

209

**SECRET****THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT***Printed for the Cabinet. April 1964***C.M. (64)  
25th Conclusions****Copy No. 47****CABINET****CONCLUSIONS of a Meeting of the Cabinet held at 10 Downing Street, S.W. 1,  
on Thursday, 30th April, 1964, at 10.30 a.m.****Present:**

<b>The Right Hon. Sir ALEC DOUGLAS-HOME, M.P., Prime Minister</b>	<b>The Right Hon. REGINALD MAUDLING, M.P., Chancellor of the Exchequer</b>
<b>The Right Hon. LORD DILHORNE, Lord Chancellor</b>	<b>The Right Hon. DUNCAN SANDYS, M.P., Secretary of State for Commonwealth Relations and for the Colonies</b>
<b>The Right Hon. HENRY BROOKE, M.P., Secretary of State for the Home Department</b>	<b>The Right Hon. PETER THORNEYCROFT, M.P., Secretary of State for Defence</b>
<b>The Right Hon. EDWARD HEATH, M.P., Secretary of State for Industry, Trade and Regional Development and President of the Board of Trade</b>	<b>The Right Hon. VISCOUNT BLAKENHAM, Chancellor of the Duchy of Lancaster</b>
<b>The Right Hon. SELWYN LLOYD, Q.C., M.P., Lord Privy Seal</b>	<b>The Right Hon. MICHAEL NOBLE, M.P., Secretary of State for Scotland</b>
<b>The Right Hon. JOHN BOYD-CARPENTER, M.P., Chief Secretary to the Treasury and Paymaster General</b>	<b>The Right Hon. Sir KEITH JOSEPH, M.P., Minister of Housing and Local Government and Minister for Welsh Affairs</b>
<b>The Right Hon. JOSEPH GODBER, M.P., Minister of Labour</b>	<b>The Right Hon. FREDERICK ERROLL, M.P., Minister of Power</b>
<b>The Right Hon. ANTHONY BARBER, M.P., Minister of Health</b>	<b>The Right Hon. WILLIAM DEEDES, M.P., Minister without Portfolio</b>
<b>The Right Hon. GEOFFREY RIPPON, M.P., Minister of Public Building and Works</b>	
<b>The Right Hon. LORD CARRINGTON, Minister without Portfolio</b>	

**The following were also present:**

<b>The Right Hon. RICHARD WOOD, M.P., Minister of Pensions and National Insurance (Item 4)</b>	<b>The Right Hon. MARTIN REDMAYNE, M.P., Parliamentary Secretary, Treasury</b>
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**Secretariat:**

**Sir BURKE TREND  
Mr. P. ROGERS  
Miss J. J. NUNN**

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SECRET

in June. It might be inadvisable that we should be seen to be taking any action which would appear to prejudice the future of the force. Nevertheless, an indication that we might feel obliged to withdraw our contingent, in whole or in part, might suffice to induce the Secretary-General of the United Nations to instruct the force to take more positive action to restrain inter-communal violence in the Island.

(b) If it became desirable to withdraw some of our troops, it would be necessary to ensure that such elements as continued to serve in Cyprus would constitute a realistic military unit and would remain in charge of a United Kingdom headquarters.

(c) In their forthcoming discussion with the United Nations mediator, M. Tuomioja, United Kingdom Ministers should maintain a non-committal attitude and should refrain, at this stage, from indicating a preference for any of the various political solutions of the Island's problems which were currently being canvassed.

The Cabinet—

- (1) Took note of the points made in their discussion.

Egypt

The Minister of Power informed the Cabinet that on 26th March the Egyptian authorities had nationalised the assets of the Shell and British Petroleum companies in Egypt. The companies were reluctant to protest publicly for fear of jeopardising the compensation which they hoped to obtain. Nevertheless, the Egyptian action, which had not extended to United States oil interests in Egypt, had constituted a deliberate act of discrimination against the United Kingdom; and, if it were allowed to pass unchallenged, it might constitute a dangerous precedent in relation to our oil interests in other countries. It was for consideration, therefore, whether we should address appropriate representations to the Egyptian Government.

