

Department of State

*Australia* 00067  
AUG 1 10 12 AM '62

39  
G  
SS  
L  
FE  
SAE  
SSA  
INR  
OSD  
AIR  
RMR

ACTION: **Embassy CANBERRA** **NIACT** 89

**JOINT STATE/DEFENSE MESSAGE**

**Project CROWFLIGHT**

Ref: Embtel 79

Rationale for US unwillingness pay rental to GOA on its land and facilities does not rest on legal difficulties as such. However, US legislation at one time prohibited use of US contributions for infrastructure for payment of foreign taxes or for rental or purchase of foreign land and Congress has continued to express its distaste for any Defense appropriations being spent for these purposes. Reasoning behind this policy is that this is host country's contribution to mutual defense (final paragraph reftel).

Additional rationale for contribution of public land and facilities is that these are facilities already paid for by host government, having been built for its own purposes,

DECLASSIFIED  
E.O. 11652, SEC. 3(E), 5(D), 5(E) AND 11  
Department of State + Defense (AKK-78-417)  
DATE 8/10/97  
BY [signature]

Drafted by: **C/PM-EMWinfree:pat** 8/1/62  
Telegraphic transmission and classification approved by: **C/PM**  
Robert M. Winfree

SPA - Mr. Thrasher  
DOD/ISA - Mr. Kelly

REPRODUCTION  
UNLESS OTHERWISE  
NOTED

168

The John F. Kennedy National Security Files.  
Asia and the Pacific: National Security Files, 1961-1963

AMTSP...  
CO...  
SER...

and that to receive rental on them now would amount to windfall to  
GOA at expense of US taxpayer. We feel it is inappropriate, where  
we willing to meet all actual costs of this operation\* (both ours  
and GOA's), to have US make additional payments representing direct  
increase in general revenues of host government.

We quite willing, as GOA make, to reimburse it for out-of-  
pocket costs for operation and maintenance of existing land and  
facilities as well as to pay, our way for use of government facilities  
of commercial character, for example telephone and telegraphs,  
which operated in expectation of receiving revenue from general  
public.

USG has sought, and has been successful in making, arrange-  
ments along foregoing lines in great majority of countries where  
US forces stationed. Exceptions are attributable to unique local  
circumstances not analogous to those in Australia.

END

RECEIVED...  
COMMUNICATIONS...  
1969

169

The John F. Kennedy National Security Files.  
Asia and the Pacific: National Security Files, 1961-1963