

Prime Minister

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Foreign and Commonwealth Office

London SW1A 2AH

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31 August 1982

Dear Tim,

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Falkland Islands: Rehabilitation

I enclose a further progress report on the programme of rehabilitation, which updates the report sent to John Coles on 11 August, and which has been compiled with contributions from the Ministry of Defence.

I am sending copies of this letter to the Private Offices of all members of OD(FAF) and to PS/Sir Robert Armstrong.

Yours ever

John Holmes

(J E Holmes)
Private Secretary

T Flesher Esq
10 Downing Street

FALKLANDS REHABILITATION: PROGRESS REPORT

Housing

1. Eleven companies have tendered for the supply of 27 prefabricated housing units, including one German, and are being evaluated. It is hoped to place orders by 7 September. The objective is to complete the first house by the end of the year but the schedule is very tight.

Mobile Homes

2. Orders have been placed with two firms for the supply of 5 mobile homes from each, at a cost of about £9,500. One consignment of 5 will be shipped on 10 October; the other will accompany the prefabricated houses.

Building and Other Materials

3. The last of the building materials in the Civil Commissioner's first order will be shipped on 31 August. The recently requested gymnasium equipment will also be shipped on 31 August, together with 20 wood/peat burning stoves donated by Scandinavian Wood Burning Stoves in Angus.

Fuel

4. The first consignment of 504 cylinders of propane gas, 200 drums of kerosene and 300 tons of coal is being shipped on 22 August. The balance will follow by 31 August. The fuel situation in the Islands is satisfactory.

5. 5,000 gallons of aviation gasoline (100 LL), will be shipped on 31 August for use by the Falkland Islands Air Service.

Shipping from the UK

6. The next cargo ship departing from UK is:

Elin S - 31 August due Stanley 27 September.

The next commercial sailing after Elin S is planned for October, but space may be taken on an MOD chartered vessel in September.

Replacement Aircraft for Falkland Islands Government Air Service (FIGAS)

7. FCO Ministers have agreed that we should initially buy a second-hand Beaver aircraft in Canada for FIGAS. A team is now in Canada to

/arrange

arrange this. On the longer term aircraft needs of FIGAS, FCO officials are recommending to Ministers the early purchase of a Twin Otter. This uses the same fuel as military aircraft and can carry 18 passengers or a mixture of passengers and cargo.

Air and Sea Communications with Latin America

8. Following unwelcome publicity about staging flights by military transport aircraft through Rio on 9, 10 and 11 August, the Brazilian authorities are unlikely to accept any further staging flights for the foreseeable future. The Brazilians also explained to Mr Onslow that they were not at present prepared to set up civil trading links with the Falklands.

9. Uruguay and Chile remain unwilling at present to establish regular air or sea communications with the Falklands. However, both countries are prepared to envisage the purchase of supplies for the Falklands, provided they are shipped unobtrusively.

Personnel

10. We have agreed with the Civil Commissioner that the number of new posts to be filled is 35. Eight officers (a doctor, a police superintendent, a development officer, a nursing sister, a water supervisor, a senior mechanic (plant), the Attorney General and the Registrar General) have been formally engaged and the first two are now in the Falklands. Twenty Five others (6 policemen, 7 teachers, a nursing sister, a senior mechanic (transport), 1 philatelic administrator, a roads superintendent, 3 senior electricians, 2 plumbers, a clerk of works, a building superintendent and an engineering surveyor) have been selected and we hope they will sign contracts shortly. Arrangements are in hand for the remaining two posts (a philatelic administrator, and a nursing sister who is not required until January).

Compensation

11. A three-man team of assessors from the Ministry of Defence is now in the Islands with authority to agree and settle the majority of claims; to date, some £80,00 - £90,00 has been paid out. An explanatory pamphlet on the scheme is being prepared and will be issued as soon as possible.

/Assistance

Assistance from the Military

12. Most military construction effort is currently being directed at the temporary reconditioning of Stanley airport, which closed on 14 August and has now re-opened. However, help has been given with the repair of the desalination plant and planning of road works.

General

13. We are not aware of any major problems. The Civil Commissioner in Stanley has said that morale in the Islands continues to improve, and the good working relationships between the Islanders and the military have been well maintained.

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Foreign and Commonwealth Office

London SW1A 2AH

11 August 1982

T Flesher Esq
Private Secretary
10 Downing Street

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FALKLAND ISLANDS: REHABILITATION

The Private Secretary's letter of 27 July covered the last situation report on the programme of rehabilitation. The Prime Minister has asked for this to be updated at two-week intervals or as necessary.

