Deer Jones,

I enclose a copy of the reply which we have received to our telegram to Washington about Canton Island, a copy of which was sent to you under cover of our letter A 302/21/45 of the 12th January. In view of the satisfactory character of this reply we think it unnecessary to proceed with the proposal, of which I informed the interdepartmental meeting on the 12th January, that the Secretary of State should mention the matter at some early opportunity to the United States Chargé d'Affaires (the Ambassador himself is now on leave). Our Under-Secretary/

P.H. Jones, Esq.
Admiralty.
Secretary of State, Scott, has, however, spoken quite informally to the Chargé d'Affaires and we feel that, in the absence of any further developments, no more need be said.

I am forwarding a copy of this letter to Bevir of the Colonial Office, Herbertson of the Air Ministry, Dixon of the Dominions Office and Jones of the Treasury.

Yours sincerely

(Sgd) J. BALFOUR