

Extract from minutes of 6th meeting
JICAC

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3. Proposed Conference on matters concerning
the Pacific Islands between H.M. Governments
of the United Kingdom, Australia and
New Zealand.

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The Committee had under consideration paper I.A.C.510 on the subject of the proposed Pacific Air Conference.

Sir Harry Batterbee had no observations to offer on the Air Ministry note; but he thought it must be for the Conference to consider what was the best form of a joint operating Company to suggest to the partner Governments. There was, of course, the existing Trans-Tasman organisation but he was doubtful how far that organisation would be suitable, having regard to the fact that the shares of the partners in it were proportional to their postal interest in that particular line of communication and were not related to their status.

The Chairman pointed out that the new Corporation which was now being formed might eventually become an Empire Corporation subsuming existing Companies, and he took the view which was shared by the Committee and by Sir John Reith, that regard should be had to this possible ultimate development.

Sir Donald Banks observed that the North Atlantic Joint Operating Company which had been rather forced on the U.K. was not the happiest of models, and he therefore felt that the idea of the ultimate utilisation of the Imperial Corporation should be kept in mind, and that, meanwhile,

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the idea of using the Trans-Tasman organisation need not necessarily be dismissed. Its capitalisation would have to be increased if it were to take on the Trans-Pacific service and this would provide the opportunity for a readjustment of the share holdings of the respective countries. Sir Harry Batterbee felt that Australia would certainly demand an equal status with New Zealand but if the facade of the Trans-Tasman Company could be changed in the manner suggested, he saw no reason why it should not form a satisfactory intermediate organisation. Sir John Reith was anxious that Imperial Airways should be associated in the development of the Pacific, and was apprehensive lest the use of the Trans-Tasman organisation should involve a repetition of the immense amount of negotiation necessary in the case of the Tasman service. He agreed, however, that it might be desirable to utilise it as an interim organisation, and he added that a Director of Imperial Airways in Australia had recently taken the view that an ultimate Empire Corporation might be achieved sooner if the arrangements for the future followed for a time the pattern which had been pursued in the past.

The Committee was informed that the immediate urgency of the question had receded somewhat as the proposed conference had been deferred until April; and it agreed that in the meantime consideration of the detailed questions in paper I.A.C.510 should be remitted to a sub-committee composed of representatives of the Air Ministry, Dominions Office, Foreign Office, Colonial Office and Treasury with Sir John Reith.
