CONCLUSIONS of a Meeting of the War Cabinet held at 10 Downing Street, S.W.1., on Wednesday, December 6, 1939, at 4.30 P.M.

Present:

The Right Hon. Neville Chamberlain, M.P., Prime Minister (in the Chair).
The Right Hon. Sir Kingsley Wood, M.P., Secretary of State for Air (Item 1).
The Right Hon. Lord Hankey, Minister without Portfolio.

The following were also present:
The Right Hon. Oliver Stanley, M.P., President of the Board of Trade.
The Right Hon. Sir Reginald Dorman-Smith, M.P., Minister of Agriculture and Fisheries (Items 4 and 5).
The Right Hon. Sir John Gilmour, Bt., M.P., Minister of Shipping.
Sir Horace J. Wilson, Permanent Secretary to the Treasury.

The Right Hon. W. S. Morrison, M.P., Chancellor of the Duchy of Lancaster and Minister of Food (Items 4 and 5).
The Right Hon. Walter E. Elliot, M.P., Minister of Health (Items 4 and 5).
Captain the Right Hon. Euan Wallace, M.P., Minister of Transport (Items 1-3).
Mr. R. H. Cross, M.P., Minister for Economic Warfare (Items 1-3).
Sir Henry French, Permanent Secretary, Ministry of Food (Items 4 and 5).

Sir Cyril Hurcomb, Director-General, Ministry of Shipping.

Secretariat.

Sir Edward Bridges.
Sir Rupert Howorth.
Mr. W. D. Wilkinson.
Mr. A. Bever.
Mr. I. F. Burges.
Mr. G. N. Flemming.
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I. The War Cabinet had before them a Memorandum by the Minister of Shipping giving an analysis of the shipping available for importing supplies into the United Kingdom in the first year of the war (W.P. (G.) (39) 126).

The Minister of Shipping said that we were unquestionably short of shipping. Neutrals were hanging back, and efforts to purchase additional tonnage had up to now not been very successful.

At the Minister’s request, Sir Cyril Hurcomb then gave a résumé of the Ministry of Shipping’s provisional import programmes.

The Ministry of Food programme was as follows:

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Million tons per annum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cereals (which had first priority)</td>
<td>11</td>
</tr>
<tr>
<td>Sugar</td>
<td>1.5</td>
</tr>
<tr>
<td>Oil-seeds and nuts</td>
<td>2</td>
</tr>
<tr>
<td>Meat</td>
<td>1.5</td>
</tr>
<tr>
<td>Dairy Produce</td>
<td>8</td>
</tr>
<tr>
<td>Other items (in which fruit, coffee, tea and cocoa figured largely)</td>
<td>3</td>
</tr>
</tbody>
</table>

Total (in million tons) ... 19.8

The tonnage for meat was specialised and could not be very economically used for other purposes, and the French might make demands on us in this respect. If the war ceased to be static or there was bombing of back areas, the French would require a reserve of foreign meat.

The Minister without Portfolio observed that the French, during the last War, had used ships with refrigerated space for storage, as they were apt to be very short of storage space. This should be watched.

The Ministry of Supply programme, which totalled 23,900,000 tons, included the following items:

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Million tons per annum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iron-ore</td>
<td>over 6</td>
</tr>
<tr>
<td>Scrap pig iron and steel</td>
<td>over 2.5</td>
</tr>
<tr>
<td>Non-ferrous ores and metals (lead, copper, chrome and other metals essential to munitions production)</td>
<td>over 2.4</td>
</tr>
<tr>
<td>Other minerals (including phosphate rock and sulphur)</td>
<td>1</td>
</tr>
<tr>
<td>Timber (including pit-props)</td>
<td>nearly 6.5</td>
</tr>
<tr>
<td>Wood pulp and esparto grass</td>
<td>1.4</td>
</tr>
<tr>
<td>Textiles (wool and cotton)</td>
<td>1.4</td>
</tr>
<tr>
<td>Chemicals, hides, rubber, &amp;c.</td>
<td>about 3.4</td>
</tr>
</tbody>
</table>

