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EXTRACT FROM THE MINUTES OF THE 381st

MEETING OF THE OTC HELD 12.12.38 42

1. THE STRATEGIC IMPORTANCE OF THE PACIFIC ISLANDS.

(O.D.C. Papers Nos. 1635, 1642).
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THE COMMITTEE had under consideration a Note by the Secretary on the subject of the strategic importance of the Pacific Islands (O.D.C. Paper No. 1635) and a Minute by the Director of Military Operations and Intelligence, War Office, on the same subject (O.D.C. Paper No. 1642).
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THE CHAIRMAN said that this subject could be conveniently considered under three heads, defence, political and commercial. He proposed to consider defence first. He asked the War Office representative to introduce his Note on the subject.

MAJOR FRITH said that the War Office thought that the Conference should consider whether any of the Pacific Islands which it might be decided to develop for commercial or strategic reasons required any defences. The matter should be discussed in very general terms. The War Office could only consider the details when the full requirements in the Pacific were known. Some reconnaissance might also be carried out at the time of the Conference.

THE CHAIRMAN said that although he knew that the New Zealand Government were now undertaking a survey of certain Pacific islands he questioned whether it would be possible for the Conference to consider defensive matters at so early a stage.

MR. HERBERTSON said he thought that the survey now being undertaken should be finished in about two months' time and these results would in that case be available for the Conference.

MAJOR GROVER said that the Admiralty interest in the matter was to obtain a good service of information in the event of Japanese raiders operating on the Pacific trade routes, and to deny the use of Islands to the Japanese. He thought the Air Ministry were chiefly concerned in the defence question.

WING COMMANDER FOSTER said that undoubtedly the first development of the Pacific Islands would be for commercial air routes.

THE CHAIRMAN asked whether it was not a matter for the Warren Fisher Committee to make proposals on the subject of these air routes.

MR. HERBERTSON said that the Warren Fisher Committee was fully conversant with the action proposed in the Pacific and knew the history of the matter. The important point was to secure our interests on the route Auckland - Suva - Nukunono - Christmas Island - Honolulu - San Francisco, the two latter places, of course, dependent on reciprocal rights. This was the route which the Air Ministry had provisionally selected, but they would require emergency landing places; and this was one of the reasons for the importance of Islands not on the normal route, such as Hull Island.

It so happened that the cards in the Pacific with respect to ports of call were fairly evenly divided between ourselves and the United States, but it was important that we should secure our interests and not lose control of any of the trump cards. The time would come when the Americans would have to come to a discussion with us round a table about trans-Pacific air routes. The Air Ministry therefore wanted this Conference to consider appropriate action to ensure that our position at such a discussion would be as strong as possible.

MR. BALFOUR agreed with this view and pointed out that the United States were now making efforts to wrest some of our trump cards from us.

THE CHAIRMAN, returning to the consideration of defence, said he considered that there was good reason to include an item in general form in the Agenda so that the preliminaries could be considered at the Conference, to be elaborated later when full requirements were known. He suggested that Item 1 on the War Office Note could be taken as it stood. Turning to the political side of the question, the Chairman invited Mr. Balfour to give the Foreign Office views.

MR. BALFOUR said that it was important to forestall the United States in those Islands where dispute as to ownership might be possible, and to have levers ready for use at the four-party Conference which the United Kingdom Government had proposed, so far unsuccessfully,

to the Government of the United States. Furthermore, it was highly desirable that a British Company should be ready to lodge an application for facilities at the American end of an air route. If such an application were not favourably received, it would then be possible to cancel the contract with Pan-American Airways for facilities at Auckland. The Conference might also consider whether the ownership of any Islands should be discussed with the United States. As far as was known by the Foreign Office, the United States had no genuine grounds for their claims on any Island except perhaps the six southern Islands of the so-called "Line Group". It was known that the United States might make claims to Christmas Island and Hull Island, and recently there had been indications that a claim might be put forward at Tonga, but these claims were very shadowy.

MAJOR GROVER said that the Admiralty were averse to any extension of the condominium idea as they were advised that under such an arrangement, neutrality would be the dominant right.

MR. BALFOUR pointed out that in fact the condominium seemed to lead to supremacy of the other partner.

THE CHAIRMAN said that this view should be noted for the guidance of British representatives at the Conference in New Zealand.

After further discussion it was decided that the Foreign Office should forward to the Secretary an item on the political aspect to be included in the Agenda.

At the request of the Chairman, MR. HERBERTSON read out the Air Ministry views on the items which should be included in the Commercial part of the Agenda.

MR. DIXON suggested that the Warren Fisher Committee should be consulted as to the attitude to be adopted on each of these items.

MR. HERBERTSON said that the Warren Fisher Committee would be kept informed of all progress in the matter and would be consulted as to the instructions which would be issued to the United Kingdom representative at the proposed Conference with respect to these items, but he considered that there was no reason why they should not be placed on the Agenda now, and at the request of the Chairman a copy was handed to the Secretary.

THE CHAIRMAN then drew the attention of the Committee to the question of the United Kingdom representation at the proposed Conference and asked whether Sir Harry Batterbee would have arrived out in New Zealand in time for the Conference.

MR. DIXON said it would be the end of March before Sir Harry Batterbee arrived and settled in. He suggested that the United Kingdom High Commissioner in Australia should therefore be one of the United Kingdom representatives, as it would probably not be desirable to wait so long before holding the Conference.

MAJOR GROVER said that the Admiralty had revised their opinion previously expressed in the Chiefs of Staff Report, and now considered that the Commodore, New Zealand Division, should be their

representative, as events had made it undesirable to spare any senior officer from the China Command.

MR. DIXON questioned whether it would be correct for a servant of the New Zealand Government to be a United Kingdom representative.

WING COMMANDER FOSTER said that the Air Ministry also proposed that their Group Captain in New Zealand should be their representative.

After further discussion, THE CHAIRMAN suggested that the Dominions Office should consider whether there was in fact any objection to the proposed Service representation. He also said that he considered the High Commissioner for the Western Pacific should be asked to attend the Conference which, he supposed, would be in New Zealand.

CONCLUSIONS.

THE SUB-COMMITTEE agreed:-

- (a) To instruct the Secretary to draft an Agenda for the proposed Conference between representatives of the Governments of the United Kingdom, Australia and New Zealand, in accordance with the discussion at the Meeting.
- (b) To recommend that, subject to further examination by the Dominions Office of the constitutional question involved, the United Kingdom representatives at the proposed Conference should be -
The High Commissioner for the United Kingdom in Australia, the High Commissioner for the Western Pacific, the Commodore in command of the New Zealand station and the Group Captain, R.A.F. attached to the New Zealand Air Force.