

Parliament

DEFENCE POLICY

SIR T. INSKIP ON HIS PLANS

TRANSFER OF STATE FACTORIES

AIR FORCE EXPANSION

HOUSE OF LORDS

MONDAY, JULY 20

In the absence of the Lord Chancellor, the EARL OF ONSLOW, Chairman of Committees, took his seat on the Woolsack at 3 o'clock.

THE KING

MESSAGES FROM ABROAD

THE EARL OF ONSLOW said that the Lord Chancellor had received from M. Jules Janenney, the president of the French Senate, a telegram, of which the following was a translation:—

The French Senate has received in the greatest indignation the news of the danger with which His Majesty King Edward VIII was threatened yesterday. At this time, when your Sovereign is about to come to this country for the commemoration of the trials and glories which were shared in common by the two nations, the members of the Senate unanimously desire to convey to His Majesty an expression of their profound respect and to the British nation an assurance of their faithful friendship. I should be grateful if you would be good enough to convey this message to the House of Lords.

The Lord Chancellor had received also a telegram from the Italian Chargé d'Affaires containing a message from the Senatore Perzoni, president of the Senate of the Kingdom of Italy, of which the following was a translation:—

The Senate of the Kingdom of Italy expresses through me its sentiments of profound execration for the criminal attempt against His Majesty King Edward VIII and its most sincere congratulations on the fact that the life of the august Sovereign has been providentially preserved for the affection of his people.

The Lord Chancellor had sent suitable acknowledgments to these telegrams.

BILLS ADVANCED

The London and North Eastern Railway (London Transport) Bill, the London and North Eastern Railway (General Powers) Bill, and the Abxbridge Rural District Council Bill were read the third time and passed.

JAPAN AND CHINA

PLEA FOR NEW BRITISH APPROACH

EARL PEEL called attention to the present situation of affairs in Northern China, and urged for papers.

The noble earl said that up to the end of last year smuggling into China was not extensive and was controlled by the Chinese, but in the last few months smuggling had gone on on so large a scale that it could hardly be

League, of all those nations which were concerned in maintaining peace and good relations in the Far East would be the line on which we should develop, and nations not members of the League should be invited to sign such a pact.

LORD NEWTON said that the case for the Japanese was far stronger than was generally realized. Japan had been very badly treated by Europe for the past 40 years. Our repudiation of the Japanese alliance was one of the most fateful actions that we had perpetrated in recent years.

The termination of that treaty was so unfortunate because it hardened the Dominions in their extremely short-sighted policy of definitely excluding the Japanese from the immense tracts of land in their possession, for which, in coming days, the Dominions might pay dearly. We had turned a friendly and powerful nation into a potential enemy and there was nothing to show as a result of our action. This was a case in which we ought to exercise patience and negotiation.

“A NEW ANGLE” FROM CHINA

LORD ADDINGTON said that there was room for all in the Far East and the interests of Japan, China, and ourselves did not conflict. In a prosperous and united China lay the interests of the nations of the Far East and those of the West. It was in such cooperation in building up the prosperity of China that Japan would find her true outlet and at the same time win the esteem and gratitude of her neighbours. The patriotic movement in Japan had within itself an exemplary spirit of self-sacrifice and devotion.

The motion was treated from a new angle in a telegram he had received from Dr. H. H. Kung, Minister of Finance of the Central Government of China, Nanking. Dr. Kung said that the world to-day was in a state of chaos and degeneracy and disintegration because men were dominated by selfishness, jealousy, and materialism. Only a new moral and spiritual guidance of a Higher Will could change human nature and conciliate men and nations so that there might be peace on earth and good will among men. He (Dr. Kung) believed that the principles and discipline of the Oxford Group movement would help to bind all the nations together and that common moral and spiritual awakening which was urgently needed to evolve a new and better social order.

GOVERNMENT REPLY

POLICY OF THE “OPEN DOOR”

EARL STANHOPE, First Commissioner of Works, said that he entirely disagreed with the view that China must go under either Russia or Japan. (Hear, hear.) They desired Northern China to remain under the Central China Government. To suggest that Northern China was under settled conditions or in a condition of which any friend of China or Japan could approve was something they must disagree with. Conditions were so unsettled that the increase of smuggling was having an immense effect throughout China. Vast masses of goods were pouring in, and the Chinese Customs service had not been allowed to carry on, with the result that there was no method of checking this smuggling. It was hardly to be described as smuggling, because it had been given recognition by the anti-Communist administration, who now imposed a levy of a reduced tariff on these smuggled goods and kept the proceeds for their own purposes. That was unfortunate, not only for China, but for every country which traded with China.

He agreed that there was ample room for all countries to trade with China. Russia was not in an aggressive mood, and was merely taking up a defensive position. A great deal of trade along Mongolia and in Manchuria was ill-defined, but the present proposals for the definition of frontiers could be agreed on which they might hope that the incidents which had been occurring somewhat frequently of late might be prevented hereafter.

We had a considerable trade with China, and we could not in these hard times afford to give up British trade in any part of the world, so that China was of considerable interest to us. The view of the Government had been strongly throughout that they should endeavour to continue and improve friendship between this country and Japan, although perhaps they did not go so far as to suggest that they should come to an agreement with Japan. The Government thought it would be difficult to

Italian Government were recently invited by the Belgian Government, in accordance with the terms of the *communiqué* issued at Geneva on July 3, to take part in certain conversations with His Majesty's Government and the French and the Belgian Governments. The Italian Government, however, declined. The answer to the last part of the question is, “Yes, Sir.”

THE MONTREUX AGREEMENT

Mr. THORNE (Pleaislow, Lab.) asked the Secretary of State for Foreign Affairs if he could give the House any information in connexion with the agreement reached by the various Powers in conference relative to the fortification of the Dardanelles.

Mr. EDEN.—I am happy to say that the delegations of the Powers assembled at Montreux have reached agreement upon the text of a new Straits Convention. It is hoped that this new Convention will be signed this evening, but until it has actually been signed I should prefer to make no further statement. Moreover, as honourable members will see from the summaries that have appeared in the Press, the provisions of this Convention are highly technical and it would be difficult to state them adequately in reply to Parliamentary questions. I am accordingly arranging to publish the text of the Convention as a White Paper at the earliest possible date, and when this has been done I hope to take an early opportunity of making a full statement on the subject.

GROWTH OF ARMS

REASONS FOR GOVERNMENT POLICY

Mr. SHINWELL (Seaham, Lab.) asked the Prime Minister whether he could state what was the special feature of the European situation which justified the Government in pursuing the policy of increasing armaments; whether the Government was in possession of information which supported that policy; and whether he could take the House fully into his confidence.

Mr. BALDWIN (Bewdley, U.)—This is not a matter which can be dealt with by question and answer, but I may say that the main features which justify the policy of the Government with regard to armaments are the growth of armaments in other countries and the general insecurity of the international situation.

FIJI LEGISLATIVE COUNCIL

CHANGES IN CONSTITUTION

Mr. T. WILLIAMS (Don Valley, Lab.) asked the Secretary of State for the Colonies if he was now in a position to make any statement with regard to the proposed change in the Constitution of the Fiji Legislative Council.