The total import programme was as follows:

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Million tons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commodities controlled by the Ministry of Food</td>
<td>19.8</td>
</tr>
<tr>
<td>Commodities covered by the Ministry of Supply programme</td>
<td>23.9</td>
</tr>
<tr>
<td>Miscellaneous items, tobacco, pottery, paper</td>
<td>2.1</td>
</tr>
<tr>
<td>Balances (unallocated)</td>
<td>1.2</td>
</tr>
</tbody>
</table>

Total ... ... ... ... 47.0
The Chancellor of the Exchequer said that the outstanding points in the Minister of Shipping's Memorandum (and in his former Memorandum, W.P. (G.) (39) 89) appeared to be the following:

(1) Total of import programmes for first year of war 47 million tons (of which 42 million tons remain to be imported in the 10 months November 1939 to August 1940)...

(2) Gross tonnage of ocean-going British shipping available...

(3) Estimate of commodities to be imported in British vessels in the 10 months November 1939 to August 1940...

Requiring to be imported in neutral vessels in the same ten months' period...

The lesson to be drawn was, as the Minister of Shipping had said in the concluding paragraph of W.P. (G.) (39) 126, that "there is urgent need for removal of every avoidable cause of delay to shipping and for every economy in our internal consumption."

The First Lord of the Admiralty suggested that the War Cabinet should devote further attention to possible measures for obtaining increased tonnage. Appendix II to W.P. (G.) (39) 126 showed that the Ministry of Shipping were taking or considering certain measures to make the most of our tonnage resources, but it seemed to him that the last word on this matter had not been said. He hoped that a further enquiry would be made into all the items dealt with in that Appendix.

(1) The First Lord drew attention to the estimate on page 3 of W.P. (G.) (39) 126 that there were cargo liners of a carrying capacity of 670,000 tons at present trading permanently between foreign ports. Prima facie, this appeared to be indefensible in present circumstances. We had not scrupled to commandeer trawlers, and he saw no reason why we should hesitate to take action in the case of these liners also. Sir Cyril Hurcomb said that steps were gradually being taken to bring this shipping into direct trade with the United Kingdom. It would, in any case, be a matter of five or six months before this shipping, and the shipping on Dominion registers, could be made available for our own use.

(2) On the suggestion that the Plimsoll Line requirements should be relaxed, Sir Cyril Hurcomb explained that both shipowners and seamen would be very much adverse to this, particularly at the present time of year.

(3) The First Lord of the Admiralty suggested that concrete ships should be built, as this need not interfere with the building of shipping by normal methods; but the Minister of Shipping pointed out that it was, in his view, very doubtful whether such ships could be built satisfactorily, and the Minister without Portfolio said that the experience of the last war had been very disappointing.

(4) On the suggestion that surplus tankers should be adapted for carrying other forms of cargo than oil, Sir Cyril Hurcomb said that steps were being taken to modify new tankers now being built so that, before they were launched, they could be simply and economically altered for the carriage of ore or grain, if at the time this should prove desirable.
(5) It was suggested that neutral, and in particular United States ships, might be willing to help us with the long haul of goods to ports in safe areas, where transhipment could be arranged.

(6) On the suggestion that Italian shipping should be persuaded to carry goods for us, Sir Cyril Hurcomb explained that, in connection with the general commercial negotiations now going on in Rome, we were hoping to arrange for Italian ships to bring ore to this country from Mediterranean ports.

(7) On the suggestion that economy could be secured by the routing of shipping, the Minister of Shipping referred to the steps which were being taken to bring grain to this country by the short haul across the North Atlantic. It was hoped also to secure shipping economies by importing iron-ore from Spain rather than from more distant sources, but difficulties were being encountered in the trade negotiations with the Spaniards, who were unwilling to sell us ore unless we would also take their oranges. The President of the Board of Trade said that it was hoped to bring these negotiations to a satisfactory issue.

