CONCLUSIONS of a Meeting of the War Cabinet held at 10 Downing Street, S.W. 1, on Tuesday, July 28, 1942, at 5.30 p.m.

Present:
The Right Hon. WINSTON S. CHURCHILL, M.P., Prime Minister (in the Chair).
The Right Hon. C. R. ATTLEE, M.P., Secretary of State for Dominion Affairs.
The Right Hon. Sir JOHN ANDERSON, M.P., Lord President of the Council.
The Right Hon. OLIVER LYTTELTON, M.P., Minister of Production.
The Right Hon. Sir KINGSLEY WOOD, M.P., Chancellor of the Exchequer.
The Right Hon. Sir ARCHIBALD SINCLAIR, Bt., M.P., Secretary of State for Air.
The Right Hon. LORD LEATHERS, Minister of War Transport.
Mr. HARCOURT JOHNSTONE, M.P., Secretary, Department of Overseas Trade.

The following were also present:
The Right Hon. ANTHONY EDEN, M.P., Secretary of State for Foreign Affairs.
The Right Hon. ERNEST BEVIN, M.P., Minister of Labour and National Service.
The Right Hon. VISCOUNT CRANBORNE, Secretary of State for the Colonies.
The Right Hon. Sir JAMES GRUGG, M.P., Secretary of State for War.
The Right Hon. R. S. HUDSON, M.P., Minister of Agriculture and Fisheries.
The Right Hon. LORD WOOLTON, Minister of Food.

Mr. NORMAN BROOK.

Secretariat.

Sir EDWARD BRIDGES.

[24187—1]
WAR CABINET 38 (42).

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The War Cabinet had under consideration the following Memoranda on the shipping situation:

Review of the War Situation—Memorandum by the Prime Minister (W.P. (42) 511).

Memorandum by the Lord President of the Council (W.P. (42) 294).

First and Second Reports of the Shipping Committee (W.P. (42) 293 and 310).

Statistics relating to the Shipping Situation (W.P. (42) 316).

The broad picture presented by these Memoranda was that, over the eighteen months from the beginning of 1942 to the end of June 1943, non-tanker imports into this country might be expected to total 33 million tons, while the consumption of imported food and raw materials would, if consumption policy remained unchanged, total 41.4 million tons. To bridge the gap of 8.4 million tons, it was suggested that stocks might be run down by 4 million tons, and that various consumption economies might be introduced which would produce a saving of 1.4 million tons of imports during the period. In order to close the remainder of the gap, it was recommended that the United States authorities should be pressed to increase the tonnage of shipping to be allocated to areas for which we were responsible so as to enable us to bring in an additional 8 million tons of imports during the first half of 1943.

The War Cabinet held a preliminary discussion of these proposals, in the course of which the following points were raised:

(a) The Minister of War Transport said that in his negotiations with the American authorities regarding the shipping requirements for the Bolero movement, he was asking for further assistance from American shipping to the extent of 500,000 gross tons in the period of nine months from the 1st July, 1942, to the 31st March, 1943, and 1,500,000 gross tons in the second period of nine months from the 1st April, 1943, to the 31st December, 1943. If this assistance were forthcoming, he estimated that over that period of eighteen months it would be possible to increase our imports by rather more than 7 million tons. Although the period of his calculations was different, the additional shipping which he was asking the American authorities to provide would serve to bridge the gap of 3 million tons of imports in the period of eighteen months ending the 30th June, 1943.

The Prime Minister said that our approach to the United States authorities must be put on the basis that sufficient shipping must be provided to enable us to import 25 million tons in 1942 and 27 million tons in 1943. These import programmes must be regarded as irreducible minima, and must have the first call on the shipping available. Shipping for the Bolero movement must rank second in priority to the requirements of this import programme, for the Bolero requirements were subject to variation if not in quantity, at any rate in time. The completion date of the Bolero movement could, if necessary, be postponed for one or two months if it became necessary to use the shipping which would be set free by such a postponement for fulfilling the needs of our minimum import programme.

