

SECRET.

INTER-DEPARTMENTAL COMMITTEE ON
INTERNATIONAL AIR COMMUNICATIONS

Proposed Conference on matters concerning
the Pacific Islands between His Majesty's
Governments in the United Kingdom,
Australia and New Zealand.

Note by the Air Ministry.

A brief resumé of recent negotiations with the United States Government and of action taken in connection with the ownership of certain islands in the South Pacific was given in a note by the Air Ministry dated the 28th November (I.A.C. Paper 494).

2. In paragraph 4 of that paper it was explained that His Majesty's Government had come to the conclusion that the best solution of the Pacific problem would be to have "open" aviation rights between the three Governments concerned (the United Kingdom, Australia and New Zealand) and the United States Government on all the islands in the Pacific likely to be served by a trans-Pacific air service, and that the United States Government should be invited to a Conference with a view to establishing a joint air service on the lines already laid down with regard to the North Atlantic. This invitation was originally communicated to the United States Government on the 30th March last. It has been renewed at intervals by His Majesty's Ambassador at Washington up to November 1938, but no positive response has so far been forthcoming from the United States Government, who profess to fear that the general question of oceanic aviation is infinitely more difficult and must inevitably proceed at a slower pace than the administrative question of the status of the islands.

3. Independently of these negotiations His Majesty's Government in New Zealand in May, 1938, suggested a Conference between themselves and His Majesty's Governments in the United Kingdom and Australia to discuss Pacific Island matters, mainly from the aspect of the strategic importance of the Pacific islands in so far as they would provide fuelling bases for New Zealand Naval forces, landing grounds for Air Forces and sites for the establishment of wireless stations. This suggestion and the question whether His Majesty's Government could in any way supplement the efforts already made to secure the acceptance by the United States Government of the invitation to a four-party Conference, were considered at an Inter-Departmental meeting held at the Foreign Office on the 24th November. This meeting expressed the view -

- (a) that for the time being there was no call upon us to supplement our efforts with the United States Government;
- (b) that a preliminary Conference between the United Kingdom, Australia and New Zealand was desirable, and
- (c) that suggestions for the agenda should be coordinated by the Oversea Defence Committee on which all the Departments concerned are represented.

A copy is appended of a note of the questions which have been suggested to the Government of New Zealand for the Conference.

*Used as
intermediate
points of call*

4. The Committee are asked to consider ^{what} instructions should be given to the United Kingdom representatives at the Conference in regard to civil aviation matters.

5. On the questions set out in the note sent to the New Zealand Government the following comments may be made:-

question 1 (a).

The joint (U.K.- U.S.) regime is at present limited to Canton and Enderbury Islands, and the practical effect from the point of view of civil aviation is that these islands have ceased to have any value as bargaining counters in any negotiations with the United States for the common use of air facilities for a trans-Pacific service. This fact brings into the foreground the importance of consolidating our title to other islands, particularly Hull and Christmas Islands, which title is in danger of being disputed by the United States Government. It was agreed at the Foreign Office Conference of the 24th November that we should resist any United States demand for an extension of the joint régime to other islands of the Phoenix Group on the ground that we do not regard the status of the islands concerned as being open to question. No specific claim to Hull and Christmas Islands has yet been put forward by the United States Government; but, in view of the forcible possessive action hitherto taken by the United States Government with respect to Canton Islands, and of information to the effect that the United States Navy Department is to carry out early in 1939 a hydrographic survey of Pacific Islands including Hull, arrangements were made, by agreement with His Majesty's Government in New Zealand, for H.M.S. "leander" to give priority in that vessel's programme of reconnaissance in the Pacific to a survey

may be

As far as Hull Island is concerned a small advance party has already been landed of natives was due to land there late in December to sink wells and make other preparations for the colonization of the island by surplus population from the Gilbert Islands. It is hoped that it will be possible to begin actual colonization in the near future.

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British observing and reporting ~~service~~ provision of operational equipment for an air service, it was recommended that, for the purpose of showing our active and possessive interest in the Island, a jetty and moorings should at once be provided.

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question 1 (b).

The original offer of the United States Government to discuss the sovereignty of such islands as were claimed by the United Kingdom Government was put forward on the understanding that, in the meantime, neither Government should take action which would make it more difficult to adjust conflicting claims. His

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At an Inter-Departmental meeting convened by the Air Ministry on the 30th December to discuss what further practical measures could be taken to strengthen the British claim to Christmas Island it was recommended that the administrative officer on Christmas Island should be provided with meteorological equipment (at a cost of about £100) and be given instruction in taking meteorological observations for transmission to Fanning Island from whence they could be passed on by cable to the Central Pacific Meteorological Station. As soon as meteorological observations are regularly collected and transmitted the Island would be shown in international meteorological lists as a British observing and reporting station. As regards the provision of operational equipment for an air service, it was recommended that, for the purpose of showing our active and possessive interest in the Island, a jetty and moorings should at once be provided.

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Question 1 (b).