I enclose a note giving details of progress on rehabilitation work, compiled with contributions from the Ministry of Defence.

I am sending copies of this letter to the Private Offices of all members of OD(FAF) and to PS/Sir Robert Armstrong.

Handwritten signature: *Yours ever,
Stephen Lampport*

S M J Lampport
Private Secretary
to Mr Hurd

FALKLANDS REHABILITATION: PROGRESS REPORT

Housing

1 Tenders for the supply of 27 housing units have been issued to a short list of 14 firms, including one French and two German firms. The closing date is 25 August, and it is hoped to place orders on 7 September. The objective is to complete the first house by the end of the year but the schedule is very tight.

Mobile Homes

2 Quotations for 10 mobile homes have been requested from 7 British companies and these are currently being evaluated. It is hoped to place an order by the end of the week. The units will be ready for shipping within 4-5 weeks of the order being placed. Expected cost per unit is between £10-15,000.

Building Materials

3 The last of the building materials in the Civil Commissioner's first order will be shipped on 14 August.

Fuel

4 The first consignment of 504 cylinders of propane gas, 200 drums of kerosene and 300 tons of coal is being shipped on 14 August. The balance will follow by 25 August.

5 5,000 gallons of aviation gasoline (100LL) are being ordered, for supply in drums by the first available ship.

Shipping from the UK

6 The next cargo ships departing from UK are:

Merdeka	-	14 August	due Stanley	14 September
AES	-	18 August	due Stanley	15 September
Segried S	-	26 August	due Stanley	22 September

/Replacement

Replacement Aircraft for Falkland Islands Government Air Service (FIGAS)

7 FCO Ministers are considering a recommendation by officials that we should initially buy a second-hand Beaver aircraft in Canada for FIGAS. This is a 5-6 passenger piston engined aircraft, which will use the AVGAS mentioned in para 5 above. The Chilean authorities have said that they would not expect to have any objection to its being flown through Chile to the Falklands; but the aircraft can be dismantled and shipped from Chile if this proves impossible. We are considering the longer term aircraft needs for FIGAS.

Air and Sea Communications with Latin America

8 Our Embassies have asked the Uruguayan and Chilean authorities whether they would accept the establishment of regular communications by air or by sea. Neither would be willing at present and Uruguay has said that Argentina is attempting to maintain an effective blockade on the Falklands. However, both countries are prepared to envisage the purchase of supplies for the Falklands, provided they are shipped unobtrusively.

9 Brazil has agreed to the staging of military transport aircraft through Rio, and 3 flights are scheduled for 9, 10 and 11 August.

Personnel

10 We have agreed with the Civil Commissioner that the number of new posts to be filled is 37. Four officers (a doctor, a police superintendent, a development officer and a nursing sister) have been formally engaged and the first two are now in the Falklands. Seventeen others (5 policemen, 4 teachers, a registrar general, an attorney general, 2 philatelic administrators, an assistant director of public works, a water supervisor, an engineering surveyor and a senior plant mechanic) have been selected and we hope they

/will

will sign contracts shortly. Interviews have been arranged for this month for all the remaining 16 posts which are for public works staff, teachers and nursing sisters.

Compensation

11 A three-man team of assessors from the Ministry of Defence is now in the Islands. It will be receiving claims for compensation, and has authority to agree and settle the majority of claims. An explanatory pamphlet on the scheme is being prepared and will be issued as soon as possible.

General

12 We are not aware of any major problems. The Civil Commissioner in Stanley has said that morale in the Islands is beginning to improve and that he is grateful for the work being done in London on rehabilitation.



Foreign and Commonwealth Office

London SW1A 2AH

27 July 1982

Prime Minister has seen.

A.S.C. 25/7

Dear Sir,

ADL 25/7

Falkland Islands: Rehabilitation

p-a.

My letter of 16 July covered a situation report on the programme of rehabilitation. The Prime Minister has asked for this to be updated at two-week intervals or as necessary.

I enclose a note giving details of progress on rehabilitation work, compiled with contributions from the Ministry of Defence.

I am sending copies of this letter to the Private Offices of all members of OD(FAF) and to PS/Sir Robert Armstrong.

