

2 MARSHAM STREET LONDON SWIP 3EB

01-212 3434

My ref: J/PSO/12835/83

Your ref:

i6 June 1983

Dear Coul.

In my previous capacity, I wrote to Tom King on 31 May about British Leyland's possible involvement in the Falklands Airfield project. I thought you would wish to know what was happening.

As I said, David Andrews has written to Tom about this and I am enclosing a copy of my reply. I have asked PSA officials to keep me in touch with the consortia's proposals for the purchase of plant and vehicles. If in due course there is any question of foreign supply I will consult you before final decisions are taken.

Copies of this letter go to Michael Heseltine and to Geoffrey Howe.

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PATRICK JENKIN



2 MARSHAM STREET LONDON SW1P 3EB

01-212 34.4

My ref: K/ST/PSO/42859/83

Your ref:

16 June 1983

Doan David

Thank you for your letter of 23 May to Tom King about construction projects in the Falkland Islands.

I can assure you that the Property Services Agency is required to give reasonable preference within our international obligations to United Kingdom suppliers and manufacturers in connection with construction work in the Falklands, as elsewhere.

You will appreciate that a major contract with a construction consortium will leave a whole range of sub-contract details to the consortium and this will include construction plant and vehicles. However, we do know that particularly on a project of this scale it would be normal for the consortium to want all vehicles to be from the same manufacturer so that spares can be interchangeable and only one manufacturer's repair team need be on site; and I hope this will not inhibit you.

Equally, because the consortia are looking for a complete offer, with all the appropriate back-up, it should help to rule out distress offers of the kind to which you refer. In addition, our contract documents require the winning consortium to declare any proposed use of non-British products, and we shall therefore be able to keep an eye on the situation and make sure that British producers are given the right opportunities to compete.

PATRICK JENKIN