(b) It was already clear that there would not be enough shipping to complete the Bolero movement unless the United States authorities revised their scales of Army equipment and maintenance. Even if the initial equipment was cut from 9 tons...
to 6 tons per man, there would not be sufficient shipping to
transport and maintain the numbers originally contemplated. In
the light of our own experience, it seemed likely that the United
States Army were working to excessive scales in such matters as
requirements of ammunition per unit.

The Minister of Production said that he had already arranged
for these matters to be taken up with the United States Army
authorities in Washington. He was also exploring the possibility
of securing further shipping economies through interchangeability
of equipment, on the basis that American troops operating from
here would make the maximum use of equipment produced in this
country, while comparable equipment produced in the United States
would be shipped direct to overseas theatres of war for use by
British or American troops. It would also be necessary to persuade
the Americans to reduce the scale of their stores and equipment.

(c) The need for these economies could be represented more
forthrightly to the American authorities if we ourselves had taken steps
to enforce still further economies by our own fighting Services.

There was room for further economy in the use of shipping for
military purposes. Though much progress had been made in recent
months, there were still greater savings in shipping space to be
secured through improved packing of vehicles. The methods which
had been applied with success to the packing of load-carrying
vehicles might profitably be extended to other types of vehicle, and
possibly to guns and other articles of equipment. In general, the
Services must find means of securing an overall economy in their use
of shipping space.

The Prime Minister said that, as our Forces now had to fight
overseas, it was essential that they should learn to travel light. It
followed that further measures must be taken to cut down to the
bare minimum the establishments of the rearward formations.
There must be a searching enquiry into the use of man-power in the
three Services with a view to reducing the numbers of ancillary and
non-combatant personnel, thereby facilitating any necessary
increases in combatant troops. An enquiry into this question should
be held by a Committee of Cabinet Ministers.

The Secretary of State for War said that the Prime Minister
had previously carried out a similar scrutiny of Army establish­
ments when the size of the Army had been determined. It would
probably be found to be difficult to secure any substantial further
reduction in the numbers of ancillary troops, since the Army's new
task of undertaking operations overseas called for a larger com­
plement of ancillary troops. He suggested that, if a further
enquiry was to be held by a Committee of War Cabinet Ministers,
the procedure must be to fix the global total to which establish­
ments should be related, and to leave the military authorities to work out
the numbers of particular establishments in relation to that total.
It would not be practicable for such a Committee to scrutinise the
strength of particular units and establishments in detail.

Reference was also made to an enquiry into the scale of
provision of motor transport for the British Army. The Secretary
of State for War explained that the scope of this enquiry had been
altered in the light of the new strategical role of the Army, and the
Report had only just reached him. The Prime Minister hoped that,
as a result of this Report, some substantial reduction might be made
in the numbers of motor vehicles supplied to the Army, and he
asked that proposals should be submitted to the War Cabinet as
soon as the Report had been considered.
In discussion of possible cuts to be made in the consumption of imported food and raw materials, reference was made to the suggestion that bread might be rationed. The main arguments in favour of this course were—

(i) That there was serious waste, considerable quantities of bread being fed to poultry.

(ii) That the saving in shipping tonnage would be considerable.

(iii) That the rationing of bread would have a powerful effect on the United States and would facilitate our negotiations with them on shipping matters.

The Minister of Food explained that, so long as bread was unrationed, it provided a "cushion" which enabled the various needs of the different classes of the community to be met.

The possibility of rationing bread in conjunction with the points scheme had been considered by the Lord President's Committee, but the decision so far had been that, while a scheme should be kept ready for use in case of emergency, it should not be adopted at present.

It was agreed that this matter should be further considered by the Lord President's Committee.

The question was raised whether we ought to increase the merchant shipbuilding programme.

The Minister of War Transport thought that it would be better that any increase in the merchant shipbuilding programme should be concentrated in the United States rather than that we should import additional steel to build more ships here.

The First Lord of the Admiralty thought that any surplus shipbuilding capacity in this country had better be devoted to building additional escort vessels and auxiliary aircraft-carriers rather than to merchant shipbuilding.

