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SECRET.

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W.M. (43)

147th Conclusions.

WAR CABINET 147 (43).

CONCLUSIONS of a Meeting of the War Cabinet held at 10 Downing Street, S.W. 1, on Wednesday, 27th October, 1943, at 6 P.M.

Present :

The Right Hon. WINSTON S. CHURCHILL, M.P., Prime Minister (<i>in the Chair</i>).	
The Right Hon. C. R. ATTLEE, M.P., Lord President of the Council.	The Right Hon. Sir JOHN ANDERSON, M.P., Chancellor of the Exchequer.
The Right Hon. OLIVER LYTTTELTON, M.P., Minister of Production.	The Right Hon. HERBERT MORRISON, M.P., Secretary of State for the Home Department and Minister of Home Security (<i>Items 3-5</i>).

Field-Marshal the Right Hon. J. C.
SMUTS, Prime Minister of the Union
of South Africa.

The following were also present :

The Right Hon. VISCOUNT CRANBORNE, Secretary of State for Dominion Affairs.	The Right Hon. LORD BEAVERBROOK, Lord Privy Seal.
The Right Hon. L. S. AMERY, M.P., Secretary of State for India and Secretary of State for Burma (<i>Items 3-5</i>).	Colonel the Right Hon. OLIVER STANLEY, M.P., Secretary of State for the Colonies (<i>Items 3-5</i>).
The Right Hon. A. V. ALEXANDER, M.P., First Lord of the Admiralty.	The Right Hon. Sir JAMES GRIGG, M.P., Secretary of State for War.
The Right Hon. Sir ARCHIBALD SINCLAIR, Bt., M.P., Secretary of State for Air.	The Right Hon. Sir STAFFORD CRIPPS, K.C., M.P., Minister of Aircraft Production.
The Right Hon. LORD LEATHERS, Minister of War Transport (<i>Items</i> <i>1-2</i>).	The Right Hon. RICHARD LAW, M.P., Minister of State.
The Hon. Sir ALEXANDER CADOGAN, Permanent Under-Secretary of State for Foreign Affairs.	Air Chief Marshal Sir CHARLES F. A. PORTAL, Chief of the Air Staff.
General Sir ALAN BROOKE, Chief of the Imperial General Staff.	Vice-Admiral Sir NEVILLE SYFRET, Vice-Chief of Naval Staff.

Secretariat :

Sir EDWARD BRIDGES.
Mr. NORMAN BROOK.
Brigadier L. C. HOLLIS.

WAR CABINET 147 (43).

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Future Operations.

1. The War Cabinet had a general discussion on Future Operations. The discussion and conclusions reached are recorded in the Secretary's Standard File of War Cabinet Conclusions.

Italy.

Future of the Italian Fleet.

(Previous

Reference:

W.M. (43) 134th

Conclusions,

Minute 3.)

2. The War Cabinet had a discussion as to the future of the Italian Fleet. The discussion and conclusions reached are recorded in the Secretary's Standard File of War Cabinet Conclusions.

Japan.

Treatment of Prisoners of War.

(Previous

Reference:

W.M. (42) 32nd

Conclusions,

Minute 5.)

3. The War Cabinet had before them a Memorandum by the Secretary of State for War (W.P. (43) 471) regarding the treatment of British prisoners of war in Siam; and a Memorandum by the Minister of State (W.P. (43) 484) on the question whether some improvement might be achieved by a systematic campaign of publicity disclosing Japanese treatment of prisoners of war and civilian internees in their hands.

The Minister of State said that, on a balance of all the considerations outlined in his Memorandum, he recommended that a campaign of publicity should be used in the hope that it might force the Japanese to remedy these conditions. Negotiations were, however, proceeding for an exchange of civilian internees, and, to avoid prejudicing those negotiations, he recommended that the publicity campaign should not begin until an agreement for this exchange had been concluded or, alternatively, until it was clear that no such agreement would be reached. This should be clear by the middle or end of January next. The interval could be used for the purpose of discussing with the Governments of the United States, the Dominions, India, the Netherlands and other Allies having prisoners in Japanese hands (who would, in any event, have to be consulted) the proposals for a systematic publicity campaign.