Yours ever,

(J E Holmes)
Private Secretary

A J Coles Esq
10 Downing Street

REHABILITATION BY THE CIVIL AUTHORITIES

Housing

1. Detailed specifications for the 27 prefabricated houses requested by the Falkland Islands Government are in preparation and will be forwarded to a short list of selected suppliers by the end of the month. They will be asked to tender for a turnkey project for the manufacture and construction of all the houses. It is hoped that the housing can be manufactured and shipped by October and that construction will be underway by December. ODA and the Crown Agents are pursuing immediate supplies of mobile homes, some of which we hope to ship in early August.

Building Materials

2. The bulk of the building materials requested by the Civil Commissioner on 5 July were shipped by MOD chartered vessel which sailed on 24 July. The remainder will follow as soon as possible.

3. We await the Civil Commissioner's further requests for materials.

Reinforcement of Falkland Islands Government

4. The special ODA Falklands Recruitment Unit are recruiting for 40 posts, an increase of 5 on the original request. They have advertised the 'artisan' posts on the list through Job Centres, and encouraged TV, Radio and press coverage of the whole recruitment process, provoking an avalanche of enquiries. There are now being sifted and interviews arranged. All of the 40 posts will be filled in the short term, notice to current employers permitting. 15 personnel have already been chosen, and travel arrangements will be made as fast as possible.

Replacement of aircraft for Falkland Islands Government Air Service (FIGAS)

5. A submission on this question has been put to FCO Ministers. We are pursuing the various options for delivery of immediate replacement aircraft (shipping, flying to the Falklands, leasing in Chile etc).

Compensation

6. Urgent interdepartmental consultation is being pursued on the details of a compensation scheme. Claim officers will arrive in Port Stanley in early August to evaluate claims collected by the Civil Commissioner.

Stanley Airport

7. The Ministry of Defence's paper on the proposals for a permanent replacement airport is to be discussed at OD(FAF) on 28 July.

Civil Air and Sea Links

8. Our Embassies in Santiago, Montevideo and Brasilia have been consulted on the timing of approaches to their governments of the possibility of sea and air links with the Falklands. On the basis of their advice they have been instructed to make soundings on sea services.

Fuel

9. The Civil Commissioner's request for 1,000 tons of solid fuel to replace peat stocks was received on 8 July. The order has been placed, bagging of the fuel is underway, and the first consignment of fuel will be shipped on 9 August.

10. On 18 July the Civil Commissioner requested supplies of kerosene and propane gas for domestic use. These have been ordered and will be shipped with the first consignment of solid fuel.

Replacement equipment for Stanley Power Station

11. Spares and replacement equipment for Stanley Power Station requested by the Civil Commissioner on 4 July have been delivered or are now being flown to Stanley.

ASSISTANCE FROM THE ARMED FORCES

12. The Royal Engineers are concentrating efforts on dealing with unexploded ordnance, with limited clearance of mines. Other minefields are being identified, recorded and marked. In addition to RE assistance to PWD in repairing water supply installations,

service water trailers are being used to boost the supply. Military generators are supporting the Port Stanley supply with others in various settlements. The Army has been helping to repair overhead lines.

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TO IMMEDIATE PARIS
TELEGRAM NUMBER 441 OF 22 JULY
AND TO IMMEDIATE BONN

FALKLAND ISLANDS REHABILITATION - EEC ASSISTANCE

1. THE COMMUNITY HAS OFFERED FUNDS TOTALLING 300,000 ECU FOR EMERGENCY ASSISTANCE TO THE FALKLANDS DIRECTING THAT THESE FUNDS BE USED FOR THE PURCHASE OF MEDICAL SUPPLIES, PREFABRICATED HOUSING AND BUILDING MATERIALS.
2. ON HOUSING, WE ARE ALREADY WELL ADVANCED IN NEGOTIATING WITH UK MANUFACTURERS, BUT IF WE WISH TO USE EC FUNDS WE NEED TO SEEK ESTIMATES FROM SUPPLIERS IN THREE EC COUNTRIES. GRATEFUL YOU SUPPLY SOONEST NAME AND ADDRESS OF ONE SUPPLIER OF PREFABRICATED HOUSING WHO IS LIKELY IN YOUR VIEW TO BE CAPABLE OF PRODUCING SUITABLE DOMESTIC ACCOMMODATION FOR USE IN FALKLANDS AND ALSO ABLE TO REACT TO A REQUEST TO TENDER IN ABOUT TEN DAYS.

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FALKLANDS REHABILITATION

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LIMITED

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FALKLANDS REHAB. SECT

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APD

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