Mr. ORMSBY-GORE (Stafford, U.)—Yes, Sir. As a result of representations made to me regarding proposed changes in the Constitution of Fiji, I have decided to recommend to His Majesty that there shall be a reconstituted Legislative Council consisting of the Governor, 16 official members, five European members (three to be elected on a communal franchise and two to be nominated), five Fijian members (all to be selected as at present), and five Indian members (three to be elected on a communal franchise and two to be nominated). The determination of the details of the new Constitution will necessarily occupy some time, and in order to provide an interval for these steps have been taken to enable the life of the existing Legislative Council to be prolonged until December 31, 1936, or such other date not being later than July 14, 1937, as may be fixed by the Governor by proclamation.

Replying to Mr. M. JONES (Caerphilly, Lab.), Mr. ORMSBY-GORE said he had received many representations from the people of Fiji on the matter and, as a result, he had come to the conclusion that this was the best solution of a very intricate problem.

GERMAN OUTLAY ON ARMS

Mr. CHURCHILL asked the Chancellor of the Exchequer whether he was aware that the expenditure by Germany for armaments purposes directly and indirectly connected with military preparations, including strategic roads, might well have amounted to the equivalent of the cost of the new firm.

expansion on a growing scale are constantly taking place. I am not aware of any anxiety in any quarter of the House as to the naval position. (Hear, hear.) Here certainly is cause for confidence in all parts of the Committee. The party opposite certainly cannot complain of the Government about the naval expansion, for are not they the people who have been contemplating a naval blockade? (Hear, hear.)

When I last spoke I referred to the War Office as having started on their programme later than the two other Departments, but it was through no fault, of course, of the Secretary of State. But in the course of the last two or three days an announcement has been made which I am sure interested the House and is one of considerable importance: the announcement that Engineer Vice-Admiral Sir Harold Brown was to be appointed as the Director-General of Munitions Production—a title almost as magnificent as my own (laughter) in the War Office.

May I collect one impression that has been produced—namely, that his appointment is intended to relieve me or to extend to all three Services? He has been appointed indeed to help to carry the heavy load imposed upon the War Office, a load borne with so much devotion by the distinguished leaders of the branch in the War Office, who most certainly have not spared themselves in the performance of their arduous duties. The Director-General will take over what I may truly describe as a going concern. He will find that the regular sources of supply are being used to their utmost capacity. It is quite a misapprehension, which I find sometimes arises, that the deficiency programme was entered upon, there had been no normal production. It is true there was production on a small scale, but at any rate now what I describe as the regular sources of supply, the professional firms and others, have been and are now in receipt of orders on a yearly basis which will strain their capacity to the utmost.

SHELL SUPPLY

New sources have had to be opened. It is not so easy as some hon. members think to open new sources of supply for munitions. I say that not to excuse any delay, but that the matter may be seen in its true proportion. If I may take as an example one set of munitions which I mentioned last time, shell and shell components, there are certain firms of course that are accustomed to produce them. They know the technique, they are familiar with the processes, they have the plant, they have received orders in the past, and they need no education.

But the new firms which are to undertake the completion of what is really a formidable programme have not only to be inspected but they have to be classified. They have to be examined for their capacity and they have to learn to understand and to operate the processes shown in the manuals that have had to be prepared. Draft heads of agreement have to be considered, and any hon. member who thinks that he can immediately increase the output of shell and shell components running over the country giving an order to an engineering firm of experience can be but little familiar with the processes to which I have referred. I am happy to say that these preliminary stages, inevitable and elaborate as they are but still only preliminary, have been passed.

Fifty-two new firms have been offered contracts for the supply of ammunition, and of these 22 firms at least are to be in a position to start up to a date of 10 days or a fortnight ago, 14 have accepted term contracts. The rest are in process of making the technical examination of the processes and layout of plant which will enable contracts to be accepted, and when that is so, with the production of the Government factories, which of course is in progress the whole time, the regular sources of supply will be able to meet seven-eighths of the total requirements of the Government in shells and fuses and cartridge cases will have been provided. That indeed is not an unsatisfactory result. It is quite true that we must take care that delivery and performance come up to promise.

FACTORY EQUIPMENT

That is a subject, of course, which has received the most careful attention in the Department, and to some extent it will come constantly under my review. I have no reason to believe that the firms, all firms of good standing with a great deal of skill in their work and management, will be unable to perform

use of this factory, and perhaps he will be astonished that his suggestion should find such swift acceptance; but indeed it is a decision which had already been arrived at before I received his letter.

THE SUPPLY OF LABOUR

It may be asked what provision is going to be made for the additional labour when the further expansion takes place in the professional armaments firms or at Woolwich, or Woolworth, or at the new factory at Nottingham. So far as Nottingham is concerned, pivotal men will be transferred from Woolwich Arsenal. The new demands there will, as experience shows, undoubtedly draw a number of men skilled in engineering who have possibly drifted away from the industry altogether, but have not lost their skill, and together with the supplies of skilled men, if there be any, who have not yet found employment in the engineering industry, I hope and trust that by the time the factory is equipped there will be no difficulty in finding the necessary labour to bring it into swift production.

Mr. LOGAN (Liverpool, Scotland, Lab.)—What type of engineer is referred to?—Fitters or turners?

SIR T. INSKIP.—I imagine that both fitters and turners will be wanted in the production of guns at the new Nottingham factory. I will have some observations to make later about labour and the supply of labour. I wish I could say that the man-power of the Regular and Territorial Armies was on the whole as free from anxiety as the question of munition production. (Ministerial cheers.) My right hon. friend the Secretary for War has given facts and figures which I shall not repeat. Guns can be made and bought; thousands of searchlights for air defence can be produced; scientific aids may be brought to the assistance of the guns, and I think that the confidence that can be obtained by this Government as the result of enlisting industry, and that is the man-power that must go behind the searchlight or the gun.

OPPOSITION UTTERANCES

One thing I deplore, I think with almost every one probably in this Committee, is the utterance of the right hon. gentleman the Leader of the Opposition. (Ministerial cheers.) My right hon. friend the Prime Minister made some observations about it on Saturday. I shall say no more than this about it: the right hon. gentleman himself served in the Great War with distinction. He must be aware that some force is inevitable; even under a Labour Government there will have to be some microcosm of a Navy or Army or Air Force.

Mr. MONTAGUE (Islington, W., Lab.)—Who said otherwise?

SIR T. INSKIP.—Let the hon. gentleman listen and follow what I am saying. I quite agree, “Who said otherwise?” The Leader of the Opposition has said that the Government would appeal to him in vain to support recruiting, because he might leave the foreign policy and the armaments policy of the Government. (Opposition cheers.) What does that mean? Inasmuch as it is admitted that there must be some Forces of the Crown, does the right hon. gentleman the Leader of the Opposition mean to punish the Government by sacrificing the men who have joined? (Ministerial cheers.) Do hon. members mean to leave the Government and the centre of employment and their own homes undefended and at the mercy of an invader because the right hon. gentleman distrusts our foreign policy?

SIR T. INSKIP.—The hon. gentleman will know who the invader is when his house is bombed. (Ministerial cheers.)