(8) As regards possible reductions in the amount of merchant shipping required for Admiralty purposes, Sir Cyril Hurcomb said that the Admiralty representatives had been most helpful in recent discussions on this point, but that it still appeared that the reduced demands of the Admiralty for the essential needs of the Service would reduce the country’s importing capacity by some 400,000 tons. The First Lord of the Admiralty said that this should not be taken as the final amount, and he would be very glad to see if the Admiralty requirements could be reduced still further.

Sir Cyril Hurcomb said that, since the magnetic mine campaign had started, the Greeks had ceased to offer their ships to us. The crews were now unwilling to come to this country. He had discussed the position with Greek owners, who were prepared to be helpful but for the attitude adopted by their own Government—who insisted that Greek ships should be manned by Greeks. They had also been unhelpful on the question of bare charters. He thought that strong pressure should be brought to bear on the Greek Government to adopt a more reasonable attitude.

A further suggestion was that the Greek Government should requisition Greek shipping and charter it to the Ministry of Shipping. An arrangement on these lines, which would enable the Greek Government to make a profit, seemed more hopeful.

It was agreed that the Foreign Office should be invited to bring further pressure to bear on the Greek Government in connection with negotiations for the purchase of Greek tobacco and other commodities.

With regard to Danish shipping, Sir Cyril Hurcomb said that the Danish reply was that they had none to spare. They were now routing their ships northabout, which added one month on to the length of each voyage. Danish ships would be more willing to trade in the Mediterranean.

Asked about the willingness of neutral ships to sail in convoy, Sir Cyril said that, although the neutral Governments would not commit themselves, he felt sure that if individual masters were asked by the naval officers at the ports whether they would sail in convoy their answer would be “Yes.” It was agreed that this point should be taken up. All Greek shipping chartered to us was ordered to go in convoy.
It was generally agreed that the survey showed that we must be prepared to face a reduction in the efficiency of our shipping services.

Discussion ensued as to the machinery for allocating the available shipping between Departments.

Sir Cyril Hurcomb said that there were constant Meetings between the Ministry of Shipping and the Departments concerned, daily and weekly, at which the main import programmes for the first year of war, of which he had given details, were discussed. He would shortly be in a position to circulate monthly statements showing the use made of shipping in the preceding month.

Reference was made to the Ministerial Priority Committee on Import Programmes, which had recently been appointed. The view, however, was expressed that it was also necessary to have some body which would review the broader aspects of the programmes of the various Departments.

The Lord Privy Seal agreed with this view, and thought that a survey of the whole position was required: otherwise each Department would continue its existing programme and confusion might be caused, if at a certain stage it was found that shipping was not available to implement the whole programme.

The President of the Board of Trade expressed his anxiety as to the position of the export trade. There were certain commodities as to which he felt particular concern. He instanced cross-bred merino wool, iron and steel products, copper products, and timber for all purposes, including timber for packing-cases. On all these items, which formed part of the Ministry of Supply programme, our exporting trade was meeting with serious and increasing difficulty in obtaining its requirements. He thought that the British exporting industry had been deprived of its raw materials to a greater extent than the British armaments industry, notwithstanding the fact that our export trade was one of our essential weapons of war.

Sir Cyril Hurcomb said that Australian sales of merino wool had been badly held up for a time, but considerable quantities were now on their way to this country.

It was also stated that the Materials Priority Sub-Committee, under the Chairmanship of the Parliamentary Secretary to the Ministry of Supply, reviewed demands not only from Departments but also from the export trade, and for the home trade. Some doubt, however, was expressed as to the principles upon which this Committee acted in making allocations as between Service and Civil needs.

It was also suggested that further consideration should be given to the methods by which home consumption could be reduced in order to provide space for supplies for the armament programme.

