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Thailand

CONFIDENTIAL

PRIME MINISTER'S DEPARTMENT.

FILE No. C350/1/7

PART No.

SUBJECT. THAILAND

RELATED PAPERS.

DISPOSAL CATEGORY.

26/58.

Folio No.	Referred to.	Clearing Officer's Initials.	Date Cleared.	Folio No.	Referred to.	Clearing Officer's Initials.	Date Cleared.	Folio No.	Referred to.	Clearing Officer's Initials.	Date Cleared.

Thailand — Compensation
for War Damage

Dead

COMMONWEALTH OF AUSTRALIA. C350/1/7

DEPARTMENT OF THE TREASURY,
CANBERRA, A.C.T. 30th May, 1950.

IN REPLY, PLEASE QUOTE NO.....

1 JUN 1950
O/S. C.350/1/7.
1-6-50.

PRIME MINISTER'S DEPT.
31 MAY 1950
No. C350/1/7

The Secretary,
Prime Minister's Department,
CANBERRA. A.C.T.

I have your reference of 22nd May, 1950, concerning a question by Senator Murray regarding the disposal of Australia's share of a compensation payment of £5,245,000 to be made by the Government of Thailand.

An answer to the questions has been prepared and forwarded to you by the Secretary, Department of External Affairs.

This Department agrees with the answer given.

L H Rowling

(L. H. ROWLING)
Delegate of the Controller of
Enemy Property.

Seen Cab. 31.5.50.

File.

[PRIME MINISTER.]

SENATE.

PRIME MINISTER'S DEPT.
31 MAY 1950
C350/1/1.

QUESTION FOR THIS DAY.

NOTICE PAPER NO. 21

30th May, 1950. 19

1 JUN 1950

O.S. C.350/1/7.
1-6-50.

Question No. 2.

On the 19th May, 1950 Senator Murray asked the Minister representing the Prime Minister the following questions upon notice :-

(1) Under what conditions will the sum of £500,000, being Australia's share of the £5,245,000 war indemnity recently agreed to be paid to allied countries by the Government of Thailand, be applied.

(2) If a decision has not been reached in this matter, will consideration be given to applying the money due to the settlement of claims by Australian ex-servicemen who served in Thailand as prisoners of war.

Answer
1143.

The answers to the Hon. Senator questions are as follows :-

1. Under the terms of the Peace Agreement of April 1946 between Australia and Thailand the Thai Government undertook to pay compensation in respect of loss or damage suffered by Australian firms operating in Thailand at the outbreak of war. The Thai Government further undertook to compensate Australian nationals in respect of loss or injury sustained by them as a result of internment during the war.

2. A Joint Claims Commission, representing the British Commonwealth claimant governments and the Thai Government was subsequently established in Bangkok to investigate all Commonwealth claims and arrange for their satisfaction. Claims by Australian nationals and firms were accordingly lodged with the Joint Claims Commission. Some of these claims have already been met by the Thai Government. All the remaining claims have been investigated by the Joint Claims Commission and approved claims have been submitted to the Thai Government for satisfaction.

3. The Thai Government has offered a lump sum of £5,245,000 in full satisfaction of these remaining claims. The offer, subject to conditions yet to be agreed, has been accepted.

4. Australia's share of the lump sum will amount to approximately £500,000. This figure is derived directly from the sum of approved claims submitted by individual Australian persons and firms. It will be distributed, therefore, amongst those claimants.

Approved by the Rt. Hon. the P.M.

lcod. 30.5.50

File.
lcod. 30.5.50.

NOTICE PAPER NO. 21

19th May, 1950

~~Question No. 2~~

On the 19th May, 1950, Senator Murray asked the ~~Senator Murray: To ask the Minister representing the Prime Minister, the~~ following questions upon notice

(1) Under what conditions will the sum of £500,000, being Australia's share of the £5,245,000 war indemnity recently agreed to be paid to allied countries by the Government of Thailand, be applied.

(2) If a decision has not been reached in this matter, will consideration be given to applying the money due to the settlement of claims by Australian ex-servicemen who served in Thailand as prisoners of war.

~~Answer~~

~~Senator O'Sullivan:~~ The answer to

~~In answer to the questions put by~~ the Hon. Senator questions ~~and the position is~~ as follows:-

1. Under the terms of the Peace Agreement of April 1946 between Australia and Thailand the Thai Government undertook to pay compensation in respect of loss or damage suffered by Australian firms operating in Thailand at the outbreak of war. The Thai Government further undertook to compensate Australian nationals in respect of loss or injury sustained by them as a result of internment during the war.

2. A Joint Claims Commission, representing the British Commonwealth claimant governments and the Thai Government was subsequently established in Bangkok to investigate all Commonwealth claims and arrange for their satisfaction. Claims by Australian nationals and firms were accordingly lodged with the Joint Claims Commission. Some of these claims have already been met by the Thai Government. All the remaining claims have been investigated by the Joint Claims Commission and approved claims have been submitted to the Thai Government for satisfaction.

3. The Thai Government has offered a lump sum of £5,245,000 in full satisfaction of these remaining claims. The offer, subject to conditions yet to be agreed, has been accepted.

4. Australia's share of the lump sum will amount to approximately £500,000. This figure is derived directly from the sum of approved claims submitted by individual Australian persons and firms. It will be distributed, therefore, amongst those claimants.

DEPARTMENT OF EXTERNAL AFFAIRS,

File No. 554/1/1 1 JUN 1950 CANBERRA,

O'S. C. 350/1/1
1-6-50.

25th May, 1950

PRIME MINISTER'S DEPARTMENT
26 MAY 1950

MEMORANDUM for:-

The Secretary,
Prime Minister's Department,
CANBERRA.

Forwarded herewith are eighteen copies of the answer provided by the Minister for External Affairs to the question asked by Senator Murray on Notice Paper No. 21 of Senator O'Sullivan. It would be appreciated if you would bring the matter to his attention and, if approved by him, arrange the usual distribution.

F. J. Maclean

(F. J. Maclean)
for Secretary

THE SENATE.

1 JUN 1950

Notice Paper No. 21.

O.S. C. 350/1/7.
1-6-50.

19th May, 1950.

Question 2.

SENATOR MURRAY : To ask the Minister representing the Prime Minister -

(1) Under what conditions will the sum of £500,000, being Australia's share of the £5,245,000 war indemnity recently agreed to be paid to allied countries by the Government of Thailand, be applied.

(2) If a decision has not been reached in this matter, will consideration be given to applying the money due to the settlement of claims by Australian ex-servicemen who served in Thailand as prisoners of war.

E.A.

COPY: Treasurer & Dept. (Adv.)

baa. 22.5.50.

OFFICE OF THE HIGH COMMISSIONER
FOR THE UNITED KINGDOM,
CANBERRA.

H/M.

4 NOV 1949

Ref:2/147.

3rd November, 1949.

CONFIDENTIAL.

PRIME MINISTER'S DEPT.
C. 3521/2
4 - NOV 1949
No. J.41/1/7.

Dear Sir,

I am directed by the High Commissioner to acknowledge receipt of your letter J.41/1/7 of the 1st November on the subject of claims against Siam, and to say that the United Kingdom Government have been informed of the views of the Australian Government as set out therein.

Yours faithfully,

Official Secretary.

The Secretary,
Prime Minister's Department,
CANBERRA. A.C.T.

KS/MJ

CONFIDENTIAL

J.41/1/7

1st November, 1949.

Dear Sir,

With reference to your confidential letters, series No. 2/147, of 30th September, 5th October and 13th October, 1949, setting out the United Kingdom Government's plan for a settlement in two stages of war claims against Thailand and the formal proposal for an immediate settlement by Thailand, in the first stage, of claims, amounting to £704,000, made in respect of personal prejudice, and of personal and general property losses, I am directed to inform you that the Australian Government has instructed the Australian Consul-General in Bangkok to join the United Kingdom and Indian representatives in Thailand in a formal approach to the Thai Government for a settlement of claims in the first stage along the lines proposed by the United Kingdom Government.

While not pressing its view that the immediate release by the United Kingdom Government of Thai frozen assets to the value of £1,500,000 may be mistaken by Thailand as an act of weakness, and noting the United Kingdom Government's assurance that there is no question of financial assistance to Thailand at present, I am to say that the Australian Government reiterates its opinion that the outstanding indebtedness of Thailand in respect of claims for war loss or damage must be regarded as a first charge on the balance of Thai assets remaining frozen in London.

I am to add that the Australian Government also feels that in the present negotiations no suggestion should be made to the Thai Government that anything less than the proven amount of the claims remaining for settlement in the second stage will be acceptable to the United Kingdom, India and Australia. The Australian Consul-General in Bangkok has been so informed.

Yours faithfully,

A. S. BROWN

(A. S. Brown)
Secretary.

The Official Secretary,
Office of the High Commissioner
for the United Kingdom,
CANBERRA. A.C.T.

RJS 16/11/49

COPY: E.A.
Trsy.

2 NOV 1949

COMMONWEALTH OF AUSTRALIA.