Mr. THORNE.—No one is going to attack this country; we may attack someone else.

A STATEMENT BY MR.

LLOYD GEORGE

SIR T. INSKIP.—Inasmuch as the right hon. gentleman on a well-known occasion was so much indebted to the right hon. member for Carnarvon Boroughs (Mr. Lloyd George) for stating his case, perhaps I may quote some observations which the right hon. member for Carnarvon Boroughs made yesterday: “In the Sunday Express of July 19 the right hon. gentleman said:

It is far easier for a strong country to attain its objects by peaceful diplomacy than a weak one. The only observation is it is far easier for a strong

actual position in the air expansion of other Powers.

It would not be proper for me to disclose any facts and figures with regard to other Powers or to our own production, but it is the Government's main duty to meet and to carry out a programme to match that expansion, whatever it may be. (Cheers.) I believe that is the decision of the country, whatever hon. gentlemen opposite may desire or think.

It is worth while considering what is the basis of such computation. The analogy of naval calculations is most misleading. When Mr. Churchill was making his historic speeches in 1912-13, his critics were comparing the strength with German naval strength ship by ship. The simplicity of such calculations has led many people into the error of comparing the figures of first-line air strength with regard to the Air Force.

That is a fallacious comparison. (Hear, hear.) In the first place it would be necessary to define first-line air strength in terms of reserves for it is not always a phrase that is used in the same sense. But a better reason is that such calculations take no account of Great Britain's special position.

DEFENCE THE AIM

REPLY TO THE OPPOSITION

Defence is the purpose of this rearmament, and I repeat that over and over again. (Hear, hear.) Defence is the purpose of all our strategic plans, and that knocks the bottom, incidentally, out of what is now becoming a commonplace in the propaganda of the party opposite and in the Press, when they ask: “What is the use of all this armament?” Its use is the defence of your homes, and of your food. (Hear, hear.) I have not the least doubt that, if ever unhappily trouble arose, hon. members opposite would expect to be like the rest of us. The defence of this force is plainly defence and nothing else.

Having regard to the position of Great Britain, its strategic requirements as a whole have to be considered. Other countries may have a different balance of air force. An Air Force which we might possess, with an exact correspondence with this or that machine, might be most unsuited to defend our shipping, our ports, our estuaries, and our homes. Superiority, or even equality, in air defence depends not on an exact balance of machine with machine, but on proper adjustment of all the forces used, with proper skill which is available.

The Chiefs of Staff and the Joint Manning Committee have been making a study of the control and production of merchant shipping. They have been concerning plans which are an obvious necessity for naval and air cooperation, and on these plans depends our security. The Air Force must be devised not to fit in exactly with opposite numbers in the air force of another Power, but to fit in with the strategic plans devised for the defence of the country as a whole.

NEW TYPES OF AEROPLANES

There is another consideration. Hon. members will agree that what they saw at Hendon was a new type of machine. British constructors are not likely to lose the leadership which they have gained in aircraft construction. (Hear, hear.) The expansion plans of the Government, even if you take them back to 1935, when the Air Force began to expand, coincided with a great change in service machines. New types in design, taking advantage of more powerful engines, came into production, and to the pilot the serviceability of the machine is all-important. His equipment is everything.

The equipment of the expanded Air Force must be that most suitable for the emergency which it is designed to meet, and I am in a position to say, happily, that the equipment of the expanded Air Force will be a new product. Suppose the expansion programme is placed earlier. Mr. Churchill is fond of telling the Government that they ought to have begun this programme two or three years ago. He may be right, but see what the consequences would have been. Our Air Force to-day would have been equipped with machines which would have been out of date for an emergency that they would have to meet in the future. (Laughter.) Hon. members opposite may laugh at that argument. I gather that Mr. Churchill is not fully aware yet of its importance. The fact that the

will, I believe, be in accordance with the wishes of the Committee.

One word about recruiting. As in the Army so in the Air Force it is essential to provide for reserves and training, and although I must not give figures of reserves or the number of pilots it will be sufficient for me to say that 40 new aerodromes have been acquired or are being acquired and hon. members can read between the lines as to the number of personnel which will be required for these aerodromes. Let me give one indication of the expansion in aircraft production itself. I have compared to-day the first three months of this financial year—April, May, and June, with the corresponding period of last year, itself a year of great expansion, and the delivery is about three and a half times as many aeroplanes and over twice as many engines.

The Committee will not think for a moment that that is going to be the rate of increase for the future. It happens to be the expansion which has taken place when you compare the two periods, April, May, and June, in the two years I have mentioned. I say nothing about reserves. The question of reserves has recently been under my consideration in a reference to the question of the Fleet Air Arm, and had it not been for this debate I should have been able to have given you the preparation of our report, but I hope that so far as the reserves of the Fleet Air Arm are concerned no future anxiety will be felt about them and our recommendations will, I hope, be brought forward in due course.

This, I hope, not an unhelpful survey of the position so far as the Air Force is concerned, but it should like to say that the increasing rate of production with the tremendous improvement in design has only been possible because of the close and continuous association of responsibility for design with responsibility for production. I say no more upon that topic at the moment, but it may be that if certain suggestions are repeated in the debate I will be able to discuss a little further whether these proposals are consistent with that cooperation and close association of design with production which in my humble judgment is so indispensable to satisfactory performance.

FOOD SUPPLIES

I pass now to another topic altogether. It has been the work of the Committee, as hon. members know, to consider the question of the food supplies of this country. I have been reproached for stating more than once that I am considering this or that question in connexion with food supplies. I make no apology for it. Lord Haldane used to ask people to do a little clear thinking. Reflection before action is not the same thing as delay; it is common prudence. I have been faced with a demand in many quarters of the House—a perfectly reasonable demand, and one to which I have often given my personal assent—that the stocks of all sorts of foodstuffs for their distribution in this country shall at once be increased. The fact is that, attractive though it sounds, if hon. members will give a moment's thought to it you have to lay down plans as to the terms upon which such stocks can be obtained, where they can be obtained, the places where they can be stored, and arrangements for their distribution. Hon. members will see that it is necessary to give more than a day or two's consideration to these numerous questions.

Mr. LAMBERT (South Molton, L.Nat.)—Has that inquiry finished?

SIR T. INSKIP.—Oh no. I have been engaged with many hon. members this morning for some hours. We have collected a great deal of material and have taken it to the end of the matter but will lead to a series of decisions which I think will secure the country an increased output of agriculture in emergency, which is necessary, as well as a sufficiency of supplies in all the essential foodstuffs and feeding stuffs upon which the country depends.

ORGANIZATION WORK

Much of the Committee's work is concerned with organization—bringing the plans up to date. We have to assume that trade may be dislocated, that there may be an interruption of the imports into this country. There must be an organization and control to deviate the food and shipping which may be necessary, and the capacity of the western

This smuggling was only one aspect of the general relations of the Far East. The whole Japanese problem was based upon suspicion, economic pressure, and a general feeling of isolation from the rest of the world. To some degree Japan seemed to be at loggerheads with this country, and feared that our assertion of our great historic rights in China might prove detrimental to her own interests. There was, however, a great deal of pro-British feeling, and lately there had been many feelers thrown out in Japan in the direction of getting a general understanding between Japan and Great Britain. Could not the British Government approach Japan quite frankly, find out precisely what she wanted, and try to reach an agreement which would not only be acceptable to Japan, but would protect Chinese rights and dispel the cloud of suspicion which hung over the Far East?

