the coal merchants.
11. THAT COLLIERIES WOULD BE WELL ADVISED TO ESTABLISH CO-OPERATIVE SELLING ASSOCIATIONS.

The Committee agreed:

To request the Lines Department to submit to the Prime Minister as soon as possible terms of reference and names of suitable members of a Committee to investigate selling associations.

12. THAT THE QUESTION SHOULD BE EXPLORED OF ESTABLISHING AN OFFICIAL SYSTEM FOR THE SAMPLING AND ANALYSIS OF COAL.

The Committee agreed:

To request the Department of Scientific and Industrial Research to prepare for the consideration of the Cabinet a report on the steps necessary to be taken to set up an official system for the sampling and analysis of coal.

13. THAT A JOINT COMMITTEE OF THE MINISTRY OF TRANSPORT AND THE MINES DEPARTMENT SHOULD BE APPOINTED IN ORDER TO DO WHAT IS POSSIBLE TO EFFECT A GREATER MEASURE OF STANDARDISATION OF WAGONS; AN INCREASED PROVISION OF WAGONS OF LARGER CAPACITY, AND AN EXTENSION OF THE PRINCIPLE OF COMMON USER.

The Committee agreed:

To request the Ministry of Transport, after consultation with the Secretary for Mines, to submit to the Prime Minister as soon as possible terms of reference and names of suitable members of a Committee to carry out this recommendation.
CHAPTER XI.

14. THAT PROFIT SHARING SCHEMES SHOULD BE MADE COMPULSORY AT ALL COLLIERIES.

The Committee were reminded that a clause has been inserted in the Mining Industry Bill to facilitate the establishment of a profit-sharing scheme at any colliery that desires to have one. The Government have also undertaken to appoint a Committee to examine the profit-sharing proposals of the Commission and also the question of family allowances. But it is hardly practicable to proceed with this until the stoppage is over.

The Committee agreed:

To request the Ministry of Labour to circulate a Memorandum on Model Profit-sharing schemes suitable for adoption by colliery companies.

15. THAT THERE MAY BE AN ADVANTAGE IF THE TWO PARTIES AGREE IN HAVING A NATIONAL WAGES BOARD WHICH SHALL BRING IN ALSO IMPARTIAL ELEMENTS OUTSIDE THE COAL INDUSTRY ITSELF.

In view of the strong dissent of both parties, the Government have decided not to proceed with this at present.

CHAPTER XIII.

16. THAT GREATER ELASTICITY SHOULD BE INTRODUCED INTO THE LAW GOVERNING THE HOURS OF WORK UNDERGROUND.

This question has been merged in the larger question of the length of the working day which is being dealt with in the Bill before the House.

CHAPTER XV.

17. THAT THE MINEOWNERS AND MINERS SHOULD CONFER TOGETHER WITH A VIEW TO CONSIDERING, IN CONJUNCTION WITH THE MINISTRY OF LABOUR, PRACTICABLE STEPS FOR SECURING THE TRANSFER OF UNEMPLOYED MINERS FROM ONE DISTRICT TO ANOTHER AND FOR GIVING SUCH MINERS THE FIRST CHANCE OF OBTAINING SUCH COLLIERY EMPLOYMENT IN PREFERENCE TO THE RECRUITING OF OUTSIDE LABOUR.
The Mining Industry Bill gives the Minister of Labour power to make regulations on this subject.

18. THAT THE MINES DEPARTMENT SHOULD CONSIDER THE REGULATIONS GOVERNING THE QUALIFICATIONS OF MINE MANAGERS.

This has already been taken up with the Board for Mining Examinations who are arranging conferences with the education authorities concerned.

19. THAT THE STATE AS ROYALTY OWNER SHOULD ENSURE THAT ADEQUATE PROVISION WILL BE MADE FOR THE HOUSING OF THE WORKERS.

It is not proposed that the State shall nationalise royalties and the subject of housing does not, therefore, arise here, but under Recommendation 22.

20. THAT ROYALTIES SHOULD CONTRIBUTE TO THE WELFARE FUND AND THAT PITHEAD BATHS FINANCED OUT OF THE WELFARE FUND SHOULD BE MADE GENERALLY COMPULSORILY.

Part III of the Mining Industry Bill gives effect to this recommendation.


The Government have never committed themselves to legislation on this subject. All they have undertaken to do is "to prepare a scheme for the establishment of pit Committees." The mineowners have indicated that they are willing to see if arrangements cannot be made for the general provision of pit committees on a voluntary basis, and in these circumstances it is clear that no action can be taken by the Government until there has been an opportunity of discussing the matter with both sides of the Industry.
THE GOVERNMENT SHOULD BE READY TO TAKE ALL PRACTICABLE MEASURES FOR THE ASSISTANCE OF ANY LABOUR THAT MAY BE DISPLACED OR FOR FACILITATING ITS TRANSFER AND TO PROVIDE SUCH FUNDS AS MIGHT BE REQUIRED FOR THOSE PURPOSES.

This subject will be watched by the Ministry of Labour. The Chancellor of the Exchequer has agreed that part of the £3 million fund shall be available for assistance, transfer and training of displaced miners. The Government have promised to set up a Committee on Housing in colliery districts. Administrative action on this rests primarily with the Ministry of Health. It is understood that the Miners' Federation and Trade Union Congress will offer no objection to the employment of transferred miners on forms of house building which do not compete with the building trade unions.

2, Whitehall Gardens, S.W.1.

June 25th, 1926.