WAR CABINET.

JOINT WAR PRODUCTION STAFF.

Memorandum by the Minister of Production.

THE Sub-committees of the London Munitions Assignment Board brought into being as a result of the Washington Conference have been operating in the past month, and assignments are being made in London and Washington in accordance with the scheme.

The main Board will consist of:
- The Assistant Chief of Naval Staff (Weapons),
- The Assistant Chief of the Imperial General Staff,
- The Air Member for Supply and Organisation,

together with representatives of the United States, sitting under my chairmanship.

2. The Raw Materials Assignment Board, under Mr. Batt, is also in operation in Washington.

The arrangements for instructing and supplying information to our representative on this Board are working smoothly. In order that the Empire situation may be fully presented, an Empire Clearing-house has been set up in London to centralise the requirements and statistics of the Dominions, India and the Colonial Empire.

3. The Washington Agreement provided for combined* action regarding finished munitions, raw materials and shipping; but it did not make any proposal for preparing a combined or co-ordinated production plan.

This is a serious gap, for production programmes must now be reconsidered.

In our own case, this review must take account of three sets of facts:

(a) When our present plans reach their peak, there will be no appreciable margin for further expansion. Fresh requirements must therefore be met by substitution and not by gross increase of programme.

(b) The change in the military situation must cause some radical shifts in the balance of our war production.

(c) In order to avoid waste of effort, our production programmes must dovetail into American plans much more closely than before.

It is therefore proposed that:

A Joint War Production Staff† should be set up: (i) to study and advise the Minister of Production on adjustments or extensions of our war production programmes in the light of the strategical needs of the United Nations and the production programmes of Empire and Allied countries; (ii) to keep the Chiefs of Staff informed on the production situation and possibilities; (iii) to supply the information required by the British representatives on the combined bodies set up under the Washington

* Anglo-American.
† Military and Civil.
Agreement to deal with the pooling of Allied resources; (iv) and to control and centralise the demands of British Production Departments on American and other overseas sources of supply.

The Joint War Production Staff should consist of the chief adviser to the Minister of Production on Programmes and Planning, the chief technical officers of the Ministry of Supply and Ministry of Aircraft Production, the Controller of the Admiralty and representatives of the Service Chiefs of Staff. Representatives of the Ministers of Labour and of War Transport would be consulted as occasion required.

The Minister of Production, or in his absence his representative, would preside at meetings of the Staff.

The members of the Joint War Production Staff should be served by a small permanent Joint War Production Planning Staff, which will include Officers detailed by the Service Departments, Production Ministries and Ministry of War Transport.

From time to time American representatives would be invited to sit with the Joint War Production Staff and thus constitute a combined Production Board.

It is proposed to inform Mr. Nelson of this plan and it is expected that a body with similar functions will be set up in Washington.

4. The Joint War Production Staff and the London portion of the combined bodies referred to in paragraphs 1 and 2 of this memorandum will be served by a common Secretariat composed of Service and civil personnel.

O. L.

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