

CABINET CRISIS:

Prime Minister Harold Macmillan comes to London Airport with Lady Macmillan, to start on his Commonwealth tour. Two things are on his mind - the talks with Dominion leaders that lie ahead, and the Cabinet crisis revealed by Chancellor Thornycroft's resignation. He has a few words to say on both.

The B.O.A.C. Britannia is waiting to carry him to India, the first Dominion on his programme. Grandson Harold is here too, and taking some snaps for his album, Lord Hailsham. Also watching his chief depart is the man who has the difficult task of holding the fort while he is away - Home Secretary R.A. Butler. His first job - to get the Cabinet working smoothly after Chancellor of the Exchequer Peter Thornycroft's surprise decision. Mr. Thornycroft left his job because he cannot agree to a bigger Budget next April. He braved criticism when he raised the Bank Rate to 7 per cent. The alleged information leakage over that step is still being investigated by a Tribunal. Most experts agree that Mr. Thornycroft resigned because he believes even a one per cent increase in Budget expenditure will endanger the pound.

The new Chancellor - Mr. Derrick Heathcoat Amery (till now Minister of Agriculture) takes over his duties at once. He and the Cabinet are now committed to a slightly bigger Budget, while still holding off inflation - a problem with plenty of headaches for the man who must spend six weeks at the helm.