The Chancellor of the Exchequer pointed out that the Ministerial Committee on Economic Policy had given directions a month ago that, with a view to furthering the steps taken to improve our export position, an organisation should be set up to determine the aggregate imports involved by the actual production programmes and consumption requirements, and that each Department had been instructed to appoint a senior official to act as liaison officer with the organisation in question and to take immediate steps to furnish the necessary information. The information so obtained should provide the material necessary for a survey to relate the Departmental programmes to the shipping tonnage available from time to time as well as to the needs of the home trade and of the export trade.
The Prime Minister said that he thought that the discussion which had taken place had been of great service, and that it would be an advantage if he himself were now to make an examination, in consultation with the Ministers concerned, of the whole position. It would be of assistance to him in this connection if the Chancellor of the Exchequer could expedite the survey which was being carried out under the aegis of the Ministerial Committee on Economic Policy.

The War Cabinet agreed:

(i) To invite the Prime Minister, in consultation with the Ministers concerned, to examine the position in the light of the discussion which had taken place, with particular reference to the problems of allocation involved.

(ii) To invite the Secretary of State for Foreign Affairs to bring further pressure to bear on the Greek Government to reach a settlement in regard to the chartering of Greek tonnage as part of the negotiations for the purchase of Greek tobacco and other commodities.

(iii) To invite the First Lord of the Admiralty to pursue the suggestion that masters of neutral ships should be asked individually by the Naval Officers at the ports to join our convoys.

2. The War Cabinet had before them the following papers on the Diversion of Shipping:—

(i) Report by the Chiefs of Staff (W.P. (39) 138).

(ii) Memorandum by the Minister of Transport (W.M. (G.) (39) 122).

(iii) Memorandum by the Minister of Shipping (W.P. (G.) (39) 134).

The Minister of Transport said that, as indicated in the 6th paragraph of his Memorandum (W.P. (G.) (39) 122), he sought the authority of the War Cabinet, first, to direct the Port and Transit Organisation to follow the general policy in regard to diversion set out in his Memorandum and, secondly, to authorise Port Emergency Committees in case of emergency to require for limited periods imports to proceed to their destination by road, rail, canal or coastwise transport at their absolute discretion.

As regards the first point, the Chiefs of Staff recommended a policy on the same lines as that for which he requested authority. As regards the second point, and in reply to a question by the Chancellor of the Exchequer as to the possibility of such action giving rise to considerable claims for compensation, he explained that he proposed that the power should be exercised only if it were essential, and in a great emergency, in specific ports at specific times, and in circumstances in which he would be prepared to defend his action in Parliament. He was afraid that it would not be possible for him to accept the limitation suggested by the Minister of Shipping in the concluding paragraph of his Memorandum W.P. (G.) (39) 134, that such powers should be exercised only in regard to goods either owned or controlled by Government Departments. The Minister of Shipping said that he did not wish to press this point.

In regard to paragraph 4 of his Paper, the Minister of Transport informed the War Cabinet that the Committee referred to had already visited Bristol, Glasgow and Liverpool and had seen representatives of neighbouring ports in those areas. An interim report suggesting lines for immediate action would be ready shortly. The survey showed that 70 to 80 vessels could be handled for discharge overside (50 of them at the Tail of the Bank). In paragraph 31 of the main report circulated in W.P. (G.) (39) 122,
a pool of 250 barges and 25 tugs was recommended, but this could probably be reduced to 140 barges and 17 tugs. Broadly speaking, however, discharge would have to be in coasters and not in barges, because if no more ships could be accommodated in a port, there would probably be no more room for barges. Moreover, it was easier to discharge into coasters than into barges in rough weather. He expected that this Committee would recommend (i) the purchase or charter of 200 small Dutch coasters, reference to which was made in paragraph 62 of the main report, and (ii) the building of as many new coasters as possible up to 100 either at home or abroad, with the suggested capacity of 700 tons with a draught not exceeding 11 ft. 6 in.