Points in discussion were:—

(a) *The Secretary of State for War* feared that few of the prisoners now held by the Japanese in Siam would survive. Reports which the Foreign Office regarded as reliable indicated that 4,000 had already died, whereas the deaths officially notified by the Japanese totalled only about 100.

(b) It was suggested that it might be helpful if the proposed publicity stressed the extent to which the Siamese must be held responsible for the conditions obtaining within their territory. Fears for the future might have a greater influence on them than on the Japanese.

(c) The Commander-in-Chief, India, had been authorised to maintain general anti-Japanese propaganda in India; but had been asked to avoid references to Japanese treatment of prisoners until the arrangements for a systematic campaign of publicity on this point had been concluded.

The Prime Minister said that we should take all steps in our power to ensure the safety of the large number of British prisoners in Japanese hands, and should not be unduly deterred by the possible effect on the exchange of civil internees. It was, however, essential that we should keep in touch on this matter with the United States, since there were a very large number of United States prisoners in Japanese hands. The first step, therefore, should be to consult the United States Government on the position, putting to them the gravity of the issues involved, and representing to them the advantages which might be expected to follow from a publicity campaign.

The War Cabinet—

Invited the Minister of State, in consultation with the other Ministers concerned, to arrange for the necessary consultations to take place with the United States Government, the Dutch Government, the Dominions Governments and the Government of India in regard to the suggestion that a campaign of publicity should be started with a view to forcing the Japanese to remedy the treatment accorded by them to our prisoners of war.

A further report should be made to the War Cabinet when the views of these Governments had been ascertained.

**Wage Earners
Income Tax Bill.**
(Previous
Reference:
W.M. (43) 139th
Conclusions,
Minute 2.)

4. *The Chancellor of the Exchequer* recalled that on the Second Reading of this Bill he had promised, with the approval of the War Cabinet, to give sympathetic consideration to the possibility of including within its scope salaried workers in the lower income groups. During the Committee stage of the Bill, however, an unexpected demand had developed from all parts of the House that the new system should extend to all salaried persons without limit of income. As the principle had already been admitted, it would be difficult to resist the extension now demanded; and the Whips advised that feeling in the House was so strong that, if the Government were unwilling to meet it, they might be defeated.

The only practical difficulty in removing the income limit originally contemplated was that in certain cases in the higher income groups transfer of income between Schedule D and Schedule E opened up the possibility of tax evasion. If, therefore, the income limit were to be removed, drastic provisions would have to be included to prevent this kind of evasion.

Subject to the War Cabinet's approval, he proposed to hold informal discussions with representatives of the various Parties in the House of Commons, in which he would put the position to them frankly, and would offer to extend the new system to all salaried workers, without income limit, if he could be assured that the House would be ready to accept the consequential provisions which would be necessary to prevent tax evasion by persons in the higher income groups. If this assurance were forthcoming, he would move the necessary amendments at the Report stage.

The War Cabinet—

Approved the line which the Chancellor of the Exchequer proposed to take in dealing with this matter.

**Reconstruction
Plans.**
(Previous
Reference:
W.M. (43) 144th
Conclusions,
Minute 1.)

5. *The Prime Minister* said that, in accordance with the conclusion reached by the War Cabinet at their Meeting on the 21st October, he had circulated a Directive (W.P. (43) 476) setting out the procedure to be followed for ensuring the completion of plans for the transition period.

The War Cabinet—

Took note that all Departments concerned were required by this Directive to submit to the Secretary of the War Cabinet, not later than the 10th November, a return giving the information set out in Part I of W.P. (43) 476.

*Offices of the War Cabinet, S.W. 1,
27th October, 1943.*