RELATIONS WITH RUSSIA

With regard to the relations of Japan and Russia, the anxiety Japan had felt for the last 140 years had been revived in recent years by the complete hold Russia had acquired over Outer Mongolia and Chinese Turkestan. As a result Japan had endeavoured to get Inner Mongolia and set up a buffer State between Russia and Manchukuo. In view of Russia's preoccupations on her Western frontier, Japanese fears were possibly more hereditary than real.

But the attitude of the Japanese generals towards China was well calculated to drive China into the hands of Russia rather than to separate those two countries. China in the last four years had made remarkable progress and undoubtedly if she could be assured of a little peace the present Government there might make good. The raw materials, &c., that Japan required from China could be obtained by friendly agreement, but China held that it was difficult to make agreements with Japan because of the latter's militarist attitude. So here again the feeling of distrust blocked the way to an economic arrangement between China and Japan.

Japan herself could not be very happy in her position of isolation. She had vast budgetary expenditure and huge expenditure on armaments because of that feeling of isolation and the intense desire for greater security. There was ample room for all in China if China could be relieved from fear of Japan. The question was whether we, in the strong position we had, or certainly used to have, in Japan, were not the people to tackle the problem. He did not think anybody else could.

LABOUR AND REGIONAL PACT

LORD MARLEY said that the time had come when it was not possible to consider the Far East as a separate problem from the rest of the world. It had become closely associated with the European situation. The Japanese Government, militarist and semi-Fascist, demanded aggressive expansion on the mainland and in the Pacific. Their excuse was an outlet for their population, but it was a fact that the Japanese had never succeeded in colonizing any country. They claimed also that they wanted food and raw material for their people, but Japan was an exporter of food, and any nation wanting raw materials could buy them. Japan was perhaps justified in her expansionist demands only on the question of markets, and the China market was the most accessible for Japanese products.

Japan had rather missed the boat in a part of her expansionist policy. If she wanted to attack Russia she had made a mistake in not attacking a good many years ago, because Russia had now become remarkably strong. There had been disturbing rumours in the last few years that there was a close understanding between Germany and Japan, and that the connexion between the European situation and the Far East might be more close than we suspected. That was a matter which must be watched, and which might have some relation to the recent agreement between Germany and Austria, which freed Germany for a movement along the Baltic. It gave her access through the Baltic States to the Russian frontier. A regional pact, within the framework of the

REBUILDING OF 20th CENTURY

The Government's desire to improve our friendship with Japan had not been encouraged by recent incidents. The Government of Manchukuo, which largely took its orders from Japan, had closed the door to British trade, and recently there had been an unfortunate incident there in which a British Indian subject and his wife were taken prisoner and only released quite recently. Such incidents made progress in friendship and agreement with Japan more difficult. They did not prevent the British Government from persisting in their desire for such friendship and agreement, but with the best will in the world, they could not afford to have incidents of this kind if they were to improve the friendship between the two countries and to get an arrangement satisfactory not only to this country and Japan, but also to China.

A strong and stable Government in China, which would enable her to trade and to purchase goods, was in the interest both of the Far East and of the West. If we joined with other countries in assisting China to achieve that, it would be not only for the benefit of ourselves and other countries, but perhaps most of all to the benefit of Japan, whose trade with China was so vast. The Government's policy was not one of "wait and see." There was no idea of taking forcible action in the Far East, but the Government did intend to help China to improve and stabilize her position and, in so doing, to improve the trade of the world. At this moment they had hardly reached a situation in which they could come to a conference.

Nothing was more fatal than to call a conference until a great deal of preparatory work had been done and a satisfactory conclusion. A conference which failed was worse than no conference at all. The policy which the Government was pursuing was one of friendship with Japan and of endeavouring to assist China to build herself up once again into a position in which she was able to trade satisfactorily and widely with other countries.

The motion was, by leave, withdrawn. The Air Navigation Bill, passed through Committee with amendments and was reported to the House. The Tithes Bill passed the Report stage. Their lordships rose at 20 minutes to 8 o'clock.

HOUSE OF COMMONS

MONDAY, JULY 20

The SPEAKER took the Chair at a quarter to 3 o'clock.

The Manchester Ship Canal Bill was read a second time.

JAPAN AND BRITISH SOLDIERS

Mr. A. HENDERSON (Kingswinford, Lab.) asked the Secretary of State for Foreign Affairs whether he was aware of the criticisms made by an official spokesman of the Japanese Government in relation to the investigation at Peking into the charges made against British soldiers; and whether he could make a statement.

Mr. EDEN (Warwick and Leamington, U.)—I am informed that criticisms of the conduct of the recent investigation were made by officials of the Japanese Embassy in Peking, and reproduced in a local newspaper on July 4. His Majesty's Ambassador at Tokyo has been instructed to bring this matter to the notice of the Japanese Government.

MEETING OF LOCARNO POWERS

LIEUT.-COM. FLETCHER (Nuneaton, Lab.) asked if Italy and Germany had been invited to attend conversations of the Locarno Powers if they had accepted or refused the invitation, and if they had refused, for what reason; and if conversations which took place in the absence of Germany and Italy would, nevertheless, be communicated to those Powers.

Mr. EDEN.—Invitations to a Five-Power Conference have not been issued. The

Government have no official figures, but from such information as they have I see no reason to think that the figure mentioned in my right hon. friend's question is necessarily excessive as applied to either year, although, as he himself would agree, there are elements of conjecture. (Opposition laughter.)

SITUATION IN SPAIN

Mr. ATTLEE (Limehouse, Lab.) asked the Secretary of State for Foreign Affairs whether he could make any statement as to the situation in Spain.

Mr. EDEN.—As the House will have seen in the Press, a revolt has broken out in Spanish Morocco and in Spain itself. Fighting appears to be taking place in a number of centres. It is not yet possible to obtain accurate information as to what is happening as communications are largely interrupted, but every endeavour is being made to keep in touch as far as possible, with H.M. Ambassador and Consular officers in Spain. No official information had been received of injury to British persons or property. Two of H.M. destroyers are standing by at Gibraltar in case of need.

DEFENCE

SIR T. INSKIP'S REVIEW

The House went into Committee of Supply, Sir D. HERBERT, Chairman of Committees (Watford, U.), in the Chair.

On the Supplementary Vote for £13,262 for expenses of the Treasury and subordinate Departments, and for the salary of the Minister for Coordination of Defence,

SIR T. INSKIP, Minister for Coordination of Defence (Fareham, U.), said:—This is the third occasion in eight weeks in which I have been required to make some statement upon which the Committee or the House could form an opinion as to the discharge of the responsible duties which have been entrusted to me. It is gratifying at any rate to think that the Opposition are so keenly interested in putting our defences in order as to ask for this Vote to be put down for discussion.