He understood that discharge facilities on the West Coast would be improved—

(i) by a relaxation of existing lighting restrictions in dock areas on the West Coast (this was being dealt with by another Committee);

(ii) if power were given to the Port Emergency Committees to require goods to leave the port by any particular form of transport (this was one of his main recommendations);

(iii) if the Departments, particularly the Ministries of Food and Supply, could investigate the possibility of improving the administrative machinery in their Port Agency arrangements; and

(iv) by a review by the Customs and Excise of the existing arrangements for clearing.

The Minister of Shipping said that he supported the recommendations made by the Minister of Transport. He had been able to charter some Dutch vessels, but the Dutch were very unwilling to come forward. He had also placed orders for certain shallow-draught coasters. It was difficult to get barges.

Some discussion ensued on the question of bringing pressure to bear on the Dutch, whose coasting vessels in peace time had been seriously encroaching on United Kingdom coastal trade. It seemed intolerable that these vessels should be allowed to take our trade without interference in peace time, but should withdraw at the first risk of danger. Few were actually laid up in British ports, and it would, therefore, not materially affect the position if we exercised the right of angry which we had exercised during the latter stages of the Great War. It was suggested, therefore, that the threat might be used that restrictions would be placed after the war on Dutch coasters plying between our ports.

The Prime Minister pointed out that this threat must be discreetly worded, since otherwise we should commit ourselves not to discriminate against them after the war if they did assist us in regard to coastal traffic.

The Secretary of State for Air, who had left the meeting, left a Note to the effect that he regarded the Report in the Memorandum by the Minister of Transport (W.P. (G.) (39) 122) as most valuable. The advice of the Air Staff was that all possible measures should be taken to improve the facilities for the ports on the West Coast. If the enemy became desperate, they might well plan continuous and heavy attacks on the East Coast ports, and it would be well to bear in mind that it was by no means impossible that London, Hull and Newcastle would be out of action for weeks at a time. The Air Staff did not regard such possibilities as remote, and it would be well to make our plans with that contingency in mind.

The War Cabinet agreed—

(i) that diversion of shipping should be governed by the principles laid down in the Report of the Chiefs of Staff (W.P. (39) 133) and the Memorandum by the Minister of Transport (W.P. (G.) (39) 122);
(ii) that the Minister of Transport should be empowered, in case of emergency, to authorise a Port Emergency Committee to require for limited periods imports to proceed to their destination by road, rail, canal, or coastwise transport at their own discretion;

(iii) to invite the Secretary of State for Foreign Affairs to consider, in consultation with the Ministry of Shipping and Ministry of Transport, whether any steps could be taken to bring pressure to bear on the Dutch to release their small coastal motor craft to help in meeting the need for small craft for coastwise shipping.

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


   Memorandum by the Minister of Shipping. W.P. (G.) (39) 125.

The Minister of Shipping said that the main conclusion reached in his paper was that it would be inexpedient at the present time to allow any general relaxation of our position in international law as regards the employment of enemy shipping. He thought the whole position should be further examined in detail in relation to the circumstances of particular neutral countries. There were more German vessels in Spanish ports than in the ports of any other individual country, and it was for consideration whether it would be desirable to put pressure on Spain in this matter.

The First Lord of the Admiralty agreed with this view, but pointed out that the tonnage resources of the Allies could be substantially increased if the employment of the German tonnage in neutral ports were permitted.

The Minister without Portfolio remarked that this expedient had been adopted in the Napoleonic wars.

The War Cabinet:—

(1) took no decision on the proposal to charter German Shipping in neutral ports;

(2) agreed that the proposal should be borne in mind.

4. The War Cabinet had before them a Report of the Ministerial Sub-Committee on Food Policy of the Home Policy Committee on Sugar Supplies and Consumption and the Meat Position (W.P. (G.) (39) 129), together with a Memorandum by the First Lord of the Admiralty (W.P. (G.) (39) 133).

The Lord Privy Seal thought that, whilst the issues raised should be considered together, he would for convenience take them one by one. Since the War Cabinet had discussed the question of rationing at the end of October, the position had definitely deteriorated and the future was more uncertain than had then been contemplated.