DEPARTMENT OF EXTERNAL AFFAIRS.

File No. 453/9/5/3/1/1.

CANBERRA. A.C.T.

24th October, 1949.

MEMORANDUM for -

The Secretary,
Prime Minister's Department,
CANBERRA. A.C.T.

UNITED KINGDOM PROPOSALS FOR A SETTLEMENT IN TWO STAGES OF CLAIMS AGAINST THAILAND (SIAM).

(P.M.'s file No. J.41/1/7)

I refer to your recent memoranda forwarding letters relating to the abovementioned matter received from the Official Secretary, Office of the High Commissioner for the United Kingdom, Canberra, and request that a formal reply be sent to the Official Secretary in the following terms :

"With reference to your confidential letters, series No. 2/147, of 30th September, 5th October and 13th October, 1949, setting out the United Kingdom Government's plan for a settlement in two stages of war claims against Thailand and the formal proposal for an immediate settlement by Thailand, in the first stage, of claims, amounting to £704,000, made in respect of personal prejudice, and of personal and general property losses, the Australian Government has instructed the Australian Consul-General in Bangkok to join the United Kingdom and Indian representatives in Thailand in a formal approach to the Thai Government for a settlement of claims in the first stage along the lines proposed by the United Kingdom Government.

While not pressing its view that the immediate release by the United Kingdom Government of Thai frozen assets to the value of £1,500,000 may be mistaken by Thailand as an act of weakness, and noting the United Kingdom Government's assurance that there is no question of financial assistance to Thailand at present, the Australian Government reiterates its opinion that the outstanding indebtedness of Thailand in respect of claims for war loss or damage must be regarded as a first charge on the balance of Thai assets remaining frozen in London.

The Australian Government also feels that in the present negotiations no suggestion should be made to the Thai Government that anything less than the proven amount of the claims remaining for settlement in the second stage will be acceptable to the United Kingdom, India and Australia.

The Australian Consul-General in Bangkok has been so informed."

2. I attach for your information copy of Outward telegram No. O. 13066 sent after consultation with the Department of the Treasury.

J. W. Burton
SECRETARY.

DEPARTMENT OF EXTERNAL AFFAIRS.

CABLEGRAM.

T.41/1/7

[redacted]ER

28 OCT 1949

O.13066

Sent: 20th October, 1949
1425

DECYPHER TO:

The Australian Consul General,
BANGKOK.

67. RESTRICTED: Your B90.

You are authorised to join the United Kingdom and Indian representatives in a formal approach to the Thai Government for a settlement in two stages and, in respect of the first stage, on the lines proposed by the United Kingdom Government, providing that no suggestion is made to your colleagues or the Thais that something less than the proven amount of the remaining group of claims might be finally acceptable to Australia.

EXTERNAL AFFAIRS (453/9/5/3/1/1 part 4)
TREASURY

20th October, 1949

Urgent

Mr Smith

Pacific Div

KS/MJ

CONFIDENTIAL

J.41/1/7

14th October, 1949.

Dear Sir,

I desire to acknowledge the receipt of your letter Ref. 2/147 of 13th October, 1949 (in triplicate) on the subject of the settlement of war claims against Siam.

A further communication will be addressed to you as early as practicable.

Yours faithfully,

ASB

Secretary.

The Official Secretary,
Office of the High Commissioner
for the United Kingdom,
CANBERRA. A.C.T.

1/11/49

T 41/1/7.

K/M. 13 OCT 1949

OFFICE OF THE HIGH COMMISSIONER
FOR THE UNITED KINGDOM,
CANBERRA.

Ref:2/147. 13th October, 1949.

PRIME MINISTER'S DEPT.
13 OCT 1949
No.....

CONFIDENTIAL.

Dear Sir,

With reference to my letter of the 5th October on the subject of the settlement of war claims against Siam, I am directed by the High Commissioner to say that it is understood that rather than a settlement in two stages as described in that letter and my letter of the 30th September, the Australian Government would have preferred to have suggested to the Siamese Government an overall settlement in one stage by a lump sum of £6½ millions.

The United Kingdom Government share the desire of the Australian Government for a satisfactory settlement as soon as possible, as they wish to remove this source of friction between themselves and the Siamese Government. They agree that it would be unwise to risk settling for a sum that might be inadequate, by suggesting a settlement for less than £6½ millions before the assessment of the claims has been completed. They believe, however, that there is general agreement that a settlement at that figure would be unacceptable to the Siamese Government; and they do not consider their bargaining position vis-a-vis the Siamese Government is at present strong enough to provide hopes of successful negotiations on the basis of such a request. In particular, there is no question of financial assistance to Siam at present, which could be made conditional upon Siamese agreement, and such military equipment as has been supplied has been paid for, and has moreover gone to Siamese units in South Siam whose co-operation is necessary for the anti-terrorist campaign in Malaya. The main bargaining factor in the hands of the United Kingdom Government is their control over the frozen Siamese assets, but for this to be used effectively it is necessary to await the completion of the assessments, which would enable negotiations to be pursued on a more realistic basis.

The above might suggest that the completion of the assessment of the claims should be awaited before even partial settlement is attempted. It would however be difficult to adopt this course in view of the hardship it would involve for personal prejudice and personal property claimants.

In the circumstances, the United Kingdom Government have at present proposed as a compromise a settlement in two stages, the first of which is designed to settle without delay the smaller and more contentious claims which involve personal hardship for claimants, whilst the second stage, the settlement of the major categories of claims, is postponed until proposals can be based on firmer figures than those available at present. The figure put to Prince Viwat for the preliminary lump sum was £822,000. It now appears that this can be safely reduced by £118,000 in respect of personal prejudice claims paid since the 31st March. Thus the figure which the United Kingdom Government would propose to put formally to the Siamese Government, subject to the agreement of the Australian and Indian Governments, is £704,000. To secure a partial settlement covering these claims, the only inducement available at present is a partial release from the frozen assets, and

/this

The Secretary,
Prime Minister's Department,
CANBERRA. A.C.T.

COPY: Min. & Dept.E.A. 14/10/49.

this inducement must be as liberal as it can safely be made.

This proposal if accepted would, the United Kingdom Government hope, be followed at a later date (and subject to the approval of the Australian and Indian Governments) by a further proposal for a lump sum settlement of the remaining outstanding claims as soon as assessments of them have been completed.

The United Kingdom Government of course remain ready to accept an overall lump sum settlement at any time if it appears practicable without its being necessary to offer a considerable discount. It is apparent, however, that at present the Siamese Government are not prepared to agree to an overall figure which the Australian, Indian, and United Kingdom Governments would regard as ensuring the full satisfaction of fair awards according to their interpretation of the claims agreement. It is hoped that the discussion of the United Kingdom Government's proposals for a two-stage settlement will have the merit of clearing the ground in preparation for a final settlement even if it is not immediately accepted by the Siamese Government.

The United Kingdom Government hope that in the light of the above considerations the Australian Government will find it possible to associate themselves with the United Kingdom Government's proposals, and to instruct the Australian Consul-General in Bangkok to join the United Kingdom and Indian representatives in a formal approach to the Siamese Government, setting out the proposals for a two-stage settlement in a detailed aide-memoire to be drafted by the representatives in Bangkok.

Yours faithfully,

Official Secretary.

KS/MJ

CONFIDENTIAL

J.41/1/7

7th October, 1949.

Dear Sir,

I desire to acknowledge the receipt of and to thank you for your letters (2) of 30th September and 5th October,, 194 1949, Ref. 2/147, together with enclosures, on the subject of a proposal for a lump sum settlement of war claims against Siam.

The information furnished in this connection is being brought to the notice of the appropriate Commonwealth authorities.

Yours faithfully,

Secretary.

The Official Secretary,
Office of the High Commissioner
for the United Kingdom,
CANBERRA. A.C.T.

File
57/10

(11)



PRIME MINISTER'S DEPT.
5 - OCT 1949
No. J. 41/1/7.

OFFICE OF THE HIGH COMMISSIONER
FOR THE UNITED KINGDOM,
CANBERRA.

H:D

5th October 1949

Ref. 2/147.

16/9 K Smith

CONFIDENTIAL.

Dear Sir,

With reference to my letter of the 30th September on the subject of a proposal for a lump sum settlement of war claims against Siam, I am directed by the High Commissioner to say that he has been asked to convey to you for the confidential information of the Australian Government the enclosed copy of a further telegram from the Foreign Office to the United Kingdom Ambassador at Bangkok.

Yours faithfully,

Official Secretary.

The Secretary,
Prime Minister's Department,
CANBERRA. A.C.T.

COPY with copy encl.: Min. & Dept. E.A.

7 OCT 1949

OFFICE OF THE HIGH COMMISSIONER
FOR THE UNITED KINGDOM,
CANBERRA.

CONFIDENTIAL

COPY

Telegram from Foreign Office to United Kingdom Ambassador at Bangkok.

Prince Viwat called this morning and with approval of Treasury we outlined to him proposals contained in my previous telegram making it plain they were provisional and subject to approval of Australian and Indian Governments before they could be finally put to Siamese Government in Bangkok.

