

COPY

WELLINGTON,

16th February, 1939.

SECRET.

My dear Stephenson,

Pacific Defence Conference.

Against the background of my secret letter of the 15th February about the general defence feeling in New Zealand, it may be useful to set down a few remarks about the forthcoming Defence Conference in particular.

2. It was, as you may imagine, rather a blow for me, having left London with the prospect of an eventual conference here, primarily concerned with the Pacific Air Route, to find on arrival that it had blossomed into a full-dress conference on defence in this part of the world, and, as you will have realized, the New Zealand Government would really like something in the nature of an Imperial Defence Conference, though I fear that the rally in this respect in the Secretary of State's secret telegram No. 17 of the 1st February was not appreciated here.

3. I think that the Services genuinely want a Defence Conference, partly in order to bring pressure to bear on the Government, partly in the hope of directing public attention towards defence problems. Without, however, going so far as to attribute bad faith to the New Zealand Government, I think that, when Ministers first put forward the proposal, they hoped that it would be a useful piece of window-dressing; they hoped to convince the more vocal section of the Opposition that they were taking the initiative in defence matters, and at the same time they saw a chance of getting out of the Conference in a flood of generalities without either compromising

compromising their principles or committing themselves to expenditure of money, which, in their opinion, would be better spent on social experiments. There may be still, in the minds of some at least of the Ministers, an impression that the Conference will be more useful as camouflage than for practical achievements, but I think that even Ministers, for all their studied indifference, are getting a little jumpy.

4. The best tactics for the United Kingdom representatives will, of course, be decided by the representatives, including the High Commissioner, when they arrive, but perhaps I may be allowed to express the hope that we shall not discourage any approaches made by New Zealand but that we should do our best to bring the New Zealand Government down to brass tacks, firstly, in order to avoid giving the New Zealand Government a chance to say that they have made advances but were rebuffed, and, secondly, because the failing, from our point of view, of all the Ministers is that they seize every opportunity of indulging in generalities and are unlikely to adopt different methods on this occasion.

5. As Mr. Jones, the Minister of Defence, announced last week on the occasion of a review of some cadets who were going to Duntroon, that the policy of the Government was the closest possible co-operation with Australia in all defence matters, I asked Stevens, the Secretary of the Council of Defence and of the Organization for National Security, how this co-operation at present works out. He said that technical co-operation between Australian and New Zealand naval forces and military forces is quite good and that there was no reason to suppose that technical co-operation between the respective air forces would not in time be equally good;

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so far the New Zealand Air Force was hardly old enough to provide opportunities for co-operation. Beyond that, however, so far from co-operation, there is scarcely any contact. This was apparently brought home to him last year, when a paper on Australian coastal defence reached the New Zealand Government from the C.I.D., and presumably the corresponding paper on New Zealand coastal defence reached the Commonwealth Government through the same channel. Thereupon the New Zealand Government tentatively began sending the Commonwealth Government copies of such defence papers as they thought might be of interest to them. These papers were never even acknowledged and the Commonwealth Government did not reciprocate. Mr. Savage then wrote to Mr. Lyons suggesting complete reciprocity and exchange of opinion on defence subjects. He received a reply cordially welcoming the proposal and saying that the matter had been referred to Mr. Thorby, then Minister of Defence in Australia, from whom he would hear further. Nothing further has, however, been heard from the Commonwealth Government from that day to this.

6. I do not know, of course, what will be contained in the memorandum which the High Commissioner is bringing with him, but, as an example of the kind of questions that the New Zealand representatives at the Conference are expecting to ask, I might mention an enquiry as to the views of the United Kingdom Government on contemplated Fleet dispositions, with special reference to Singapore, in the light of the way in which an emergency in Europe might be expected to develop.

7. It is far from clear to me that the New Zealand Government have yet cleared their own minds as to what results they want from the Conference. No memoranda  
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apparently have yet been written, except the report of the Chiefs of Staff on the Pacific Islands, which the New Zealand Government themselves insist is only of subsidiary importance. If any memoranda do come to light in sufficient time before the Conference, I will offer the services of this Office and of the High Commissioner at Canberra as a channel for the transmission of any such documents to the United Kingdom Service representatives on their way here. The Government will, of course, be anxious to organize the Conference properly, but I do not know that they have ever had a conference here bigger than the Trans-Tasman Air Route Conference in October, 1936, and certainly no arrangements are yet in train. However, I have heard that the Imperial Conference memorandum on the arrangements for the 1937 Conference is much in demand!

Yours ever,

( Signed ) G. E. BOYD SHANNON