The sugar position had deteriorated for three reasons. First: At the present time, the total consumption of sugar was about 20 per cent. above the pre-war level. The Minister of Food had made appeals to the public to reduce consumption voluntarily, but these appeals had had no effect. Secondly, the quantity of sugar which it was assumed in October would reach this country had not, in fact, arrived. It was now clear that the supplies from Queensland and other distant parts of the world would only be lifted after
considerable delays. The third factor was the exchange difficulties. Nevertheless, owing to the difficulty of lifting the Australian sugar, we had been thrown back on obtaining supplies from Cuba.

It was clear that we must rely for as long as possible on our Empire and home-grown sugar supplies. If we were to do so, the rationing of sugar must be introduced early in the New Year. Had it been decided in October last to ration sugar, the domestic ration could have been one of 16 ozs., but now all who had considered the problem were satisfied that it would not be safe to start rationing with a larger domestic ration than 12 ozs. per head per week, and a ration for manufacturing purposes equivalent to 8 ozs. per head per week. The problem had been exhaustively considered both by the Official and Ministerial Sub-Committees on Food Policy and, that morning, by the Home Policy Committee. There was unanimous agreement that sugar must be rationed on the basis recommended in the Sub-Committee's Report and that, as regards the domestic ration, we should begin with a ration of 12 ozs. in the hope that it might be found possible to increase the ration to 16 ozs. at a later date. The Minister of Health would explain why he favoured the purchase of more Cuban sugar so as to enable a 16-oz. domestic ration to be more quickly realised.

The Minister of Food endorsed the statement made by the Lord Privy Seal. When the decision to ration butter and bacon had been implemented, steps had been taken to ensure the completion of registration for sugar, and there would thus be no delay in introducing the rationing of sugar.

The Prime Minister enquired the reasons for the abnormal consumption of sugar.

The Minister of Food replied that in the main it was due to the sugar being hoarded, both by the retailers and by the general public. He thought that the retailer would, after rationing started, be anxious to dispose of his hoarded sugar in order to turn over his money as quickly as possible. To the extent that this happened the position would be eased.

The Minister of Health said that the cut proposed was a large one and represented an overall reduction of about 7 ounces in the average weekly consumption of sugar per head of the population. As sugar was a cheap food, the reduction in the domestic ration would fall most heavily on the manual workers, and to this reduction must be added the reduction in the ration for manufacturing purposes. The effect of rationing sugar would merely be to switch over the demand to other foods, notably wheat and margarine. Man was a heat engine, and, in order to sustain his energy, he must be adequately fuelled. It would be necessary, therefore, to replace the cargoes of sugar by cargoes of wheat, or possibly margarine. It was most important that we should, as quickly as possible, supply the public with a ration of sugar of the amount to which the public was accustomed, namely, 16 ounces per head per week. If, owing to the long haul, it was difficult to lift the supplies from Queensland, this made it all the more necessary to purchase and lift the Cuban sugar as quickly as practicable. On these grounds, he urged the purchase of 400,000 tons of foreign sugar rather than the 300,000 tons favoured by the other members of the Home Policy Committee.

The Prime Minister enquired whether it was certain that, if the consumption of sugar was reduced, it would be necessary to make up the deficiency by importing wheat to an equivalent amount.

The Minister of Health said that this was certain when such large amounts were being dealt with. The whole question had been gone into exhaustively in the Great War, when it had been
scientifically determined that, in order to maintain the energy and working capacity of persons in different walks of life, it was necessary that they should consume certain minimum quantities of essential foodstuffs. It had been scientifically demonstrated and experience had shown that attempts to reduce food rations below these minima had invariably been followed by loss of efficiency.

The Minister without Portfolio reminded the War Cabinet that the Mixed Committee of the League of Nations on Nutrition and the Committee on Nutrition in the Colonial Empire had drawn attention to the bad effects on health of a high level of sugar consumption. For this reason he favoured the Committee's recommendations.