2. Minister of Finance promised to telegraph these to Bangkok. He said his Government would doubtless require fuller information on how we had arrived at total of £822,000 and was told that this could be supplied by Crichton who would be arriving at Bangkok towards end of next week.

3. Minister of Finance did not commit himself to an opinion on these proposals excepting that he clearly approved of principle of disposing of claims by lump sum settlement.

4. It was explained to him also that we hoped if this arrangement went through it should be possible for us to suggest another figure towards end of the year (by which time some progress will have been made in assessing commercial property claims) by way of final settlement of war claims.

5. We shall be glad of your comments and those of your Commonwealth colleagues on these proposals.

5th October 1949.

H/O.

(13)

Ref.: 2/147

OFFICE OF THE HIGH COMMISSIONER
FOR THE UNITED KINGDOM,
CANBERRA.

S -4 OCT 1949

30th September, 1949.

PRIME MINISTER'S D...
4 - OCT 1949
No. J41/1/7

CONFIDENTIAL

Dear Sir,

With reference to your letter J41/1/7 of the 21st September on the subject of a proposal for a lump sum settlement of war claims against Siam, I am directed by the High Commissioner to say that he has been asked to convey to you for the confidential information of the Australian Government the enclosed copy of a telegram from the Foreign Office to the United Kingdom Ambassador at Bangkok.

EG K Smith

Yours faithfully,

Official Secretary.

COPY with copy encl. - Min. & Dept. E.A.

S 7 OCT 1949

The Secretary,
Prime Minister's Department,
CANBERRA.

CONFIDENTIAL.

TELEGRAM FROM FOREIGN OFFICE TO THE UNITED KINGDOM AMBASSADOR AT BANGKOK.

After thorough study of the proposal for an immediate counter offer to the Siamese by way of lump sum settlement to be followed by arbitrary discount of about one million pounds for quick settlement, and in spite of Colonel Crichton's strong advocacy of this course, we have decided against it. This policy would involve sacrifice at expense of claimants and we are not satisfied that this is inevitable.

2. We entirely agree, however, to desirability of early settlement both for general political reasons and because machinery of Claims Commission does not in fact guarantee fair or early awards to claimants. We shall therefore propose to Prince Viwat settlement in two stages -

(a) First, lump sum settlement of remaining personal prejudice and of personal and general property claims as listed in the next paragraph

(b) Second, postponing settlement of commercial property and tin claims until Shipley had made more progress with assessments.

3. On the basis of Crichton's figures of proven values agreed between him and his Commonwealth colleagues on the Claims Committee, we estimate the sum required under 2 (a) above at £822,000. This is made up of -

(a) United Kingdom and Commonwealth, excluding Australian and Indian personal property £239,854.

(b) Australian property £30,000.

(c) Indian property £95,000.

(d) General property (petty traders, etc.) £157,203.

(e) Remaining personal prejudice £300,000.

4. To make this attractive to the Siamese Government we shall offer to release immediately from the frozen assets in London £1,500,000. This will be conditional on the Siamese accepting figure of £822,000 as lump sum settlement for above categories, it being understood that this figure is not open to reduction and that it would be allocated by Commonwealth members of the Claims Committee without Siamese participation. No promise will be made to the Siamese Government to refund any balance remaining out of the £822,000 after awards have been made, partly because such a promise would suggest that way is open to bargaining, and partly because the figure is already a reduction on totals of claims as presented and could not safely be further reduced on basis of present information.

5. It will be made clear to Prince Viwat that our proposals are subject to approval by the Governments of Australia and India and that they will be communicated finally to the Siamese Government by you and your Australian and Indian colleagues. Details will be provided to show the Siamese what partial lump sum settlement is intended to cover.

6. When Shipley has made more progress with assessing commercial property claims and has cleared up points for tin assessments which the Siamese have queried it will be possible to formulate definite proposals for final settlement of these two remaining categories. These proposals may take the form of a lump sum offer coupled with release of remaining frozen assets.

7. If the proposals outlined above prove unacceptable to the Siamese Government we shall have to consider again whether some sacrifice of claimants' interests is unavoidable, but you will realise that this will be difficult to justify in view of the fact that we hold ample cover for fair settlement.

8. You should communicate the substance of this telegram to your Australian and Indian colleauges and invite them to concur. I understand that both Australian and Indian members of the Claims Committee were prepared to accept discount in order to secure early settlement. I hope therefore that they will see no reason to object to proposals which will secure more favourable terms than they had envisaged.

9. I hope you will agree that these proposals are reasonable and attractive. If accepted by the Siamese Government the most contentious categories of claims will have been settled. They involve no delay even for the remaining two categories of claims - commercial property and tin assessments - because we could not at this stage have suggested lump sum by way of settlement for them without further information unless we had left such a margin of safety as to make the offer unacceptable to the Siamese Government.

Office of the High Commissioner
for the United Kingdom,
CANBERRA.

30th September, 1949.

CONFIDENTIAL

J.41/1/7.

21st September, 1949.

CONFIDENTIAL.

Dear Sir,

I desire to acknowledge with thanks receipt of your letter 2/147 of 16th September, 1949, together with enclosures (3) on the subject of a proposal for a lump sum settlement of war claims against Siam.

Yours faithfully,

ASB

(A. S. BROWN)
Secretary.

The Official Secretary,
Office of the High Commissioner for the
United Kingdom,
CANBERRA .. A.C.T.

CONFIDENTIAL:

(9)

OFFICE OF THE HIGH COMMISSIONER
FOR THE UNITED KINGDOM,
CANBERRA.

19 SEP 1949

B.VI.

16th September, 1949.

Ref.: 2/147.

PRIME MINISTER'S DEPT.
19 SEP 1949
No. J.41/1/7.

Dear Sir,

With reference to your letter to Mr. Kimber, J.41/1/7 of the 23rd August, 1949, and earlier correspondence on the subject of a proposal for a lump sum settlement of war claims against Siam, I am directed by the High Commissioner to say that he has been asked to pass on to you, for the information of the Commonwealth Government, copies of certain formal notes as follows:-

MR SMITH.

1. Siam's note dated 7th June.

2. United Kingdom note to Siam dated 11th June asking for elucidation of certain points in 1.

3. Siam's explanation dated 20th July.

Yours faithfully,

H.G. Bass

for Official Secretary.

The Secretary,
Prime Minister's Department,
CANBERRA.

COPY & ORIG. ENCS. DEPT. E.A.

22 SEP 1949

ach

B/O.

Ref.: 2/147

OFFICE OF THE HIGH COMMISSIONER
FOR THE UNITED KINGDOM,
CANBERRA.

26th August, 1949.

PRIME MINISTER'S
29 AUG 1949 21/9
No. J.41/1/7.

CONFIDENTIAL

Dear Mr. Brown,

In Mr. Kimber's absence on leave I am writing to thank you for your letter J.41/1/7 on the subject of Claims on Siam and to inform you that its contents are being communicated to the United Kingdom authorities.

Yours sincerely,

H. K. Brown

R/S 21/9

31-8

A. S. Brown, Esq.,
Prime Minister's Department,
CANBERRA, A.C.T.

Statement regarding
this matter has not been
rec'd from S.A. and as
soon as the file.

22. 8.

Noted with thanks.
A.B. 23/8.

TJC/MVM.

J.41/1/7.

CONFIDENTIAL

23 AUG 1949

Dear Mr. Kimber,

With reference to your letter No.2/147 of 11th March, 1949, I am directed to inform you that the Australian Government is of the opinion that, if the Thai Government accept the terms of the British and Australian Notes presented to them proposing a lump sum settlement, the claims provisions of the Final Peace Agreement between Australia and Thailand dated 3rd April, 1946, will lapse, as will also the Memorandum of Understanding of 6th January, 1947, which set up the British Commonwealth-Thai Claims Committee.

The Australian Government moreover agrees that it will be necessary to set up a new committee to deal with British Commonwealth claims now being presented to the Thai Government and to the British Commonwealth Thai Claims Committee; that there should be no Thai participation in the new committee; that the new committee should be called the Commonwealth Claims Commission (Thailand) and its terms of reference should be similar to the relevant provisions of the Memorandum of Understanding; and that the new committee should sit in Bangkok.

Yours faithfully,

A. S. BROWN

Secretary.

G. Kimber, Esq.,
Official Secretary,
Office of the High Commissioner
for the United Kingdom,
CANBERRA.

Ps 21/9 NI 24.8.

COPY: E.A. (PREV. CORRES.)

23 AUG 1949

(8)

19 AUG 1949

19 AUG 1949 27/7

No. J.41/1/7.

451/3/2/2 and
453/9/5/3/1 Pt.4

DEPARTMENT OF EXTERNAL AFFAIRS,

CANBERRA.

Confidential

18th August, 1949

MEMORANDUM for:-

The Secretary,
Prime Minister's Department,
CANBERRA.