The Cabinet—

- (2) Agreed to give further consideration at an early meeting to the implications of the nationalisation of United Kingdom oil interests in Egypt.

Malta

(Previous Reference: C.M. (64) 19th Conclusions, Minute 4)

The Colonial Secretary informed the Cabinet that the referendum on the future Constitution of Malta was due to be held during the forthcoming week-end. If its results were inconclusive, this would provide us with a welcome excuse for deferring a decision on the independence of the Island. Alternatively, however, the referendum might result in a vote in favour of the Constitution proposed by the Government of Malta; and this would confront us with a difficult situation, since that Constitution was in certain respects unacceptable to us.

The Cabinet—

- (3) Took note of this statement by the Colonial Secretary.

Southern Rhodesia

(Previous Reference: C.M. (64) 21st Conclusions, Minute 2)

The Prime Minister informed the Cabinet that the Prime Minister of Southern Rhodesia continued to maintain that he had a right to receive an invitation to attend the forthcoming Meeting of Commonwealth Prime Ministers. Precedent made is sufficiently clear that the only individuals who were entitled as of right to be present at these Meetings were the Prime Ministers of the independent members of the Commonwealth and that we should therefore have regard to their views in deciding whether the Prime Minister of Southern Rhodesia should be invited to attend the forthcoming Meeting. He would make a statement to this effect in the House of Commons that afternoon; and the Prime Minister of Southern Rhodesia would be informed accordingly.

The Cabinet—

- (4) Took note, with approval, of this statement by the Prime Minister.

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403

**SECRET****THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT***Printed for the Cabinet. September 1964***C.M. (64)  
48th Conclusions****Copy No. 38****CABINET****CONCLUSIONS of a Meeting of the Cabinet held at 10 Downing Street, S.W. 1,  
on Tuesday, 22nd September, 1964, at 10.30 a.m.****Present:**

<b>The Right Hon. Sir ALEC DOUGLAS-HOME, M.P., Prime Minister</b>	
<b>The Right Hon. R. A. BUTLER, M.P., Secretary of State for Foreign Affairs</b>	<b>The Right Hon. QUINTIN HOGG, Q.C., M.P., Lord President of the Council and Secretary of State for Education and Science</b>
<b>The Right Hon. LORD DILHORNE, Lord Chancellor</b>	<b>The Right Hon. REGINALD MAUDLING, M.P., Chancellor of the Exchequer</b>
<b>The Right Hon. HENRY BROOKE, M.P., Secretary of State for the Home Department</b>	<b>The Right Hon. EDWARD HEATH, M.P., Secretary of State for Industry, Trade and Regional Development and President of the Board of Trade</b>
<b>The Right Hon. PETER THORNEYCROFT, M.P., Secretary of State for Defence</b>	<b>The Right Hon. SELWYN LLOYD, Q.C., M.P., Lord Privy Seal</b>
<b>The Right Hon. VISCOUNT BLAKENHAM, Chancellor of the Duchy of Lancaster</b>	<b>The Right Hon. ERNEST MARPLES, M.P., Minister of Transport</b>
<b>The Right Hon. JOHN BOYD-CARPENTER, M.P., Chief Secretary to the Treasury and Paymaster General</b>	<b>The Right Hon. Sir EDWARD BOYLE, M.P., Minister of State for Education and Science</b>
<b>The Right Hon. JOSEPH GODBER, M.P., Minister of Labour</b>	<b>The Right Hon. Sir KEITH JOSEPH, M.P., Minister of Housing and Local Government and Minister for Welsh Affairs</b>
<b>The Right Hon. ANTHONY BARBER, M.P., Minister of Health</b>	<b>The Right Hon. FREDERICK ERROLL, M.P., Minister of Power</b>
<b>The Right Hon. GEOFFREY RIPPON, M.P., Minister of Public Building and Works</b>	<b>The Right Hon. WILLIAM DEEDES, M.P., Minister without Portfolio</b>