The original offer of the United States Government to discuss the sovereignty of such islands as were claimed by both Governments was put forward on the understanding that, in the meantime, neither Government should take action which would render it more difficult to adjust conflicting claims. His Majesty's

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Government expressed readiness to discuss the question of conflicting claims and to accept the "standstill" agreement provided that the Phoenix Group (including Canton and Hull Islands) were excluded inasmuch as they had been incorporated in the Gilbert and Ellice Islands Colony by Order in Council of March 1937. The United States Government have not ^{recognised} this Order in Council, and the question of a Conference to discuss sovereignty has receded by reason of the action taken by the United States Government at Canton and the apparent desire of that Government to confine further negotiations (at least for the present) to the nature of the joint administration to be set up with respect to Canton and Enderbury Islands. At the Foreign Office Conference on the 24th November it was felt that any renewal by the United States Government of their proposal for a general

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affects their claims to the Islands in question

of disputed sovereignty should be resisted and should not lead to the United States Government laying claim to the Islands in the Pacific, and should be met with renewed vigour on our own proposal for a conference.

of the United States Government adopting any proposal to in this question it is for consideration that the reply might take the form of intimating as possible that Australia and New Zealand might not be able to see their way to continuing their participation in the activities of Pan American Airways in the Pacific Islands.

As stated above it is considered that our attitude in regard to the Christmas Islands should be that we do not regard our claims as being open to question. The Air Ministry regards the ownership of these two islands as a valuable asset in any four-party Conference on Pacific Islands. It would wish to see our claims represented as regards other islands, [it has been suggested] that the Government should intimate that they are only concerned with the status of the six southern islands of the Phoenix Group, namely, Flint, Malden, Starbuck, Caroline, Filippo, and Hull Islands, from the point of view of civil aviation. This is considered to be of importance.

Any such inducement, in the event contemplated, would be a direct action by the three Governments concerned with the withdrawal of the existing facilities for Pan American Airways. Ability to exercise this option lies mainly in the fact that the New Zealand Government possess the right to cancel their existing facilities for Pan American Airways in the event of a British refusal to an application for landing facilities in United States territory.

Some action might appropriately be taken when our plans for the British title to Hull and Christmas Islands are advanced and when we are in a position to make definite financial and operational plans for the establishment of a trans-Pacific service on the lines of that projected for the North Atlantic.

There would be no objection from the Air Ministry point of view to the suggestion that ... the point with us is known to be discussed at the point. It is understood however that the Gilbert Islands Colony & the NZ Govt may have an interest in the colonization of certain islands in the group.

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Question 1 (c).

In the event of the United States Government adopting the course referred to in this question it is for consideration as to whether our reply might take the form of intimating as courteously as possible that Australia and New Zealand might not in the circumstances be able to see their way to continuing their favourable attitude to the activities of Pan American Airways in their Pacific operations.

Question 1 (d).

As indicated above it is considered that our attitude in regard to Hull and Christmas Islands should be that we do not regard their status as being open to question. The Air Ministry regard British ownership of these two islands as a valuable bargaining counter in any four-party Conference on Pacific air problems and would wish to see our claims represented as unassailable. As regards other islands, [it has been suggested] that His Majesty's Government should intimate that they are only prepared to discuss the status of the six southern islands of the Line Group, namely, Flint, Malden, Starbuck, Caroline, Filippo, and Vostok. The islands, from the point of view of civil aviation, are not considered to be of importance.

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Question 2.

The main inducement, in the event contemplated, would appear to be concerted action by the three Governments concerned directed to the withdrawal of the existing facilities for operations by Pan American Airways. Ability to exercise pressure in this direction lies mainly in the fact that the New Zealand Government possess the right to cancel their existing contract with Pan American Airways in the event of a British Company meeting with a refusal to an application for landing facilities in United States territory.

Question 3.

This action might appropriately be taken when our plans for consolidating the British title to Hull and Christmas Islands are further advanced and when we are in a position to make definite financial and operational plans for the establishment of a trans-Pacific service on the lines of that projected for the North Atlantic.

Questions 4 and 7.

The view of His Majesty's Government is that the only sane way to operate in the Pacific is by means of a joint air service with "open" aviation rights on all the islands situated on the route. In view of the heavy expenditure on ground organisation involved, it would seem irrational that two countries should work independently on a route where the financial returns will be far less than on the North Atlantic service in which the United States have agreed to co-operate. Undisputed ownership of as many of the key islands in the Pacific as possible would enhance our bargaining counters and therefore promote recognition of the desirability of a joint service.

Questions 5 and 6.

The advisability of an application by a British Company for landing rights in San Francisco and Honolulu and the position in relation to Pan American Airways' landing rights in Auckland if such an application be refused, are matters which, it is suggested, should wait upon the next movement on the part of the United States in regard to our renewed invitation to a four-party Conference.

Question 8.

This question will of course be considered in relation to the action already taken, as indicated above, on Christmas and Hull Islands. Whether or not any further steps should be taken, as advance work on the ground organisation which it would be necessary to instal for the establishment of an airport, will no doubt be considered in the light of the attitude of the Australian and New Zealand Governments at the Conference, with particular reference to the importance which they attach to these islands from the defence aspect.

Questions 10 and 11.

The points raised in these questions appear primarily to concern the Committee of Imperial Defence and the Oversea Defence Committee.

Air Ministry,
13th January, 1939.