

Mr. Hoyer Millar:

By arrangement with the Treasury I saw Mr. Johnson, one of the Counsel in the Customs Bureau, about this today and explained the position, adding that we feared that our customs administration in London might be unwilling to go on granting this privilege to Pan American Airways in England if the United States Government did not soon come into line. Mr. Johnson told me that they had at last received the advice of the Department of Commerce, dated May 2nd, to the effect that corresponding privileges were granted in the United Kingdom, and he had letters almost ready in draft to inform the State Department, and instruct the Customs Office at New York to this effect. We shall no doubt get official confirmation before long.

I enquired also whether it would be possible to refund to Imperial Airways any duties they had paid since the passing of the statutes of last July. Mr. Johnson informed me that he thought it prima facie very doubtful whether the Administration had power to grant the exemption effectively before the date (May 2nd) of the advice from the Ministry of Commerce. It would be better if Imperial Airways, if they wished to press this point, were to raise the matter in the form of a demand for a specific list of refunds through the Customs Office in New York.

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 This is better. Any up June 5/52.