**The following were also present:**

<b>Mr. RICHARD HORNBY, M.P., Parlia- mentary Under-Secretary of State for Commonwealth Relations and for the Colonies (Items 1-6)</b>	<b>The Right Hon. MARTIN REDMAYNE, M.P., Parliamentary Secretary, Treasury</b>
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**Secretariat:**

**Sir BURKE TREND  
Mr. P. ROGERS  
Mr. D. LASKEY**

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**CAB 128/38**

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201

406

## SECRET

into the United Kingdom. Since their proposals were unacceptable, negotiations were now in abeyance and would probably not be resumed until the latter half of October. There seemed little risk that in the interim the Government of Singapore would seek to reimpose their earlier restrictions on the import of United Kingdom goods into Singapore.

## Middle East

*The Foreign Secretary* said that the recent meeting of Heads of Government of Arab States had proved more uneventful than had at one time been feared. In particular, the proposal to divert the Jordan waters for the benefit of Arab States had emerged in a form which should not do any significant damage to Israel. Discussions between the President of the United Arab Republic, President Nasser, and Prince Feisal of Saudi Arabia appeared to indicate that the two Governments might be prepared to make some offer of mediation in the dispute in the Yemen. But Prince Feisal seemed to have been careful not to compromise his policy of supporting the Royalist cause in that country.

**The Economic Situation**  
(Previous Reference: C.M. (64) 45th Conclusions, Minute 3)

4. *The Chancellor of the Exchequer* informed the Cabinet that the economy appeared to be developing broadly on the lines which had been foreshadowed in the Budget Speech. There were no grounds for supposing that any serious degree of internal inflation was currently impending; and there should be no need for generally deflationary measures. On the other hand the recently published statistics of trade had been disappointing, particularly as regards their implications in the longer term. The rate of expansion of our exports was slackening; and imports remained high. Although both tendencies might be reversed during the forthcoming months, the gap between exports and imports was disquieting, particularly in so far as it was reinforced by a rise in import prices. There was no sign, however, of any basic lack of confidence in sterling; and there should be no difficulty in maintaining this position by implementing the borrowing rights, both from other Central Banks and from the International Monetary Fund, which we had arranged for this purpose.

These developments confirmed the Government's declared view that, while an annual rate of growth of 4 per cent could be attained, its achievement would require great efforts not merely by the Government but by both sides of industry, particularly as regards the implementation of an effective incomes policy and the elimination of restrictive practices. It was also clear that Government expenditure would have to be kept under very critical review and that the policies advocated by the Labour Party in their Election Manifesto would overburden the economy to an extent which would frustrate any prospect of achieving a balanced expansion.

In discussion the following main points were made:

(a) The fact that our exports had not hitherto expanded as rapidly as we had hoped might be due to the fact that the most hopeful prospects for exports in the longer term lay in the field of heavy capital goods; and it was these which, naturally, were the slowest to mature and, therefore, to be reflected in the export statistics. In so far as the higher level of imports was attributable to the process of industrial re-equipment which was now actively in train, it was to be welcomed. On the other hand there were some indications that it was due to a measure of forestalling, which the Government should seek, so far as possible, to discourage.

(b) The statistics of employment which would be published in the next few days would indicate that the economy was fully employed but that the pressure on labour resources was not as intense as had been expected at an earlier stage.

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**SECRET**

approved investment programmes, to involve the least additional strain on our resources.

**The Cabinet—**

- (1) Invited the Chief Secretary, Treasury, in consultation with the Minister of Education, to circulate a memorandum describing the economic and other implications of a decision to raise the compulsory school leaving age to 16 from 1969, 1970, 1971 and 1972 respectively.
- (2) Agreed to resume their discussion at a subsequent meeting.

