

DRAFT TELEGRAM TO THE HIGH COMMISSIONER
FOR THE U.K. IN NEW ZEALAND AND IN THE
COMMONWEALTH OF AUSTRALIA.

Our telegram No.

Consideration of Australian proposals reveals serious objections to their adoption.

(a) Main objection is that proposals do not accord with policy of open door and complete reciprocity in Pacific which U.K. Government desire to establish. We contemplate operation right across Pacific of British and American services in close co-operation with reciprocal landing rights in New Zealand and American Continent respectively, open rights at intermediate stopping places, common use of ground organisation and mutual consultation regarding time tables and frequency. Australian proposals abandon above principles and sectionalise operations.

Other objections seen to scheme are

(b) it abandons idea of direct Empire Commonwealth air link between Canada and New Zealand forging new bonds between Commonwealth partners. (c) It restricts development of Imperial communications. (d) Bargain is completely one-sided. On the one hand reciprocal rights in U.S. territory to which we are entitled are surrendered and on other hand rights in Christmas and other British Islands North of Equator are accorded without compensating advantages, seeing that we already possess suitable intermediate airports in South Pacific which should only be exchanged for reciprocal rights in U.S. islands, particularly Hawaii.

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U.K. Government are therefore opposed to adoption of Australian scheme which involves these disadvantages and to accept position that American air service would alone provide important part of link between New Zealand and Canada.

As regards actual operation of route British flying boats which will fly North Atlantic this summer have range necessary for Trans-Pacific service and there is no reason why development of latter service by Commonwealth interests should be regarded as remote contingency.

Please put following considerations to Australian Government emphasizing fact that forthcoming conference would appear to provide an excellent opportunity of discussing the matter further.