WAR CLAIMS AGAINST THAILAND

With reference to my memorandum of 26th July, 1949, (P.M.'s file No. J.41/1/7), I forward herewith for information a statement of the present position relating to British Commonwealth War Claims against Thailand.

.....

John W. Burton
Secretary.

WAR DAMAGE CLAIMS AGAINST THAILAND

On 3rd April, 1946, Australia and Thailand (Siam) concluded a Final Peace Agreement, several of the articles of which provided for the payment of compensation by Thailand in respect of war losses and damage sustained by Australian citizens and firms.

Subsequently, on 6th January, 1947, an agreement was concluded for setting up in Bangkok a Joint Claims Committee consisting of an Australian member, a United Kingdom Member, an Indian member and three Thai members. Of this committee, the United Kingdom member has acted as Chairman, with the right to exercise a casting vote. Claims for war loss or damage which have been disputed by the Thai Government are referred to the Committee for adjudication.

Independently of the foregoing agreements, and in pursuance of the Thai Tin Ore Agreement of 7th December, 1946, the Thai Government paid a sum of £1,250,000 to Commonwealth (including Australian) tin mining companies as compensation for tin ore removed from their leases during the war of 1941-1945.

The United Kingdom Government has been holding in London frozen assets of the Thai Government, which are understood to amount to some £8,000,000 sterling.

The Joint Claims Committee has made only slow progress in the examination of disputed claims and from time to time proposals for the payment by Thailand of a lump sum in satisfaction of outstanding claims have been canvassed.

As long ago as 21st October, 1947, the Thai Government addressed to the Australian Consul-General at Bangkok an Aide-Memoire seeking a revision of the Final Peace Agreement with Australia and expressing Thailand's wish to make a lump sum payment in respect of outstanding claims.

On 25th November, 1947, the Treasurer approved in principle the acceptance of a lump sum payment from Thailand in settlement of outstanding Australian claims.

On 4th December, 1948, the Australian Consul-General, Bangkok handed to the Thai Assistant Minister of Foreign Affairs a Note dated 1st December, 1948, expressing the willingness of the Australian Government to meet the Thai Government's point of view to the extent of fixing an upper limit to the latter's overall liability and specifying that the lump sum in question should consist of :

(a) the total of all assets of the Thai Government or of Thai Government instrumentalities frozen or held by the Custodians of Enemy Property in the United Kingdom, Canada, Australia, New Zealand, India, Pakistan and Ceylon and their territories; and

(b) a sum, in Thai currency and expendable in Thailand, equivalent to £1,000,000 sterling.

In the meantime, a technical expert, Mr. J.F. Shipley had been commissioned to examine and to report in detail to the British Commonwealth Thai Claims Committee on the most complex group of claims under consideration by the Committee - the claims of the mining companies. These claimants sought awards of £5,939,467, which the Thais were prepared to settle for only £1,228,378. Mr. Shipley was prepared to award the mining companies £2,022,572 or 34% of the sum they claimed.

In a Note dated 7th June, 1949, the Thai Government replied to the Australian Note of 1st December, 1948, offering in settlement of all British Commonwealth claims an immediate lump sum payment of

19/8/49

Ring Mr. McIntyre who said a memo was on the way to us.

19.8.49

Mr McIntyre explained that the preparation of the statement entailed a considerable amount of research.

19.8.49

Rec'd 4/30 19/8/49

452/813
451/3/1/2, [illegible] of 26/7/[illegible]

Mr McKenna

We have not much information on our file re this. If Secy requires further info we will have to get it from S.A.

T.V.O.
3. 8. 49.

I would like to know what it is all about

Ring Mr. McIntyre, E.D.
Who will have a statement prepared. 3/8 DK 8/8

Mr McIntyre. 392

comparatively large sections of the community can very well reduce their consumption of these vital commodities, there is without question a larger section of lower income and larger family groups who are not able to sacrifice these essential basic foods and substitute the more costly alternatives such as fish, fruit and dearer vegetable products. It is in respect, therefore, to this particular problem that the Government has decided to launch an appeal to all sections of the community to -

(1) observe in the spirit and the letter all existing rationing requirements. With the cessation of hostilities there has been an undoubted slackening in this respect.

£3,500,000

£3,500,000 exclusive of a sum of £1,549,350, which it claimed to have already paid up to 31st March, 1949. This offer was made conditional upon the release of Thai Government and Thai assets frozen by the several countries of the Commonwealth.

On 14th June, 1949, the Australian Consul General, Bangkok, reported that the Thai Government had probably arrived at the figures of £1,549,350 by adding to the £1,250,000 paid under the Tin Ore Agreement certain awards made by the Claims Committee prior to the 31st March, 1949.

On 11th July, 1949, the United Kingdom Chairman of the Claims Committee prepared the following confidential estimate of Allied claims against the Thai Government

	Claims	Amounts
1.	Tin	2,158,382
2.	Commercial Property	3,509,738
3.	Personal Property	239,854
4.	General Property	161,083
5.	Australian Property	30,000
6.	Indian Property	95,000
7.	Balance of Personal Prejudice	300,000
		£6,494,057

The Australian Government has recorded its view (P.M.'s file No. J.41/1/7) that the claims provisions to Final Peace Agreement with Thailand would lapse if the Thai Government accepts the terms of the British and Australian Notes presented to them proposing a lump sum settlement and that in that event the British Commonwealth Thai Claims Committee should be replaced by a Commonwealth Claims Commission, in which the Thais would not participate. The primary function of the proposed Commission would be the destribution among claimants of any lump sum received from the Thai Government.

On 23rd July, 1949, the Australian Consul-General, Bangkok, advised that the Thai Government is offering the sum of £3,500,000 in full satisfaction of all claims not settled on the 31st March, 1949.

It is understood that the British Ambassador, Bangkok, and the Indian Minister, Bangkok, are recommending a counter-bargaining offer of £6,000,000 subject if necessary, to a discount of £1,000,000 for a quick settlement.

(37)

In reply quote No. 452/8/3 and 451/3/2/2

DEPARTMENT OF EXTERNAL AFFAIRS,
CANBERRA.

26th July, 1949.

28 JUL 1949
PRIME MINISTER'S DEPT.
27 JUL 1949
No. J.41/1/7.

MEMORANDUM for:-

The Secretary,
Prime Minister's Department,
CANBERRA.

19/8.

With reference to your memorandum (P.M.'s file No. J.41/1/7) of the 15th March, 1949, forwarding a copy of letter No.2/147, dated 11th March, 1949, from the Official Secretary of the United Kingdom High Commissioner, Canberra, relating to certain agreements between Australia and Thailand, I request that the following reply, in which the Department of Treasury concurs, be forwarded to the High Commissioner :

"With reference to your letter No. 2/147 of 11th March, 1949, I have to say that the Australian Government is of the opinion that, if the Thai Government accept the terms of the British and Australian Notes presented to them proposing a lump sum settlement, the claims provisions of the Final Peace Agreement between Australia and Thailand dated 3rd April, 1946, will lapse, as will also the Memorandum of Understanding of 6th January, 1947, which set up the British Commonwealth-Thai Claims Committee.

"The Australian Government moreover agrees that it will be necessary to set up a new committee to deal with British Commonwealth claims now being presented to the Thai Government and to the British Commonwealth Thai Claims Committee; that there should be no Thai participation in the new committee; that the new committee should be called the Commonwealth Claims Commission (Thailand) and its terms of reference should be similar to the relevant provisions of the Memorandum of Understanding; and that the new committee should sit in Bangkok."

John W. Burton
Secretary.

451/3/2/2, pt. 4.

7 - APR 1949
No. J.41/1/7
DEPARTMENT OF EXTERNAL AFFAIRS,
CANBERRA.

20/4

6th April, 1949.

MEMORANDUM for :

The Secretary,
Prime Minister's Department,
Canberra, A. C. T.

With reference to your memorandum (No.J.41/1/7) of the 15th March referring for advice a letter(No. 2/147) of 11th March, 1949, from the Official Secretary to the United Kingdom High Commissioner, Canberra, regarding the proposed establishment of the Commonwealth Claims Commission (Siam), I have to say that, on the receipt of advice from the Australian Consul-General, Bangkok, I hope to be in a position to state the attitude of this department to the proposal.

John W. Burton
Secretary.

B/IR.

2/147.

OFFICE OF THE HIGH COMMISSIONER
FOR THE UNITED KINGDOM,
CANBERRA.

11th March, 1949.

14 MAR 1949

14 MAR 1949

No. J.41/1/7

CONFIDENTIAL.

Dear Sir:

With reference to the letter from this office, No. 2/147 of of 31st December, 1948 on the subject of Claims Articles of Formal Agreement with Siam, I am directed by the High Commissioner to inform you that if the Siamese Government accept the terms of the Note presented to them proposing a lump sum settlement, the Claims provision of the peace agreement of 3rd April, 1946, will lapse, and so will the Memorandum of Understanding of 6th January, 1947, which set up the British Commonwealth-Siamese Claims Committee.