But I think I may re-echo some words used by a First Lord of the Admiralty on a former occasion, who deprecated what he described as the habit which was then growing up expecting that every speech made on Navy Estimates must contain some momentous announcement. My right hon. friend who was then the First Lord of the Admiralty, exactly 12 months before the outbreak of the Great War, went on to say:

There is in certain quarters such an insatiable appetite for new programmes that we are expected to produce them not once or twice but three times in a single year. I commend these observations to my right hon. friend the member for Epping (Mr. Churchill). (Laughter.) These Estimates have already been discussed in Committee, but there are three new Supplementary Estimates which have been put down for discussion later this afternoon, if time permits. They are evidence of the swelling tide of production. They are pointers to fresh development of the Government's programme.

My task is to try to give a balanced account of what has happened since I last spoke. I have to try to give an impression which will be as accurate as possible, and I do not have an impression, for if I pick out the high lights they would be deceptive. I hope I am as unwilling as anybody in the Committee to desire that a better impression should be produced by my choice of what may be regarded as the bright spot. On the other hand it would be untrue if I were to lead the Committee to think that there is nothing except that which is grey or black. I will try to give the Committee such an account as I hope will represent the true position.

THE NAVAL PROGRAMME

I may refer first of all to the naval programme, and I believe that I am justified in saying that there is general agreement as to the satisfactory character of the steps that have been taken up to the present time. Both in ship production and equipment and in personnel the reports are satisfactory, and while maintenance and replacement have been proceeding in the normal manner, addition and

start production at once or have the first of all to make the machinery and the machine tools and then begin production at some future date?

SIR T. INSKIP.—No; my right hon. friend is not to suppose that 52 firms who have been selected and may receive orders are lacking in the equipment or the experience necessary to carry out the order. I am not saying for the moment that it may not be necessary for them, possibly with assistance, to balance their plant with this machine or that machine, but they are firms that are equipped and have been inspected and are suitable in every way for acceptance of the contracts which have been offered them by the War Office.

Mr. CHURCHILL.—This is very important indeed, and I really must ask for an answer. My right hon. friend said suitable in every way for acceptance of a contract. Does he mean that they can accept the work and know all about it, and that they have at the moment the jigs, gauges, and machine tools and special plant to enable them to embark on special lines of work?

SIR T. INSKIP.—My right hon. friend speaks of jigs and gauges and machine tools. I speak of the order which each of these firms has at the moment, and each of them has all the jigs which they will require for the purpose of performing their contract. Jigs are a means of carrying out a large order on what I may call a mass production scale. If they have to deliver the articles within the time which they have agreed, no doubt they will either take the steps, or have taken the steps, to enable them to deliver in accordance with their contract. So far as machine tools are concerned the same is true. As regards gauges a very great advance has been made since I spoke on this subject eight weeks ago in the provision of the necessary gauges of all types and descriptions.

WOOLWICH FILLING FACTORY TRANSFER TO NORTH AND WEST

Considerable anxiety has been expressed from time to time as to the Royal Ordnance Depot at Woolwich. Approval has been given for the transfer of the Royal Filling Factory from Woolwich in part to South Wales, in part to Lancashire, and in part to a place in Scotland, and in addition a filling factory at Hereford will be brought into full operation. I hope the Committee will think that these steps are not unwisely designed, but are steps which it will be possible to take in order to bring into the fullest production at the earliest date the various munitions which are necessary. It may be said that to erect a factory at Chorley, or at Bridgend in South Wales, is to postpone the day of production to a date distant 18 months or two years or 2½ years as the case may be, but the decision of the Government to remove the factory is one which in my view was absolutely necessary and right, and the Committee may be assured that no time will now be lost in getting the necessary buildings erected at those places.

The gun programme is obviously more of a special nature than the production of shells and cartridge cases. It is a part of the whole programme which I freely tell the Committee is one that makes anybody reflect as often as he looks at the figures on the numbers required or the possibility of production in the near future. You cannot expect a firm that has been engaged in ordinary engineering to be able to produce other things they may adapt themselves, but guns must be the product of the specialist firms.

As in the case of other articles, Woolwich and the armaments firms are engaged in gun making not only to the full work capacity but to labour capacity. But in order that the equipment of the new gun which shall not be found wanting a former gun which is being produced at Nottingham is being acquired and the necessary additional equipment installed. This is indeed an indispensable step in connection with the air defence of Great Britain. I am more happy to make this statement because on the five days after I received a communication from the Town Clerk of Nottingham inviting my consideration of the

or any other country. (Ministerial cheers.) It is far easier for a strong country to gain its objects by peaceful diplomacy than a weak one. Will the right hon. gentleman the Leader of the Opposition and hon. gentlemen opposite take that observation to heart when they are confusing questions of defence with the foreign policy of the Government?

Some day the right hon. gentleman the Leader of the Opposition may be calling for recruits, and this will be a bitter reckoning for him to pay if it is quoted in his face. I would ask the party opposite how they regard the events that have taken place in Palestine? Would they have left that country in a state of disorder because they distrusted the foreign policy of the Government? (Opposition cheers.)

Mr. CHURCHILL.—This is very important indeed, and I really must ask for an answer. My right hon. friend said suitable in every way for acceptance of a contract. Does he mean that they can accept the work and know all about it, and that they have at the moment the jigs, gauges, and machine tools and special plant to enable them to embark on special lines of work?

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UNITS FOR AIR DEFENCE

Let me come nearer home. Units for air defence are to be manned by the Territorial Army. One anti-aircraft Territorial division has been formed from existing anti-aircraft units and the conversion of eight Territorial battalions. An announcement sent out by the War Office appears in to-day's newspapers of a display for the cooperation of the Territorial Army and the Royal Air Force in searchlight exercises in Essex and Kent and around the Thames Estuary. Let hon. members opposite visualize that might happen. Mr. W. Thorne asked "who is the enemy?" Never mind who the enemy is. Let us visualize the Thames Estuary and the crowded centres of population, one of which he represents.

Mr. THORNE.—We are not afraid. You need not worry. I am not worrying. (Opposition cheers.)

SIR T. INSKIP.—But it is the duty of the Government to worry even about the hon. members. If hon. members opposite take no interest in the consequences, perhaps their constituents will take an interest in them. The Government are asking for an accession to the Territorial Force of men even up to 50 years of age, and particularly those who have some experience of gunnery, for the purpose of—It has nothing to do with foreign policy of defending their own homes and their own employment.

If anything is true defence it is our Air Force. The air expansion which has taken place in other countries rightly attracts general attention. The air is a new and an unknown factor in any future war. The development of machines and equipment is bewildering. The performance now, contrasted with that three or four years ago, is amazing.

INCREASED DELIVERY OF MACHINES

The speed of machines in production to-day for regular use in the Air Force would five years ago have made them serious competitors for the Schneider Cup. That fact will bring home to the Committee the extraordinary advance that has been made. (Cheers.) These are not specimens, but machines in regular, orderly production for the everyday use of the Air Force.

Mr. CHURCHILL.—Are they being delivered now?