The question was raised whether we could use in this country any of the new methods which had been applied so successfully in America.

The First Lord of the Admiralty said that enquiry had shown that on the sites available it was not practicable to apply the new methods of shipbuilding in this country except at the cost of deflecting war effort from other essential war industries. If the shipbuilding programme was to be extended, it would be better to bring into use certain yards not at present employed.

Reference was made to the experiments in building concrete ships.

The First Lord said that barges and small craft were now being made of concrete, and the question of building tank-landing craft of concrete was being examined. He undertook, in conjunction with the other Departments concerned, to examine a suggestion that the specifications for fitting out tank-landing craft, e.g., the crews' quarters, were on a more elaborate scale than was necessary when account was taken of the length of the voyages which these craft were likely to have to undertake.

(f) In connection with the agricultural programme, the Minister of Agriculture and Fisheries said that, while the United States had provided practically all the extra heavy tractors required, his demand for 1,150 more medium tractors had not been met, except in so far as he might be able to get the temporary loan of some of the 1,200 tractors promised by the United States primarily for military use in this country, the precise allocation of which remained to be determined by the authorities here.
The War Cabinet were informed that a number of these tractors were used by the War Office on building work, excavations, and so forth. Interdepartmental arrangements were being made for central consideration of means for securing the best utilisation of tractors.

The War Cabinet reached the following provisional conclusions:

1. An approach should be made to the United States Government, asking them to give us a definite undertaking that they would allocate to areas for which we were responsible sufficient tonnage to enable us to carry through a non-tanker import programme of 25 million tons in 1942 and 27 million tons in 1943. The Foreign Secretary and the Minister of War Transport were asked to consult together as to the form which this communication should take and the basis on which it should be stated.

It should be made clear that these figures of 25 and 27 million tons represented an irreducible minimum and must have first call on the shipping available.

2. Appropriate measures should be taken to bring home to the United States authorities the need for reducing the volume of stores to be brought to this country in the Bolero movement. This matter would primarily be handled by the Minister of War Transport, who was in consultation with the United States authorities on Bolero shipping requirements, and the Minister of Production, who would press the Americans to use British equipment wherever possible.

3. The War Office and the Air Ministry should continue to press the use of more economical methods of packing vehicles of all types, and should seek means of securing an overall economy in their use of shipping space.

4. The Secretary of State for War undertook to report on the economies which the War Office could effect in the scale of provision of Army vehicles.

5. A Cabinet Committee was appointed comprising:

   The Deputy Prime Minister (Chairman),
   The Lord Privy Seal,
   The Foreign Secretary,

   to examine the establishments of the three Services. The object of this enquiry would be to reduce the overall numbers in non-combatant roles, and thus to facilitate any necessary increases in combatant troops.

6. The following economies in consumption proposed in W.P. (42) 294 were approved:

   (a) Increased food yield of the 1942 harvest, 500,000 tons. The Ministers concerned were invited to take all necessary steps to obtain this extra amount of food off the farms.

   (b) The dilution of bread, to the extent of 5 per cent., with oats and potato flour, the estimated import saving being up to 300,000 tons.

   (c) Economies in steel and steel-making materials, 400,000 tons.

   (d) Economies in materials other than steel, 200,000 tons.

7. The Lord President’s Committee were invited to examine further the question whether bread should be rationed, and to report to the War Cabinet.
(8) The First Lord of the Admiralty undertook—

(a) To obtain a report from the United States as to the experiments in building concrete ships.

(b) To examine, in consultation with the other Departments concerned, whether the standard adopted in fitting out tank-landing craft was unnecessarily elaborate.

(9) The discussion would be resumed at a further meeting in, say, a week's time,* when the various points raised would be further considered in the light of reports to be furnished by the Ministers concerned.

* At the Meeting of the War Cabinet held on Thursday, the 13th August (W.M. (42) 112, Minute 4), it was agreed that the above Conclusions should be confirmed, and that a further Meeting should be held towards the end of August, when progress should be reported as to the action taken under the various heads.

Great George Street, S.W. 1,
July 29, 1942.