The Lord Privy Seal observed that whether the proposed sugar ration was too small or too large was immaterial because it, in fact, represented the maximum ration which in present circumstances it was considered safe to adopt at the outset.

The First Lord of the Admiralty enquired why it was considered necessary to maintain the large reserve of from 250,000 to 300,000 tons of sugar.

The Minister of Food explained that this reserve was necessary to meet distributive requirements, particularly in any grave crisis or emergency.

The First Lord of the Admiralty said that it was difficult for him to resist the imposition of sugar rationing, if the other members of the War Cabinet favoured that course. At the same time he was not satisfied that the state of our sea transport justified the rationing of sugar, and he regretted that it was thought necessary to introduce it.

The Prime Minister thought that all must regret the necessity for rationing sugar, but his mind would be easier if in this matter we took the safe and prudent course. If supplies of sugar turned out to be larger than was now anticipated, so much the better. His own view was that, having regard to the shipping, exchange and Colonial difficulties, we should accept the recommendations in W.P. (G.) (39) 129, including the purchase of 300,000 tons of foreign sugar.

The Lord Privy Seal said that if rationing were not introduced, the country might be faced with a serious shortage of meat. Further, it was difficult without rationing to carry out the policy of controlling home-produced meat, which was necessary in the interests of the Minister of Agriculture's policy for encouraging home production. In the absence of such a policy excessive slaughtering would continue and the risk of a shortage would be still further increased. The public were ready for a system of control and were, indeed, much more interested in fair distribution than worried at the inconvenience of a rationing system. The Sub-Committee of Ministers had therefore suggested that a decision should be taken now on the general principle, but that it should be left for later decision what the actual amount of the ration should be. To make their proposal clearer they wished to amend recommendation (3) on page 6 of their Memorandum, to read as follows:

That meat rationing should begin not later than the 5th February, 1940, but that the amount of the ration should be reserved for determination at a later date.

The First Lord of the Admiralty said that in his opinion the case for rationing had been made out only by the adoption of arbitrary assumptions as to the need for building up a reserve and
for providing supplies for the French, and as to probable diminutions in home and imported supplies. He did not consider that the case had been properly made out, and he thought that the adoption of rationing would be used as an argument to prove the success of the German campaign against our trade.

The Lord Privy Seal explained that the French had co-operated with us very helpfully both in the matter of meat purchases and in the case of wheat. The Committee had therefore thought it very important that we should go as far as we could in helping them.

Sir Henry French said that the ration was expected to amount to 20 ounces as against 16 ounces in the Great War.

The Minister of Food explained that he was going to take over the purchase of all home-produced livestock from the 15th January, 1940, and would have to devise some suitable machinery for passing it on to the butchers in accordance with the needs of their customers. Registration without rationing would make it possible to estimate the needs of districts, but rationing was necessary to make possible a fair allocation as between individual shops.

The Minister of Agriculture and Fisheries said that it had been well known for some time that in the event of war the Government intended to become the buyers of all livestock for slaughtering at a guaranteed price, and if there were to be any abandonment of this policy, it would be regarded as the breaking of a pledge and slaughtering would become even heavier. It was also generally agreed that the system of Maximum Prices could not be worked for any length of time and there had, in fact, been widespread abuses under it, which were demoralising the countryside. There was no glut of meat at present and prices had, in fact, hardened somewhat since the removal of the Maximum Prices Order; if the market were left free, there was no knowing to what level prices might rise, more particularly if there were any diminution in imported supplies by the sinking of a few ships. The right policy, therefore, was to take control of the market while it was still possible to do so at a reasonable level, and this was the object of the Committee's recommendations.

In answer to questions, the Minister of Food explained that it was not proposed to pool home and foreign supplies in allocating meat to butchers. The ration was to be based on price and not weight, because this had been proved, by the experience of the Great War, to be the best basis. A figure could not be fixed now because it was impossible to say either what quantities of meat would be available or how prices would stand in the future, but with these two factors in mind a definite proposal would be put to the War Cabinet in the New Year.