*Cabinet Office, S.W. 1,  
17th January, 1964.*

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**SECRET**

70

SECRET

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C.M. 6 (64)

be £8 million, £19 million and £37 million respectively. If the full cost were reckoned, it would be £19 million, £44 million and £87 million. If the age were raised in 1970, this additional expenditure would accrue at a time when expenditure on programmes to which the Government were already committed would be rising rapidly; and it would be impossible to accommodate it unless reductions were made in other proposals. But, in view of the difficulty of making any reductions which would be effective before 1972, the financial objections to raising the leaving age would be aggravated by the choice of any earlier date.

*The Minister of Education* said that the Government would be expected to announce their policy on the school leaving age in the course of the forthcoming debate on education; and, if they were unable to specify a definite date by which the age would be raised, they would be exposed to criticism on the ground that they were showing insufficient concern for the education of the majority of the country's children. It would be possible to defend on educational grounds a decision to raise the age in 1971, which would ensure that the greater part of the capital expenditure would fall after the years in which expenditure on the Channel Tunnel project, should the Cabinet approve it, might be expected to be heaviest. Moreover, a decision to raise the age in 1971 would not necessarily represent an irrevocable commitment, since final decisions on the provision of additional buildings need not be taken until 1967 and, if it appeared by then that either the capital resources or the teachers necessary to implement the decision were unlikely to be available, the change could be deferred. The position would be further eased if, by the end of the decade, a decision had been taken to raise the age of entry to compulsory schooling, a course which many educationalists would advocate if the leaving age were raised.

In discussion there was general agreement that it was desirable in principle that the school leaving age should be raised to 16 and that, provided that countervailing economies were secured in the programme of improvements in school buildings, planning should proceed on the basis that the age would be raised in 1971. If the decision were made explicitly contingent on the availability of an adequate supply of teachers, the Government might be exposed to pressure for a more rapid expansion of the teacher training colleges; but it should be possible to indicate that a raising of the age in 1971, while not constituting a firm commitment, represented the Government's deliberate aim.

#### The Cabinet—

- (1) Authorized the Minister of Education to announce, in the forthcoming debate on education, that the Government intended that the school leaving age should be raised to 16 in the academic year 1970-71 and would plan on this basis.
- (2) Invited the Ministers of Education to consult with the Chief Secretary, Treasury, the precise terms in which this decision should be announced.

Channel  
Tunnel  
(Previous  
Reference:  
C.C. (63) 47th  
Conclusions,  
Minute 11)

7. The Cabinet had before them a memorandum by the Chancellor of the Exchequer (C.P. (64) 20), summarising the arguments for and against United Kingdom participation in a Channel tunnel.

*The Chancellor of the Exchequer* said that the long-term economic arguments in favour of the project were strong. From about 1977 onwards the cumulative cost of the existing sea and air links between the United Kingdom and the Continent would show an

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Printed for the Cabinet. November 1964

C.C. (60)

Copy No. 36

2th Conclusions

**CABINET**

**CONCLUSIONS of a Meeting of the Cabinet held at 10 Downing Street, S.W.1, on Thursday, 12th November, 1964, at 10.30 a.m.**