SIR T. INSKIP.—Yes, some have been delivered. They are in orderly delivery, and they will be delivered in ever-increasing numbers. The Prime Minister has repeatedly stated that the flexibility of our programme is of its essence. It is not a programme for the expenditure of so many millions or for the production of so many ships or guns. It is a programme which must be adapted to the needs of the nation. He has said that information in the possession of the Government, derived from many sources, represents the

adequate for the pilots who will fly them. Mr. CHURCHILL.—The right hon. gentleman's argument, carried to its logical conclusion, is that if we waited another two years we should have a more up-to-date Air Force still.

AIR FORCE EFFICIENCY

SIR T. INSKIP.—That is not the logical conclusion of my argument. Even if Mr. Churchill is right, and the Government ought to have taken notice of this two or three years ago, it is right that I should call the attention of the Committee to it, not as an argument for postponement but as some comfort, even though it may be cold comfort, as to the efficiency of the Air Force that will be created in the course of the next few years. If Mr. Churchill thinks that my argument is not suitable, I feel sure that he would never go to any young pilots and tell them that it is a matter of indifference whether they are armed with the most up-to-date machines or with obsolete machines.

Mr. CHURCHILL.—That suggestion is not justified. For the last three years I have been urging that our pilots should be armed with the best machines that can be made and that they should be made as quickly as possible. What is wrong with that?

SIR T. INSKIP.—Nothing is wrong with that. The right hon. gentleman will acquit me of any desire to misrepresent him, but I think, in spite of all the interruption to which he has been subjected, I was entitled to bring home as forcibly as I could the fact that the new Air Force will enjoy this advantage, that it will be equipped with machines of design, performance, capacity, range, and swiftness which would not have been possible two or three years ago. The right hon. gentleman suggested that the logical conclusion of my argument was that you must delay another two years in order to get a still better type of aircraft. I recognize the importance of maintaining a close watch on excellence of design and swiftness of production, but it is not always easy to keep the two objectives in their proper perspective.

AN ASSURANCE

All I can say is that there has been a real desire, which I think has been carried out, to avoid the danger which applies not only to aeroplanes but in my experience to guns and tanks which are required for the Army; it is the danger that it is not easy to secure a rapidity of output and also take advantage of the progress of design, increased engine efficiency, and new developments. But I can give the assurance that the Committee, that all possible assurances are being taken to bring new designs and increased production into close connexion.

The process of first building an experimental prototype aeroplane and subjecting it to performance and service tests has been altogether abandoned. A new type as amended in the design stage has, after a brief trial in experimental establishments, been accepted in order to give production orders at the earliest possible moment and the possibility of delay resulting from necessary changes in first production types has been faced, but I am happy to say that so far such changes have been unimportant and it has been found well worth while to run the risk. The results have thoroughly justified the risk, and the policy of production is most satisfactory in its effect upon the production of up-to-date machines at the earliest possible moment. The armament, the instruments, and the equipment of machines are dealt with in the same way. The objective of speed in production consistent with quantity is also kept in view.

THE FINANCIAL SIDE

PLEDGE AGAINST PROFITEERING

I pass now to say one word in connexion with the financial aspect of this matter. The Government has promised the country that there shall be no profiteering. Undoubtedly the desire of the Secretary of State for Air to keep this promise in letter and in spirit has led to delay, but I am sure the Committee will agree that he was right in insisting on securing proper terms financially although it has slowed down the output. The settlement in the end

no Committee, and matter how zealous, can answer within the space of a short time. The Committee may feel that so long as they trust the Government these are questions which are being examined with a view to action being taken to safeguard these necessary supplies.

I pass to a short review of another action I have taken to keep touch with the essential questions of labour and material. I will not recite the number of associations and trade bodies which I have seen, but they include the British Engineers' Association, the Machine Tool Trades Association, and the Alloy Steel Trade, and four or five others, all of them since I last spoke in the House, with every success. I have explained to the representatives of the industry the nature of the programme and the demand which will be made on their industry. I have taken counsel as to their capacity, and I have considered action to meet the difficulties with which they will be faced, and discussed with them questions of priority. In many cases Government Departments have assessed the total demand of the several Services, and that in itself is a task of no small importance.

ORDERS FOR MUNITIONS LETTERS FROM LABOUR MEMBERS

Proceeding, Sir T. Inskip said that hon. members opposite laughed at some of these statements. He would like to know why some of them had been so insistent in speech and letters addressed to him in securing orders for their constituencies. (Ministerial laughter.) He had with him a list of names—including those of one or two Front Benchers—of Opposition members who had besought him to place orders for munitions of war in their constituencies. There was no shame in asking that these unemployed should be brought in to the completion of the Government's programme—and of course they were going to be brought in.

With regard to machine tools there had been an expansion in home production. The firms were all fully employed and he had seen their representatives. They were not only producing to full capacity, but they were finding the recruitment of labour which was necessary for production, and in order to supplement home production imports had been ordered. The industry had taken steps to equip itself in order to meet the needs of the country.

Work had been undertaken to arrange that this country should have an ample insurance against emergency in the shape of raw materials. There were some raw materials where war consumption was so greedy that it would be impossible to provide for the quantities needed in war-time, even if they were to absorb all the available sources of supply that were open. The Government had had, and were still having, a very careful examination made of the different classes of raw materials with a view to securing a sufficiency of supply to provide against any emergency on the outbreak of a war. The production of the essential elements of explosives had been kept well in mind. A committee combining industrial and scientific experience was planning for the insurance necessary in connexion with what had been called the duplication of Billingham. The necessity of seeing that an important and indeed a key product which exists on the East Coast in a position where it was very available and vulnerable should be duplicated in a safer part of the country had been undertaken.

SUPPLIES OF LABOUR

He came now to the question of supplies of labour. His policy had been to let the employers' and workers' representatives combine in settling any trade or labour question in their own industry. He had had suggestions made to him that he should consult the great federations—the T.U.C., for instance. He hoped it would never be necessary to consult them, not because he would not be willing to see them, but because it would be indicative of questions which he would not flatter himself that he would be as well able to settle as the representatives of the employers and the workers in their own industries. The existing policy had had one happy result at least. In

Mr. LEES-SMITH (Keighley, Lab.), in moving the reduction of the Vote by £100, said that the broad impression made on him by the Minister's speech was that it was almost exclusively the speech of a Minister of Supply. The right hon. gentleman had spent his time in initiating a kind of knockabout platform

The Minister's tasks comprised the co-ordination of high strategic thought on all our affairs by land, sea, and air, with which apparently was included also the enormous question of food supply in time of war; the securing of the post-war programme—another existing very large programme—and other terrific tasks and the planning and organization of the British industry and so that if necessary it could spring quick to war-time conditions. Was there ever such an impossible job cast upon a single man? "They made them had all heard the saying: "They made a solitude and called it peace." The Government had a large number of members of com-

I am told that members will leak and that the Press will invent even if it does not hear. I believe that in dangerous times, once the public danger is manifest and capable of being found not to be worthy and capable of the handling of confidential matters than were the rugged generations which built up this island's greatness. Nothing would give me greater pleasure than to be absolutely stifled in a speech, given by the Government and proved to be an alarmist. I would encourage still patience the roar of exultation which would follow when I was proved to have been all wrong because it would lift a load off my heart and from the members. What

Mr. NOEL BAKER (Derby, Lab.) said he thought Sir T. Inskip had undertaken a most difficult task under conditions which were almost impossible to enable him to fulfil his job. He (Mr. Noel Baker) was convinced that until they had a real Ministry of Defence and a real Ministry of Munitions they would never get real co-ordination of the proportion of our armaments supply which was going to private firms, defence being enormously increased and the total orders to private firms in 1936 amounted to £52,400,000. This meant

that course was in the interests of the country," said Churchill with the £1,000,000 spent on machine tools. He thought he could satisfy his curiosity about the money which had been spent on this. The money which had been spent on this included the supplementary vote for the purpose of purchasing of what had been called a "balancing plant or for the equipment of certain factories of certain contractors who were undertaking some of the supplies required." Particular types were not common and in all probability in fact there would be similar, and possibly larger, provision made. As to the same reason in the bomb-battle ship industry, the draughting of the ship was complete.