The War Cabinet agreed—

To accept the recommendations contained in paragraph 11 of W.P. (G.) (39) 129, subject to verbal amendments to paragraph (i) in regard to sugar, and to paragraph (iii) in regard to meat. The recommendations as accepted by the War Cabinet are as follows:—

I.—(i) Sugar.—That sugar should be rationed as from the 8th January, 1940 (the date on which bacon and butter are being rationed), and that the sugar ration should be 12 ozs. per head per week for domestic consumption, manufacturers being supplied with approximately 50 per cent. of their normal requirements, which is equivalent to a ration of a further 8 ozs. per head per week for the population.
(ii) That the arrangements should be based on the acceptance of column 5 of the Table to Appendix I, namely, foreign purchases of sugar of 300,000 tons, and rations of the amount mentioned in (i) above.

(iii) That it should be noted that the decision in (i) above need not be announced before the 27th December.

II. (i) Meat.—That consumers should register with retailers of meat during the week beginning the 1st January, 1940.

(ii) That the scheme for the control of livestock and home-produced meat should be brought into operation on the 16th January, 1940.

(iii) That meat rationing should begin not later than the 5th February, 1940, but that the amount of the ration should be reserved for determination at a later date.

(iv) That it will not be necessary to make any announcement in regard to (i) and (iii) above until after Christmas; the decision in regard to (ii) above has already been announced, without mention, however, of any specific date.

(v) That the French tonnage requirements for the shipment of frozen meat should be further examined by the Minister of Shipping, in consultation with the Minister of Food.

The Lord Privy Seal said that, as explained in the Memorandum, the Ministerial Sub-Committee were of the opinion that the reserve stock of wheat should be built up as quickly as possible to 13 weeks’ supply. This was the lowest level touched in the last war, and must be regarded as the bare minimum, but it would in any case take until the end of March to reach this level. This was on the assumption that the Minister of Shipping would make importing capacity of 880,000 tons per month available for the import of cereals, by giving absolute priority to this form of import and by giving priority within the field of cereals to the importation of wheat for human consumption. They had considered whether to extend the rate of extraction of flour, but had decided that this was a measure only to be taken in a grave emergency, more particularly as it would involve a reduction in the supply of offals for animal feeding stuffs.

The question of alternative supplies from France was discussed. The Minister of Food said he was trying to extend this source of supply, but it was to some extent limited by loading facilities. The intention was to replace the wheat loaned to us by the French by wheat landed at Marseilles, imported perhaps from Roumania.

The Secretary of State for War said that he had not previously heard of the difficulty referred to in paragraph 7 of W.P. (G.) (39) 132 about men for threshing. The Lord Privy Seal explained that in the course of the Food Policy Committee’s enquiry it had become apparent that, if an emergency arose in which it was desirable to press on with threshing the home crop, every skilled man would be required, and, though the numbers might only amount to a few
hundreds, it might well be impossible without them to utilise our emergency reserves. The Minister of Agriculture pointed out that many of these men were Reservists or Territorials.

The War Cabinet agreed:—

(i) that a reserve of 13 weeks' supply of wheat in the mills and granaries should be regarded as a minimum;

(ii) to approve the measures taken by the Minister of Food in conjunction with the Minister of Shipping with a view to achieving this position by the end of March 1940;

(iii) to note that the rate of extraction of flour had already been raised from 70 per cent. to 73 per cent. and to approve keeping in reserve as an emergency measure any further rise in the rate of extraction;

(iv) to approve the policy indicated in paragraphs 8 (ii) and 10 of W.P. (G.) (39) 132 as to the balance of importance to be attached to the import of wheat and of animal feeding stuffs;

(v) to invite the Secretary of State for War to consult with the Minister of Agriculture and Fisheries with regard to the release of skilled men from the Army for threshing the Home Wheat Harvest for the period up to the 31st March, 1940.

Richmond Terrace, S.W. 1.

December 6, 1939.