**Present:**

<b>The Right Hon. HAROLD WILSON, M.P., Prime Minister</b>	
<b>The Right Hon. GEORGE BROWN, M.P.,</b> First Secretary of State and Secretary of State for Economic Affairs (Items 1-4)	<b>The Right Hon. PATRICK GOSLOW WALKER, Secretary of State for Foreign Affairs</b>
<b>The Right Hon. HERBERT DOWD, M.P.,</b> Lord President of the Council	<b>The Right Hon. LORD GARDNER, Lord Chancellor</b>
<b>The Right Hon. JAMES CALLAGHAN, M.P.,</b> Chancellor of the Exchequer (Items 1-4)	<b>The Right Hon. DENIS HEALEY, M.P.,</b> Secretary of State for Defence
<b>The Right Hon. Sir FRANK SOUCE, Q.C., M.P.,</b> Secretary of State for the Home Department	<b>The Right Hon. ARTHUR BUTTLE, M.P.,</b> Secretary of State for Common- wealth Relations
<b>The Right Hon. WILLIAM ROSS, M.P.,</b> Secretary of State for Scotland	<b>The Right Hon. JAMES GRIFFITHS, M.P.,</b> Secretary of State for Wales
<b>The Right Hon. ANTHONY GREENWOOD, M.P.,</b> Secretary of State for the Colonies	<b>The Right Hon. DOUGLAS JAY, M.P.,</b> President of the Board of Trade
<b>The Right Hon. THE EARL OF LONGFORD, Lord Privy Seal</b>	<b>The Right Hon. MICHAEL STEWART, M.P.,</b> Secretary of State for Education and Science
<b>The Right Hon. RICHARD CROSSMAN, M.P.,</b> Minister of Housing and Local Government	<b>The Right Hon. DOUGLAS HOUGHTON, M.P.,</b> Chancellor of the Duchy of Lancaster
<b>The Right Hon. R. J. GUNTER, M.P.,</b> Minister of Labour	<b>The Right Hon. FRANK COUSINS, M.P.,</b> Minister of Technology
<b>The Right Hon. FRED PERCY, M.P.,</b> Minister of Agriculture, Fisheries and Food	<b>The Right Hon. FREDERICK LEE, M.P.,</b> Minister of Power
<b>The Right Hon. TOM FRASER, M.P.,</b> Minister of Transport	<b>The Right Hon. BARBARA CASTLE, M.P.,</b> Minister of Overseas Development

**The following were also present:**

<b>The Right Hon. ROY JENKINS, M.P.,</b> Minister of Aviation (Item 5)	<b>Mr. JOHN DIAMOND, M.P.,</b> Secretary, Treasury (Item 2)
<b>The Right Hon. EDWARD SHORT, M.P.,</b> Parliamentary Secretary, Treasury	

**Secretaries:**

**Sir BIRKBE THRESD**  
**Mr. P. ROGERS**  
**Miss J. J. NUNN**  
**Mr. A. A. JARRATT**

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C.C. 8 (64)

In discussion the Cabinet considered the following questions arising from the report of the Lawrence Committee:

*Salaries and allowances of Members of Parliament*

It was suggested that it would be embarrassing to increase Members' salaries shortly before the announcement of arbitration awards for dockers and railway workers and some months before the new increases in National Insurance benefits could take effect. Nevertheless, the Government should not evade responsibility for acting on the recommendations of an impartial committee which had been appointed for the express purpose of resolving the embarrassment which the Government of the day would always encounter in proposing increased salaries for Members of Parliament. The proposed increase was amply justified in the light of the movement of prices and salaries and of the current necessity for Members to spend the greater part of the week in London. The recommendations should therefore be accepted and should be implemented retrospectively to the beginning of the new Session. As a matter of presentation it would be desirable to attempt to make clear to the public the distinction between the basic salary of £2,000 and the allowance of £1,250 for expenses.

*Pensions of Members of Parliament*

It was agreed in principle that the Lawrence Committee's recommendation for the establishment of a contributory pensions scheme should be accepted, subject to the consideration of details which the Committee had not fully elaborated. There might be advantage if the scheme operated from a date related to the introduction of graduated pensions under the National Insurance Scheme; but the precise date would have to be considered in the light of the fact that the salary recommended by the Lawrence Committee took account of the proposed pensions contribution of £150, which should accordingly be deducted from the date at which the new salary became payable. The date of operation of the pensions scheme should therefore be further considered, together with other details, by the Lord President's Committee of Ministers.

*Ministerial salaries*

In discussion it was agreed that in determining the statutory salaries to be paid to Ministers due weight should be given both to the responsibilities of the posts in question and to the fact that Ministerial salaries were liable to remain unchanged for abnormally long periods. As regards the amount of the salaries it was argued, on the one hand, that the principle enunciated by Mr. Lloyd George and quoted by the Lawrence Committee, that payment in the public service should enable a man to maintain himself comfortably and honourably but not luxuriously, pointed to a level of remuneration lower than that which would result from the adoption of 50 per cent of the increase recommended by the Lawrence Committee. On the other hand, if proper allowance was made for the responsibilities of

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