It will then be necessary to set up a new committee to deal with Commonwealth claims now being presented to the Siamese Government and to the British Commonwealth-Siamese Claims Committee. Since Siam's concern with claims will end with the payment of a lump sum, there will, of course, be no Siamese participation in the new Committee. In the opinion of the United Kingdom authorities, there are obvious advantages in keeping this Committee as small as possible and it is accordingly proposed that it should consist of representatives of the United Kingdom, Australia and India only, corresponding with the Commonwealth elements on the existing Committee.

The United Kingdom authorities suggest that it should be called the Commonwealth Claims Commission (Siam) and terms of reference would be similar to the relevant provisions of the Memorandum of Understanding, and that it should sit in Bangkok.

It/

The Secretary,
The Prime Minister's Department,
C A N B E R R A.

COPY - E.A. (P.C. EARLY ADV.)

15 MAR 1949

OFFICE OF THE HIGH COMMISSIONER
FOR THE UNITED KINGDOM,
CANBERRA.

It is understood that the proposal for the new Committee has been discussed in Bangkok with the Australian and Indian representatives, and that all are agreed on the desirability of limiting the membership to three.

The Australian Government is no doubt aware of the proposal, and I am accordingly to ask for their formal agreement to it. An approach is being made to the other Commonwealth countries in whose favour the lump sum is to be made, in order to obtain their agreement also.

Yours faithfully,

Official Secretary.

TJC:MP

J.41/1/7.

6th January, 1949.

Dear Mr. Kimber,

I desire to acknowledge the receipt of your letter of 31st December, 1948, Ref. 2/147, (and enclosure), further regarding Claims Articles of Formal Agreement with Siam.

The information furnished therein is being conveyed to the appropriate authorities

Yours faithfully,

F. STRAHAN

Secretary.

G. Kimber, Esq.,
Official Secretary,
Office of the High Commissioner
for the United Kingdom, CANBERRA.

OFFICE OF THE HIGH COMMISSIONER
FOR THE UNITED KINGDOM,
CANBERRA.

31st December, 1948.

B/CH.

Ref. 2/147.

4 JAN 1949
PRIME MINISTER'S DEPT.
4 JAN 1949
No. J. 41/1/7.

Dear Sir,

With reference to the letter from this office 2/147 of 2nd November, 1948, and subsequent correspondence, on the subject of Claims Articles of Formal Agreement with Siam, I am directed by the Acting High Commissioner to enclose, for the information of the Commonwealth authorities, a copy of the Note to Siam dated 26th November, 1948, of which the draft was enclosed in my letter under reference. Apart from the amendment notified in the letter from this office dated 9th November, 1948, it will be observed that there has been included in paragraph 10 a reference to paragraph 6(h) of the Memorandum of Understanding dated 6th January, 1947.

The Siamese Minister of Foreign Affairs has acknowledged receipt of the Note, and states that all points expressed in the Note, as well as the proposals for a lump sum settlement, are receiving most careful study by the Siamese Government, and that a further communication will be addressed to the United Kingdom Government when a decision has been reached.

Yours faithfully,

Official Secretary.

The Secretary,
Prime Minister's Department,
CANBERRA. A.C.T.

COPY WITH ORIG. ENCL: E.A. (P.C.)
added "Copy has not been sent to any other Department."

6 JAN 1949

H.C.A.B.

OFFICE OF THE HIGH COMMISSIONER
FOR THE UNITED KINGDOM,
CANBERRA.

B/MP.

26th November, 1948.

Ref: 2/147.

26 NOV 1948

PRIME MINISTER'S DEPT.
26 NOV 1948
No. J.41/1/7

Dear Sir,

With reference to my letter of the 9th November, 1948 concerning Claims Articles of Formal Agreement with Siam, I am directed by the Acting High Commissioner to inform you that the reply to the Siamese Aide Memoire was presented in Paris to the Siamese Foreign Minister on the 25th November.

Yours faithfully,

H.G. Bass

for Official Secretary.

The Secretary,
Prime Minister's Department,
CANBERRA. A.C.T.

COPY: E.A. (P.C.)

30 NOV 1948

30/11/48

OFFICE OF THE HIGH COMMISSIONER
FOR THE UNITED KINGDOM.
CANBERRA.

B/CH.

9th November, 1948.

Ref. 2/147.

11 NOV 1948
PRIME MINISTER'S DEPT
11 NOV 1948
No. J.41/1/7.

Dear Sir,

With reference to my letter of the 2nd November concerning Claims Articles of Formal Agreement with Siam, I am directed by the Acting High Commissioner to inform you that an amendment has been made to the last sentence of paragraph 11. This sentence now reads....."the final decision on the admissibility or otherwise of any claims must rest with whatever body may be appointed by His Majesty's Government in the United Kingdom in conjunction with His Majesty's Governments in the other Commonwealth territories concerned to perform this function".

* Communicated in P.M.'s Dept

As was stated in telegram No. 259 of the 14th October from the Secretary of State for Commonwealth Relations to the Prime Minister, it is proposed to present the note if possible during the current General Assembly meeting in Paris.

Yours faithfully,

H.G. Bass

COPY: E.A. (P.C.)

12 NOV 1948

Assistant Official Secretary.

The Secretary,
Prime Minister's Department,
CANBERRA. A.C.T.

TJC:LH

5th November, 1948.

Dear Mr. Bass,

I desire to acknowledge receipt of your letter of 2nd November, 1947, Ref.2/147,(and enclosure), regarding the Claims Articles of Formal Agreement with Siam.

The terms of the proposed reply to the Siamese Government have been noted and are being conveyed to the appropriate Commonwealth Authorities.

Yours faithfully,

J Graham

Secretary.

H. G. M. Bass, Esq.,
Assistant Official Secretary,
Office of the High Commissioner
for the United Kingdom.
CANBERRA. A.C.T.

PS 25/11
AM 5/11

Increased Price of
Siamese Rice

DEAD

OFFICE OF THE HIGH COMMISSIONER
FOR THE UNITED KINGDOM,
CANBERRA.

B.P.

Ref. 2/147

2nd November, 1948.

4 NOV 1948
PRIME MINISTER'S DEPT.
4 NOV 1948
No. T. 41/1/7

Dear Sir,

I am directed by the Acting High Commissioner to refer to telegram No.135 of the 8th May from the Secretary of State for Commonwealth Relations to the Prime Minister, and previous communications, concerning Claims Articles of Formal Agreement with Siam. The United Kingdom Government have been considering their reply to the Siamese Aide Memoire of the 6th September, 1947, proposing a revision of the Formal Agreement of the 1st January, 1946, a summary of which was contained in the Secretary of State's telegram D. No.882 of the 15th November, 1947.

I have been asked to send you a copy of the proposed reply, and to let you know that any amendments which may be added to it will be only of a minor character. The date of its presentation to the Siamese Government will be notified to you as far in advance as possible.

Yours faithfully,

H.G. Bass

Assistant Official Secretary.

COPY : E.A. (Copy has not been sent to any other
WITH ORIG. Department.)
ENCLS.

5 NOV 1948

The Secretary,
Prime Minister's Department,
CANBERRA.

Commonwealth Relations Office,

Downing Street.

COMMONWEALTH OF AUSTRALIA 7 October, 1947.

Circular Despatch D. No. 81

CONFIDENTIAL

Sir,

PRIME MINISTER'S DEPT
14 OCT 1947
J.41/1/47

With reference to my circular telegram D.No. 742 of 4th September, and previous connected correspondence, I have the honour to forward, for your information, copies of the aide-memoires recently exchanged with the Siamese Ministry of Foreign Affairs regarding the increase in the price of Siamese rice.

I have the honour to be,
Sir,
Your most obedient,
humble servant,

A. Henderson

(for the Secretary of State)

THE PRIME MINISTER OF
THE COMMONWEALTH OF AUSTRALIA.

17 OCT 1947

COPY - E.A. (Copy has not been sent to any other Department)

British Embassy,
Bangkok.

No.317
(352/3/47)

2nd September, 1947.

Sir,

As promised in my telegram No. 746 of today, I have the honour to transmit to you, herewith, copies of the aide-memoires exchanged with the Minister of Foreign Affairs regarding the increase in the price of Siamese rice to the equivalent of that paid in Burma, and the continuation of price and export control throughout 1948, during which period Siam will co-operate fully with the I.E.F.C. or any successor body.

2. The Siamese aide-memoire is badly and obscurely drafted, but this is due not to vice, but to insufficient knowledge of English. In this connexion, I would explain that the word "which" in the second sentence of the third paragraph of the above document refers to the National Assembly and not to the statement made to that body by the Government spokesman.

3. I am sending a copy of this despatch to Singapore.

I have the honour to be with the highest respect,

Sir,

Your most obedient humble servant,

(Signed) G.H. THOMPSON.

The Rt, Hon. Ernest Bevin, P.C., M.P.,
etc., etc., etc.,
His Majesty's Principal Secretary of State
for Foreign Affairs,
Foreign Office.

