

MINUTE SHEET.

Reference

Bases (U. or B. Islands) 2044/87/40 9Copy on 23 91/30/40 + extract
on other Bases files:

The present position regarding the United States bases is as follows:

(1) General.

a. Commencement of Work. It would seem from the Foreign Office telegrams that in addition to Newfoundland all the Colonial Governments with the possible exception of Bermuda, have now agreed to work being begun by the American authorities once agreement has been reached regarding the location of the bases. We have telegraphed to London to ask for definite confirmation of this in order that we may then inform the American authorities. I think, however, that in the meantime you can safely inform Colonel Knox that two or three of the Colonies have already signified their agreement (St. Lucia, Jamaica and the Bahamas to be exact) and that we hope to be able to give him full information regarding the position of all the Colonies very shortly.

b. Labour conditions. In his letter to Colonel Knox of October 14th, the Ambassador made it clear that in all cases it was hoped that the American authorities would, as far as possible, employ local labour. In a telegram from Newfoundland it was stated that Admiral Greenslade had indicated that they had been instructed not to import any labour unless the local supply was exhausted.

This is satisfactory as far as Newfoundland is concerned and it is to be hoped that similar instructions will be issued in respect of all the other bases. But it would be nice if we could have some definite indication from Colonel Knox of the United States Government's views and I think therefore that you could quite well remind him of the fact that the Ambassador's letter is still without a reply and point out that the question of the employment of local labour is one to which the different Colonial authorities naturally attach a lot of importance.

Furthermore, on October 26th you yourself wrote to Colonel Knox saying that it was hoped that the American authorities would be willing to fix the rates of pay for labourers engaged on the bases in consultation with the local authorities, so as to avoid upsetting the labour market. There has hardly been time for Colonel Knox to consider this letter but here again you might refer to it and say that you are hoping to get an early and satisfactory reply.

c. British Contractors. In his letter of October 14th to Colonel Knox the Ambassador said that he had been instructed to express the hope that the American authorities would allow reputable British or Dominion firms of contractors to tender for some of the work concerned. There has been no reply from Colonel Knox to this letter and you might therefore remind him of the point and express the hope that a sympathetic reply will shortly be forthcoming.

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d. Arbitration of disputes. In conversation with the President and Colonel Knox on October 14th, the Ambassador in explaining why the original leases for Newfoundland and Bermuda were unacceptable threw out the suggestion that "a simpler form of lease was preferable with some clause providing for an umpire nominated by the two Secretaries of State, who could adjust minor local difficulties where disagreement arose on the spot." For the reasons given in paragraph 3 of Foreign Office telegram 2821 (paper 2391/26/40) this suggestion of the Ambassador's has not met with approval in London and we are instructed to try and withdraw it and instead "to intimate to the United States authorities in general terms that H.M. Government are convinced that any difficulties arising locally can be overcome amicably in the ordinary course of negotiations." The Ambassador's suggestion was only made in the course of conversation and I do not think that it can be regarded as a definite proposal. Indeed the subsequent letter which the Navy Department have agreed would be suitable to cover the question of the Newfoundland lease contains no reference to the appointment of any such umpire. I think therefore that it should not be difficult to explain matters to Colonel Knox on the lines indicated by the Foreign Office.

e. Form of agreement. Almost immediately the original notes were exchanged on September 2nd, the Foreign Office asked us for information regarding "the form which the U.S. Government desired the eventual detailed settlement to take, i.e. is it to be drawn up as a regular treaty or in some form which would not invoke submission to the Senate." The Ambassador agreed that it was premature to make enquiries on this point and when the Foreign Office reminded us again about the point on October 14th, the Ambassador was still of the same opinion. As however the Foreign Office have now again reverted to the point (see F.O. telegram 2839 (paper 2391/27/40) perhaps we had better make some enquiries on the subject. The question is, however, more of a political than a legal one and perhaps therefore Mr. Butler will put the point to Colonel Knox direct. I see no reason why we should not ask the question direct or why any particularly "discreet enquiries" should be necessary.

2. Newfoundland. We have now received the observations of the Government of Newfoundland and of the authorities in London on the proposed letter which it is suggested should be sent to the Navy Department in order to enable the American authorities to begin work at once. Both London and Newfoundland agree in principle that some such letter should be sent and although they wish to make certain modifications in the draft, these are not very substantial (and in regard to the most important point of difference we have discretion to accept the American wording at a pinch). I would suggest that it will be enough to inform Colonel Knox of the position in general and suggest that Mr. Foster call on the appropriate official at the Navy Department in order to reach final agreement on the text of the letter. It is important, however, that Colonel Knox should understand the Newfoundland arrangement must

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not be regarded as setting a precedent for the other Colonies where conditions are very different. London have promised us to give us their advice as to how the situation in respect of these other Colonies can best be handled.

3. Bermuda. It seems that as a result of Admiral Greenslade's second visit a satisfactory settlement of the location of the base in Bermuda has been reached. We here, however, do not know the details of this settlement and until we do there does not seem to be any further action for us to take. Once the details are known and a Bermuda has signified its agreement, some form of letter similar to that to be effected in the case of Newfoundland will have to be drafted. It is apparently contemplated in London issuing some statement to the press about Bermuda and Bermuda have therefore asked that pending consideration of this point, nothing should be published here in Washington. A suggestion to this effect has already been made to the Navy Department but Mr. Butler might like to make the point to Colonel Knox as well.

4. The Bahamas. The United States Mission have put forward certain proposals which though rather wider than anticipated, should not cause great difficulties. London have not yet, however, expressed any opinion on the American proposals.

5. Jamaica. The American Mission have put forward certain proposals, the majority of which have evoked no objections from the local Government. London do not yet seem to have expressed any opinion.

6. Antigua. Although it first seemed that the American proposals were too widespread for the Governor's taste Admiral Greenslade seems now to have modified his requirements and it looks as if there might be no great difficulties. Furthermore, the Governor's suggestion that work might be postponed until June, 1941, seems to have gone down quite well with Admiral Greenslade.

7. St. Lucia. The proposals suggested by the American Mission raise considerable local difficulties. London's views have not yet been received but it looks as if there may be trouble here.

8. Trinidad. The American proposals which really amount to turning Trinidad into a base from which the American Army can defend South America have aroused the most violent objections from the Governor who has made a series of counter-proposals. We do not know London's views on the subject but it seems clear that we are in for a lot of trouble here. It may well be that Admiral Greenslade will have to go back for a second visit.

9. British Guiana. The tentative proposals made by the American Mission aroused no local objections and it is to be hoped therefore that there will be no great difficulties here.

FHM

30th October 1940.