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tribution and at the same time the arms movement the arms movement is not merely to ensure that its re-

talk of another European war than at any time since the last War. The Minister had given no indication that he had put his mind to the immense and appalling problem of the coordination of defence which he was primarily appointed to deal with. Sir T. Inskip (Smith) would base his attack on the letter which Lord Trenchard wrote to *The Times* at the end of last year as a result of his experience on retiring from his position as one of the chiefs of the Staffs Committee of the Committee of Imperial Defence. It was a well-known letter. Sir T. Inskip was appointed to be "Minister of Thought." Coordination meant thinking, not spending. His speech had shown that there was no guarantee that expenditure was not outrunning coordination. The Minister would not be able to concentrate on the problem of coordination of defence so long as his mind was cluttered up with problems of supply and so long as it was the mind of a Minister who had staff of his own.

The estimates represented millions of pounds, and as a result of the lack of thinking and coordination those millions of pounds would largely be wasted and second-rate results would be secured.

It was rather surprising that we now took it for granted that there was no defence against air attack when, as a result of the experience in the War, the Germans made no air attack on London at all in the last six months of the War. The present office because the Committee of Imperial Defence, the Chiefs of the Staffs Committee, and the Secretariat of the Committee of Defence had failed to solve the problem of the coordination of the Services. But the right hon. gentleman in his speech gave no indication whatever that he was dealing with that problem, and he could not deal with it if his mind was absorbed by not dealing with supplies, labour, and labour disputes with all that that involved. The Labour Party's objections on that occasion were owing to the Minister's failure properly to envisage the real problems of his office; because millions of pounds were going to be wasted, and because the problems of coordination of defence were going to be indefinitely postponed. (Opposition cheers.)

LIBERALS AND THE DANGER

CALL FOR MORE INFORMATION

SIR A. SINCLAIR (Caithness and Sutherland, L.) said that it would be a poor service to Britain and to world peace if Britain were allowed to sink into a position of inferiority, relatively, to other Powers who were rearming. (Hear, hear.) He regretted that Sir T. Inskip had said virtually nothing about what had been entrusted to him—namely, the coordination of our defences. Let them have the truth stated in that debate—the truth of which Sir T. Inskip spoke on public platforms as being the best assurance of public support, and there he (Sir A. Sinclair) agreed with the right hon. gentleman. Let them have a clear and accurate exposition of the dangers which the Government's plans were designed to meet and let them know the scale of the Government's preparations and a more clear indication of the role which was assigned to each Service. He thought it would help recruiting in both the Territorial and the Regular Army if the Government gave a clearer idea of the role which was to be assigned to those forces.

Had the Dominions been consulted? Did they fully approve the Government's defence plans? Were they actively cooperating with the Government in carrying them out? If so, in what direction was that cooperation being given? What were Ministers doing about applying the policy of collective security? Had the integration of our defence forces with those of other forces been considered? How could collective security possibly involve the British Empire in greater risks than its geographical situation? What storm centre was there in the world in which vital British interests were not involved?

The race in armaments should be stopped if a catastrophe was to be averted. He agreed that it would be no service to world peace if Britain was in a position of relative weakness. Weakness tempted the aggressor, and strength deterred the aggressor. While reserving his

talk of another European war than at any time since the last War. The Minister had given no indication that he had put his mind to the immense and appalling problem of the coordination of defence which he was primarily appointed to deal with. Sir T. Inskip (Smith) would base his attack on the letter which Lord Trenchard wrote to *The Times* at the end of last year as a result of his experience on retiring from his position as one of the chiefs of the Staffs Committee of the Committee of Imperial Defence. It was a well-known letter. Sir T. Inskip was appointed to be "Minister of Thought." Coordination meant thinking, not spending. His speech had shown that there was no guarantee that expenditure was not outrunning coordination. The Minister would not be able to concentrate on the problem of coordination of defence so long as his mind was cluttered up with problems of supply and so long as it was the mind of a Minister who had staff of his own.

GERMAN ARMAMENT

Recalling Mr. Baldwin's words that if we were attacked by a combination of Powers the youth of the nation would spring to arms, Mr. Churchill asked what would happen if there were no arms for them to spring to. The House might take as correct the figure he had given previously of £800,000,000 as Germany's expenditure on arms in 1935. That figure had been easily accessible for nearly a year past. Nothing like it had ever been dreamed of. He did not think it should have been for a private member to bring to the notice of Parliament a fact of such gravity and pregnant significance. The country had a right to be advised of the scale on which rearmament was proceeding as much as a year ago on the Continent.

There was an increase of £75,000,000 towards making up deficiencies in our armaments. That compared with a sum of £500,000,000 for expansion in Germany if one deducted from the total of £800,000,000 £300,000,000 for upkeep.

Everybody is going away for the holidays (said Mr. Churchill). When we come back we shall be looking forward to the Coronation. Do not forget that all the time those remorseless hammers of which General Goring spoke are descending night and day and that Germany, the most warlike and in many ways the most efficient people in Europe, are becoming welded into a tremendous fighting machine equipped with the most fearful agencies of modern science.

CONFIDENCE SHAKEN

Proceeding, the right hon. gentleman said:—We are told, "Trust the National Government; have confidence in the Prime Minister, with the Lord President of the Council at his side. (Laughter.) Do not get too much alarmed; a great deal is being done; no one could do more." All the influence of the Conservative Party is being used through a thousand channels to spread this soporific to Parliament and the nation. But has not confidence been shaken by various things that have happened and are still happening?

When we met in January we were asked for more destroyers, and the demand was voiced from all quarters in the House. We were assured that there was no need for more destroyers. Now, after six months, in which new naval facts have come to light, we are to have more destroyers. It is very satisfactory to the House of Commons, and it ought to give the House more confidence in its own opinion than in the opinion of these high authorities in which in January will say one thing and in July will present an equally cast-iron conclusion, backed by the same solid consensus of expert authority. (Hear, hear.)