347/3/47

AIDE MEMOIRE

His Excellency the Minister of Foreign Affairs is already aware of the sympathy with which the Governments of the United Kingdom and India have considered the request of the Siamese Government for an increase in the price of rice for official export as from the first of September, and of their agreement that the said price should be raised to a figure equivalent to that of the existing price for Burmese rice.

2. The price of Burmese rice at the present time is £33. 6. 8 per ton f.o.b., covering gunnies, lighterage, handling costs, loss of weight between mill and ship, and other incidental charges. The equivalent new basic price for Siamese rice will therefore be £31 per ton ex mill 35% broken, the prices of the various different grades to be agreed in consultation between this Embassy, the Rice Unit and the Siamese authorities concerned.

3. The Government of the United Kingdom have noted with satisfaction the decision of the Siamese Government to co-operate fully with the I.E.F.C. or any successor body throughout 1948. In confirmation of this assurance and in return for the concession on price explained above the Government of the United Kingdom would request a formal undertaking on the part of the Siamese Government - such undertaking to be ratified by the National Assembly - to continue control over the price and export of rice until the end of 1948. On receipt of this formal undertaking the Government of the United Kingdom will allow the so-called "penalty clause" contained in the Anglo-Siamese Rice Agreements which terminated yesterday, to lapse entirely.

(Signed) G.H. THOMPSON

British Embassy,
Bangkok.

1st September, 1947.

AIDE MEMOIRE

1. The Siamese Government have noted with gratitude and satisfaction that the Governments of the United Kingdom and India having considered the request of the Siamese Government for an increase in the price of rice for official export as from the first of September with sympathy and understanding, have agreed that the said price should be raised to a figure equivalent to that of the price for Burmese rice as communicated by His Britannic Majesty's Ambassador's aide memoire No. 347/3/47 dated the 1st September, 1947.

2. With regard to the British Government's request that in confirmation of the Siamese Government's decision to co-operate fully with the I.E.F.C. or any successor body throughout 1948 and in return for the concession on price, a formal undertaking on the part of the Siamese Government - such undertaking to be ratified by the National Assembly - should be given that the Siamese Government will continue control over the price and export of rice until the end of 1948 and that on receipt of this formal undertaking, the British Government will allow the so-called "penalty clause" contained in the Anglo-Siamese Rice Agreements which terminated on the 31st August 1947 to lapse entirely.

3. The Siamese Government have given due consideration to this request and in fact decided some time ago to proceed in accordance with the request of the British Government. As soon as the news of the British Government's agreement was received on Saturday the 30th August last, the Siamese Government immediately made a statement in the National Assembly which not only indicated their gratitude to the British Government and the Government of India for their sympathy and understanding but approved the action taken by the Siamese Government in this matter.

Seal Ministry of Foreign Affairs,

Saranrom Palace,

Bangkok.

1st September.

J41/1/7

D No 81

British Embassy,
Bangkok.

No.317
(352/3/47)

2nd September, 1947.

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3. I am sending a copy of this despatch to Singapore.

I have the honour to be with the highest respect,

Sir,

Your most obedient humble servant,

(Signed) G.H. THOMPSON.

The Rt, Hon. Ernest Bevin, P.C., M.P.,
etc., etc., etc.,
His Majesty's Principal Secretary of State
for Foreign Affairs,
Foreign Office.

347/3/47

AIDE MEMOIRE

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2. The price of Burmese rice at the present time is £33. 6. 8 per ton f.o.b., covering gunnies, lighterage, handling costs, loss of weight between mill and ship, and other incidental charges. The equivalent new basic price for Siamese rice will therefore be £31 per ton ex mill 35% broken, the prices of the various different grades to be agreed in consultation between this Embassy, the Rice Unit and the Siamese authorities concerned.

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(Signed) G.H. THOMPSON

British Embassy,
Bangkok.

1st September, 1947.

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1. The Siamese Government have noted with gratitude and satisfaction that the Governments of the United Kingdom and India having considered the request of the Siamese Government for an increase in the price of rice for official export as from the first of September with sympathy and understanding, have agreed that the said price should be raised to a figure equivalent to that of the price for Burmese rice as communicated by His Britannic Majesty's Ambassador's aide memoire No. 347/3/47 dated the 1st September, 1947.

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3. The Siamese Government have given due consideration to this request and in fact decided some time ago to proceed in accordance with the request of the British Government. As soon as the news of the British Government's agreement was received on Saturday the 30th August last, the Siamese Government immediately made a statement in the National Assembly which not only indicated their gratitude to the British Government and the Government of India for their sympathy and understanding but approved the action taken by the Siamese Government in this matter.

Seal Ministry of Foreign Affairs,

Saranrom Palace,

Bangkok.

1st September,

COMMONWEALTH OF AUSTRALIA.

19 AUG 1947

PRIME MINISTER'S DEPT.
19 AUG 1947
No. T. 41/1/17

18
8

AUSTRALIA HOUSE,
LONDON, W.C.2.

12th August, 1947.

My dear Prime Minister,

I enclose for your information, copy of my letter of 9th July to Lord Addison, and of his reply of 1st August, on the subject of our Government's claims against Siam.

Yours sincerely,

John. Beasley

The Rt. Hon. B. Chifley.

Copy (with copy of enc.) : P.M. and Treasurer
" " " " " Treasury (in dupl.)
" " " " " Min. & Dept. E.A.

27 AUG 1947

2 plans.
(with file)

COPY

Commonwealth Relations Office,
Downing Street, S.W.1.
1st August, 1947.

My dear High Commissioner,

I have been in correspondence with the authorities concerned in regard to your letter of the 9th of July about compensation due from Siam for certain quantities of tin ore lying on British Commonwealth mines on the 9th December, 1941.

It has been found necessary to consult the authorities at Bangkok in order to obtain an up to date report of the position. It will take a little time for this to be done, but every effort is being made to expedite the matter and I hope to be able to let you have a full reply to your letter before very long. I will write to you again as soon as possible.

Sincerely yours,
(Sgd) Addison.

The Right Honourable
J.A.Beasley.

COPY

Australia House,
Strand,
London, W.C.2.

9th July, 1947.

My dear Secretary of State,

My I refer to your letters of 18th November 1946 and 27th February 1947, regarding sums payable by Siam as compensation in respect of a specified quantity of tin ore (15,992,7 tons) lying on British Commonwealth mines on 9th December, 1941 (and the proceeds therefrom since that date?).

My Government have now informed me that they are doubtful whether sufficient tin ore will be uncovered in Siam and exported as ore or tin metal to enable the compensation to be paid in full. It may, therefore, not be possible for the Government of Siam to pay the agreed compensation - "out of the proceeds of the tin itself".

The Australian Consul-General at Bangkok has informed the Commonwealth Government that the Government of Siam has recently announced that exporters of tin and tin ore will be allowed to retain half of the foreign exchange resulting from sales, and that this arrangement was apparently made by the United Kingdom and United States members of the Tin Commission without consultation with the Australian member.

The Tin Commission appear also to have adopted an interpretation of the Joint Memorandum under which the proceeds of sales to the United Kingdom and other territories in the Sterling Area are to be available for compensation, while the proceeds of sales to the United States will not be so available.

Under the circumstances the Australian Government are concerned at the prospects of obtaining full compensation from the Siamese and have therefore asked me to enquire from you whether the United Kingdom Government might agree to adopt either of the following courses:-

(a) Instruct the United Kingdom Representative on the Tin Commission to urge -

i) that the proceeds of all exports of tin and tin ore should be regarded as available for compensation, subject to payment to exporters in Siam of one half of the foreign exchange proceeds under the arrangement which apparently cannot now be rescinded.

ii) that agreement should be reached immediately with the Government of Siam as to the source from which the deficiency, if any, is to be met, in order that the provision in the Joint

Memorandum that "payments are to be made as tin consignments are sold for export, or in such other manner as may be agreed" may be implemented, or -

(b) Extend any action to retain Siamese assets so as to safeguard Australian claims for war losses and damage and also claims for tin ore losses.

In view of the uncertainty of the life of the Tin Commission, I should be grateful if you could give early consideration to these proposals.

Yours sincerely,

(Sgd) J.Beasley.

The Rt. Hon. The Viscount Addison.

COPY TJC/BIC

P.M.'s File No. J.41/1/7

COMMONWEALTH OF AUSTRALIA

PRIME MINISTER'S DEPT.
29 AUG 1947
No.

AUSTRALIA HOUSE,
LONDON, W.C.2.

12th August, 1947

My dear Prime Minister,

I enclose for your information, copy of my letter of 9th July to Lord Addison, and of his reply of 1st August, on the subject of our Government's claims against Siam.

Yours sincerely,

(sgd.) JOHN BEASLEY

The Rt. Hon. B. Chifley.

COPY TREASURY
MIN. & DEPT. E.A.

27 AUG 1947

COPY FOR THE PRIME MINISTER AND TREASURER.

Through Mr Keeves

COPY

COMMONWEALTH RELATIONS OFFICE,
DOWNING STREET, S.W.1.