Take another instance—the question of food supply. When the House became very anxious a few months ago about our existing granaries being only about half full the Minister for the Coordination of Defence came forward with a plan for an inquiry. At the beginning of last week Lord Hailsham deprecated even the filling of our existing granaries at the ports on the ground that they might become targets of an air attack, and he assured us that we of an air attack, and he assured us that we had three months' supply of the essential foodstuffs in the country. At the end of the same week the First Lord of the Admiralty made a speech at Southampton in which he declared that if our seaboard supplies were intercepted we should all be dead of starvation in six weeks. The first task of the Minister

I daresay that the Government will not be able to agree to a secret session. If that be so, I make this request on behalf of myself and a number of my hon. friends who are supporters of the Government: Will the Prime Minister, of course, with any of his colleagues concerned, receive a small deputation, composed of hon. members who have served many years in this House, if possible representing all parties—I do not know what view other parties may take—and allow a case which can no longer with safety be made in public to be submitted to him under the following condition of secrecy: that nothing said by the Government not already known to members of the deputation shall be disclosed or made use of in any way?

There is a recent precedent for this procedure. Before the last election Mr. Lloyd George put forward a scheme for dealing with unemployment. He was received by the Government on many occasions, allowed to unfold his ideas, and Ministers discussed them with him for five or six sittings. Now I ask the Prime Minister should receive a deputation of a dozen members and allow them to lay before him the information in their possession and to raise the questions which we think it unsuitable to raise at this juncture in the House of Commons in open debate.

Concluding, Mr. Churchill said he had tried to show that the efforts which the Government were making, albeit great efforts, were only a small fraction of what was going on elsewhere. So far as this year was concerned, and he feared also so far as next year was concerned, we should not overtake them, but would fall further behind. That did not apply to the Navy, but to the other two Services. In those circumstances, we had a right to say that conditions of emergency had supervened. He did not ask that war conditions should be established for the production of munitions. All he asked was that the intermediate stage between ordinary peace time and actual war should be recognized, that a state of emergency should be proclaimed, and that the whole spirit and atmosphere of our rearmament should be raised to a higher pitch, and that we should not hesitate to make an inroad upon our industry, and should endeavour to make the most strenuous efforts in our power to execute the programme which the Government had in mind at such pace as would make them relevant to the ever-growing dangers that gathered around us. (Cheers.)

MR. CHAMBERLAIN'S REPLY THE GOVERNMENT AND INFORMATION

Mr. CHAMBERLAIN said that Mr. Lees-Smith had found a new reason for opposing the Government's proposals for rearmament, because he said we had not yet brought about coordination of defence and the result was that in all probability a large part of our expenditure would be wasted. But the right hon. gentleman did not show how the money which the Government were now spending on armaments would be wasted, whatever answer was given to the problems he had raised. Sir A. Sinclair had recognized that a strong nation was able to exercise greater influence in preserving peace than a weak nation, and he said that in any case he would vote for whatever proposal to preserve the safety of the country and fulfil our international obligations. But he said that unless the Government could be asked to do that unless the Government could first tell them and the country the nature, scope, and character of the dangers to which we were exposed. Did the right hon. gentleman seriously expect that we should get up here and consider all the potential enemies that we might have in the world, that we should name them, and assume that any armaments they might now have in the building were to be used against this country? That would be a nice combination to international peace (Ministerial cheers and laughter.) The right hon. gentleman must leave it to the Govern-

ment to say whether they were to face the realities of the present situation the case for nationalization was very strong.

Mr. AMERY (Sparkbrook, U.) asked whether we were prepared to take part in any great wars on the Continent. If so, he said, were we to take part in them with our land forces or only with our Air Force and our Navy? Did Mr. Baldwin's reference to our frontier being on the Rhine refer to the frontier to be held by our troops in an emergency or only to the invisible frontier over which our Air Forces could fly? The answer to that was vital to the whole structure of our Army.

Our defences against air attack should be based on an entirely different plan. The object of an enemy air force would not be men but material, such as dockyards, railway stations, and factories. Our defence system against such attack should be based on the same plan. It should not be based in battalions, brigades, and divisions as though it were to be occupied in land warfare. It should be organized to meet attack by dockyard, factory by factory, railway station by railway station.

AIR FORCE AND THE NAVY

SIR R. KEYES (Portsmouth, N., U.) said that Sir T. Inskip had made it clear that the inquiries of a limited nature which he had been conducting into the relations of the Royal Air Force and the Navy with regard to the Naval Air Service would not prejudice consideration of the wider question of the dual control of the Naval Air Service. The present situation was thoroughly satisfactory. It was detrimental to naval efficiency and to the ability of the Admiralty to exercise sea power. He hoped that the Minister for the Coordination of Defence would be given a free hand to re-open this question. He was confident that any impartial inquiry under the chairmanship of the Minister would result in the Navy being given freedom to develop its Air Service and given freedom to "grow its wings" which were once again to grow in 1935.

Mr. MANDLER (Wolverhampton, E., L.) said he did not think the views expressed by Mr. Churchill about the danger of the German menace were at all exaggerated. It was not sufficient for Sir T. Inskip merely to co-ordinate the three Services. What was also required was coordination and linking up with the Services of all other countries which were working with us in the collective system. The only safeguard against the German menace was the overwhelming force of all those who would work that system.

Mr. HARDY (Glasgow, Springburn, Lab.) said that swiftness was going on in regard to buying land for aerodromes. There seemed to be some leakage, in which certain persons knew months ahead what ground was going to be chosen and then up went the price. Those persons were all loyalists who waved the Union Jack and then robbed everyone.

WAY TO AIR EFFICIENCY

WING COMMANDER JAMES (Wellingborough, U.) said that so far as the air was concerned he did not think Mr. Churchill's charges against the Government were well founded. The right hon. gentleman had overestimated the immediate air danger from the closest potential aggressor. The slow building up of a really efficient Air Force with the latest types of machines was going to put us in a stronger position than if we had followed the right hon. gentleman's advice. He hoped Sir T. Inskip would give the Committee some information on the very vital matter of the strategic side of coordination.

Mr. KIRKWOOD (Dumbarton, Lab.) said he was empowered by the chairman and general secretary of the Amalgamated Engineering Union to state that there was no such thing as a scarcity of engineers in Britain. It was true, but there was difficulty in getting skilled engineers, and one reason was the scandalous way in which they were received.

SIR H. P. CROFT (Bournemouth, U.), referring to the question of man power, said that if a Special Reserve was established it would be able to retain Territorial units intact and to have available men with a certain amount of training who would be able to fill



DISAPPEARANCE OF WELL-KNOWN COUPLE SENSATION AT WEDDING

By the Gossip-Writer

The wedding of Mr. "Ginger" B. (popular member of the famous Schweppes family—whose title, by way, dates from 1790) and Miss Ginn (that much married and high-spirited lady) was the event of the season. "Ginger" Beere, whom we all know to be hearty and refreshing under his sto exterior, was obviously well matched with Miss Ginn—a partnership which delighted the crowd so much that they cheered themselves hoarse. So unrestrained did they become, indeed, that the ceremony had a startling sequel. Several onlookers, athirst with enthusiasm, fell upon the couple and embraced them with tremendous gusto—in fact they literally engulfed them. A minute later the happy pair was nowhere to be seen and the crowd departed highly elated.



Schweppes

THE COLDER YOU DRINK IT, THE