1st August, 1947

My dear High Commissioner,

I have been in correspondence with the authorities concerned in regard to your letter of the 9th of July about compensation due from Siam for certain quantities of tin ore lying on British Commonwealth mines on the 9th December, 1941.

It has been found necessary to consult the authorities at Bangkok in order to obtain an up to date report of the position. It will take a little time for this to be done, but every effort is being made to expedite the matter and I hope to be able to let you have a full reply to your letter before very long. I will write to you again as soon as possible.

Sincerely yours,

(sgd.) ADDISON

The Right Honourable J.A. Beasley.

COPY

COMMONWEALTH OF AUSTRALIA

AUSTRALIA HOUSE,
STRAND,
LONDON, W.C.2.

9th July, 1947

My dear Secretary of State,

May I refer to your letters of 18th November, 1946, and 27th February, 1947, regarding sums payable by Siam as compensation in respect of a specified quantity of tin ore (15,992,7 tons) lying on British Commonwealth mines on 9th December, 1941 (and the proceeds therefrom since that date).

(15,992,7 agreed.)

My Government have now informed me that they are doubtful whether sufficient tin ore will be uncovered in Siam and exported as ore or tin metal to enable the compensation to be paid in full. It may, therefore, not be possible for the Government of Siam to pay the agreed compensation - "out of the proceeds of the tin itself".

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(ii) that agreement should be reached immediately with the Government of Siam as to the source from which the deficiency, if any, is to be met, in order that the provision in the Joint Memorandum that "payments are to be made as tin consignments are sold for export, or in such other manner as may be agreed" may be implemented, or -

(b) Extend any action to retain Siamese assets so as to safeguard Australian claims for war losses and damage and also claims for tin ore losses.

In view of the uncertainty of the life of the Tin Commission, I should be grateful if you could give early consideration to these proposals.

Yours sincerely,
(sgd.) J. BEASLEY

The Rt.Hon. The Viscount Addison.

24 MAR 1947 PRIME MINISTER'S DEPT.
24 MAR 1947
J. 4/1/7

COMMONWEALTH OF AUSTRALIA.

Australia House.

11th March, 1947.

21 MAR 1947

My dear Prime Minister,

On receipt of your telegram No.65 of the 7th January, I wrote again to the Secretary of State for Dominion Affairs giving the revised estimate of the value of claims for war losses or damage to Australian property in Siam. At the same time I sought assurance that the United Kingdom Government would in fact safeguard the payment of British Commonwealth claims by the retention of an adequate proportion of Siamese assets in this country.

2. In his reply Lord Addison said that the intention of previous communications "was to give an assurance that there would be no discrimination by the Siamese in the treatment of claims of Australian registered companies generally, and tin companies in particular, as compared with the claims of other British registered companies". Regarding reference in my letter to previous assurances, he went on to say that "no assurance was given or could in such circumstances have been given that the question of Australian claims would be safeguarded by withholding of the payment of Siamese assets in London. The United Kingdom Government did not then know, and still do not know, what will be the total of United Kingdom claims against Siam which the United Kingdom must regard as the first charge against these assets.

It is the intention of the United Kingdom Government that the release of the Siamese assets held by the Custodian shall go forward in accordance with principles agreed between the United Kingdom Government and the Siamese Government. In the process of releasing sums in accordance with those principles, a stage will eventually be reached at which the Siamese Government will press the United Kingdom for final

THE SECRETARY.
REFERRED BY DIRECTION

COPY- P.M. & TRSR.
TREASURY (in dupl.)
MINR. & DEPT. E.A.

27 MAR 1947

The Rt. Hon. J. B. Chifley.

release of the balance held. I can, however, assure you that the United Kingdom Government will not agree to such a request until they have satisfied themselves that British claims on Siam, other than United Kingdom claims, have been met by the Siamese authorities, or are adequately covered by Siamese guarantees."

3. The decision that no assurance could be given on the question of safeguarding Australian claims by the retention of Siamese assets was foreshadowed in paragraph two of Lord Addison's previous letter (dated 18th November), copy of which was sent to you on the 20th November.

4. The Foreign Office now state that the assurance given last September and referred to in telegram No.626 from the External Affairs Office, applied only to tin claims as distinct from other general claims for war losses and damage. As you will have seen, however, this assurance was subsequently qualified by the observation that claims for compensation in respect of losses of tin or tin ore from Australian mines should be met "out of the proceeds of the sale of the tin itself" (paragraph four of Lord Addison's letter of the 18th November).

5. With regard to general Australian claims, other than those for losses of tin or tin ore, the Foreign Office advise unofficially that although no formal undertaking can be given to withhold Siamese assets held in this country, all Siamese frozen assets are not likely, in fact, to be released unless and until the United Kingdom Government are satisfied that British claims (including Australian) have been met or are adequately safeguarded by Siamese guarantees. As you may see from the last sentence of paragraph two above, Lord Addison gives this assurance in his latest letter to me.

Yours sincerely,

John. Beasley

DEPARTMENT OF EXTERNAL AFFAIRS.

P.M'S

CABLEGRAM.

PRIME MINISTER'S DEPT
S JAN 1947
NO. J41/1/7

R.S. 29/1

FROM LONDON.

O. 252.

DECYPHER TO:

Dated 7th January, 1947.

HIGH COMMISSIONER'S OFFICE
LONDON.

65. SECRET IMMEDIATE

Reference your letter of 20th November enclosing copy of Lord Addison's observations of 18th November on requests in our telegram No. 663 of 25th October.

2. In view of E.A.O. London's telegram No. 626 replying to our No. 550 of 12th August we have been acting on the assurance that the United Kingdom Government would hold in London a sufficiently large portion of frozen Siamese assets to safeguard the payment of claims against Siam by British Commonwealth countries generally. We should be grateful for confirmation of this assurance, to which Lord Addison makes no reference whatever in his letter.

3. The figure of £4,000,000 (Australian) was in the nature of maximum estimate. It included inter alia compensation moneys due in respect of loss of tin ore and other claims payment for which may be made in ticals, neither of which will have to be met from existing Siamese sterling balance.

4. It is difficult to give a reliable estimate and we do not wish to risk prejudicing our position by underestimate. Probably, however, £2,000,000 would be nearer the mark than £4,000,000.

E.A. (P.45/49/6)
P.M's.
Treasury.

8th January, 1947.

① Submitted for info. of PM
② File.
8.1.47

COMMONWEALTH OF AUSTRALIA.

AUSTRALIA HOUSE,
LONDON, W.C.2.

20th November, 1946.

My dear Prime Minister,

I enclose copy of a letter I have received from the Secretary of State for Dominion Affairs in answer to one I wrote him following receipt of External cable No. 663 of 25/10/46 regarding claims against the Siamese Government.

You will note the suggestions made by Lord Addison regarding the Australian estimate and his request for a further examination of that estimate on the part of the Australian Government.

Yours sincerely,

John Curtin

The Right Honourable J.B.Chifley.

COPY WITH COPY OF ENCL. : P.M. & Treas.
Min. and Dept.E.A.(early obsn.)
Trsy.
Def.Div.of Tsy.

COPY

Dominions Office,
Downing Street, S.W.1.

WT.650/41. 18th November, 1946.

My dear High Commissioner,

You wrote to me on the 2nd November about British Commonwealth claims against the Siamese Government and the Australian Government's assessment of claims against Siam.

To the Australian Government's request that there should be no release of the sum of £5,000,000 until the Siamese agree our joint proposals concerning claims, I am glad to say that I can give you an unqualified and reassuring reply. This has in fact been the United Kingdom Government's policy throughout; indeed, it is this policy which has been so powerful an inducement to the Siamese to conclude an agreement on the claims proposals, which they are now on the brink of doing. The Siamese Government have, however, been given clearly to understand that this sum will be released so soon as the joint proposals are agreed by them; and the United Kingdom Government is thus already so far committed to this release that it would not be possible, I am afraid, for us to seek to impose the further condition which, as indicated in the latter part of the last sentence of your letter, the Australian Government now suggest. Moreover, as you know, the negotiations between our two Governments and the Siamese over the setting up of a Claims Committee have been long and difficult, and our feeling is that the result would very likely be unfortunate if an attempt were to be made to interpose fresh conditions at this stage when the negotiations are almost concluded.

With regard to the Australian Government's estimate of claims against Siam for war loss and damage, we should not have expected, on the information available to us, that this would have amounted to so high a figure

The Right Hon.J.A.Beasley.

as £4,000,000. According to reliable estimates furnished to the United Kingdom Government the total value of all British pre-war investments in Siam do not amount to much more than £12,000,000. Is it possible that the Australian Government's estimate has not taken into consideration two important items?

First, it seems to us possible that an amount has been included in respect of tin claims representing compensation for tin or tin ore from Australian mines. It has now however been agreed (as indicated in Mr Sharp's letter of the 2nd November to Mr Anderson of the Foreign Office) that the settlement of this item should be made out of the proceeds of the sale of the tin itself and accordingly this item ought to be discounted in an assessment of the total claim for compensation.

Secondly, a total assessment of £4,000,000 for Australian claims also suggests that the whole of the Australian claims against Siam may have been expressed in terms of sterling whereas a proportion of the claims for damage to Australian property is likely to be met in ticals (this will certainly be the case for a number of United Kingdom claims). As you will remember, this is one of the items reserved for decision by the British Commonwealth - Siam Claims Committee on the merits of each case (see Section 7 (b) in my saving telegram to the Australian Government No. 10 of the 4th May).

In the light of these considerations we should be most grateful if you could ask the Australian Government to examine further their estimate of Australian claims as the amount of these has, of course, an important bearing on the request made in the second paragraph of your letter.

Yours sincerely,

(Sgd) ADDISON.

await further request or developments. PAB
7.1.47.

7
PAB
7.1.47.

PRIME MINISTER'S DEPT.
22 NOV 1945
No. J.4/1/7.

28/11

DEPARTMENT OF EXTERNAL AFFAIRS,

CANBERRA.

20th November, 1945.

MEMORANDUM to:

The Secretary,
Prime Minister's Department,
CANBERRA.

With reference to your minute of 25th October, similar representations have been made to the Hon. E. J. Ward by Mr. Rex and I enclose copy of a reply dated 20th November forwarded to Mr. Rex.

L. P. R. Heydon
Acting Secretary.

Suggest matter adequately dealt with herein, and no further action by this Dept necessary. 26/11

BS.DA

DEPARTMENT OF

CANBERRA.

20th November, 1945.

Dear Sir,

I am directed by the Acting Minister for External Affairs to refer to your letter of the 31st October 1945 addressed to the Hon. E. J. Ward, M.P., regarding your desire to register a claim for damage and losses inflicted upon you by the Siamese Government.

Consideration is at present being given to such claims for compensation in respect of loss and injury sustained by British nationals and for the restitution of their property in enemy or enemy occupied territory.

In the meantime a voluntary register of such claims is kept by the Controller of Enemy Property, Department of the Treasury, Canberra, and I have forwarded to him a copy of your letter of the 31st October to Mr. Ward together with a copy of the enclosures submitted by you.

The registration of the claim by the Controller does not mean that the Government accepts any responsibility for the ultimate settlement of such claim.

Yours faithfully,

Secretary.

Mr. Dudley R. Rex,
c/- G.P.O.,
SYDNEY.

COPY:DA

Mr. Dudley R. Rex.
c/o G.P.O. Sydney.
31st October 1945.

The Hon. E. J. Ward, M.H.R.,
Minister for Transport,
8th Floor Commonwealth Bank Building
Martin Place
Sydney.

Dear Sir,

With reference to "Claims for damages made by Australian Nationals against the Siamese Government" I wish to enquire which of our Governmental Departments is a such claim to be registered with.

Prior to the 8th December 1941 I was working as a Mining Engineer at Sichon on the South East coast of Siam, about 9 degrees ~~nik~~ north of the equator, for Messrs. Burma-Malay Tin Ltd. of 117 Pitt Street Sydney.

I am a natural born Australian (Passport No. A218677). On the 14th December 1941 Siamese Government officials arrested me, in company with 4 other Australians. I objected at first but as they were waving double-barrel shot guns at me, I yielded in case they might put too much pressure on the trigger.

The Siamese Government officials emptied my pockets out and allowed Siamese coolie bystanders to take my possessions from their discarded loot. They would give me no reason for my arrest, nor allow me to return to my bungalow, nor allow me to acquire any of my food or clothing from my bungalow, nor did they supply me with food until the 25th December 1945.

Nor would they allow me to communicate with the British Consul or my Siamese employees who came to my assistance.

On the 15th January 1942 I was advised that I had been taken into "Protective Custody".

On the 25th January 1942 I was advised that I was now a "Prisoner of War".

I remained a "Prisoner of War" in Siam for the duration of the war, having arrived back in Sydney on 24th October 1945.

I feel that my detention was illegal and in view of information I have from Bangkok I think I am entitled to claim from the Siamese Government for damages arising from such illegal detention.

Attached are copies of some information I gained in Bangkok which I trust may be of some guidance to you.

Thanking you,

I am Yours faithfully,

(Sgd.) Dudley R. Rex.

COPY:DA

The position regarding Claims was stated as follows by Wing Commander Batwell, Liaison Officer between Military and Civilian, in Bangkok on 25th Sept. 1945.

All claims against the Siamese Government by Allied Nationals, firms or companies will be presented under the direction and control of the Governments concerned. Until an official settlement is made, the Siamese Government remains responsible for all Allied property, its custody, preservation and restoration.

Individual action outside the scope of the above will prejudice Allied claims. Allied Nationals visiting their own, or their firm's or companies' properties should, therefore, not "take over" anything and should make it clear to the Siamese that they still remain responsible. If they stay on such properties it should be by agreement of the Siamese on the above terms.

PRIME MINISTER'S DEPT.
18 OCT 1945
No. 241/1/7.

Government House,
CANBERRA.

23rd October, 1945

Dear Sir,

I forward herewith a letter, dated the 19th instant, from Mr. Dudley R. Rex, c/o G.P.O., Sydney, and request that the appropriate Commonwealth Department may forward the information sought direct to Mr. Rex.

Yours faithfully,

L. V. Bracegirdle

Rear Admiral,
Official Secretary to
H.R.H., the Governor-General.

COPY: E.A. (ADV.) Similar
(with copy encl.) comm[redacted] received by
Prime Minister from Mr. Rex.

25 OCT 1945

The Secretary,
Prime Minister's Department,
CANBERRA.

RJB 18/11

Dudley R. Rex.
c/o. G.P.O. Sydney
19th October 1945

The Department of The Governor-General
Government House
Canberra.

OFFICIAL SECRETARY
23 OCT 1945
TO GOVERNOR-GENERAL

Dear Sir,

Will you kindly advise me which Government Department is dealing with Claims made by Australian Civilians against the Siamese Government for losses and damage which the Siamese Government inflicted on Australian Nationals prior to their Declaration of War.

Yours faithfully.
Dudley R. Rex.

SECURITY : THINK- BEFORE YOU WRITE !!

BY AIR MAIL

AIR LETTER

IF ANYTHING IS ENCLOSED THIS LETTER WILL BE SENT BY ORDINARY MAIL

The Department of the Governor-General
Government House
Canberra
Australia

THIS LETTER IS FOR THE USE OF H. M. FORCES ONLY

Written in English (Language)

No. 6x Civilian P.O.W. Camp

Sender's Rank

Name Rex Dudley Richmond

I. A. F. F.—1083

S.S.F.LTD.P.O.NO. 3289/2/6889-DT. 8.7.45-30,00,000

Dudley R. REX.
c/o. G.P.O.
Sydney

19th October 1945.

The Prime Ministers Department

Government House
Canberra.

Dear Sir,

Will you kindly advise me which Government Department is dealing with Claims made by Australian Civilians against the Siamese Government for losses and damage which the Siamese Government inflicted on Australian Nationals prior to their Declaration of War.

Yours faithfully

Dudley R. Rex.

PRIME MINISTER'S DEPT.
23 OCT 1945
No. 741/1/7

SECURITY : THINK- BEFORE YOU WRITE !!

BY AIR MAIL

AIR LETTER

IF ANYTHING IS ENCLOSED
THIS LETTER WILL BE SENT
BY ORDINARY MAIL

The Prime Ministers Department
Government House
Canberra
Australia.

I. A. F. F.—1083

THIS LETTER IS FOR THE USE OF H. M. FORCES ONLY

Written in English (Language)

~~No.~~ 6A British FPO Siam

Sender's

Name Rex Dudley Richmond

Rank

S.S.P.LTD.P.O.NO. 3289/2/G889-DT. 3.7.45-30,00,000

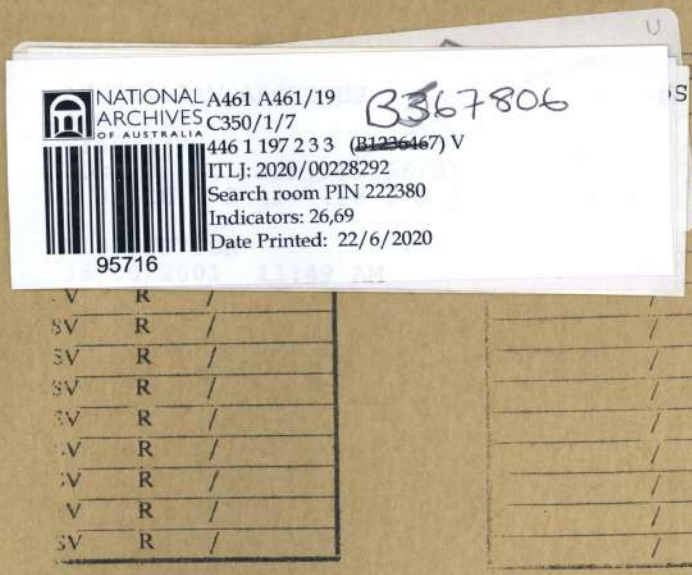
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