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Prime Minister

A.J.C. $\frac{26}{4}$



Foreign and Commonwealth Office

London SW1A 2AH

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AM 29/4

26 April 1982

Dear Idun,

Financial Assistance to Falkland Islanders wishing to return to this country

You spoke to Ken Slatcher on 24 April about the financial assistance we are offering to Falkland Islanders wishing to return to this country and asked for a report from him on how this was at present being done. You mentioned to him the Prime Minister's view that we should pay for the return to this country of all Falkland Islanders who manage to get away. You also mentioned that Mr Needham, Chairman of the Falkland Islands Company, had been in touch with you.

As you know, we issued the following statement on 22 April, after the text had been agreed:

'In view of reports that some Falkland Islanders would appreciate guidance on the matter, the Government wish to make it clear that if there are any who would prefer to leave the Islands temporarily until the immediate crisis has passed, the Government will give sympathetic help to ensure that they are not prevented from doing so by lack of means.'

This was carried by the BBC World Service who agreed to broadcast it this weekend on their world service as well as on the special programme for the Falkland Islands. We also spoke to Mr Needham giving him the message and he has conveyed the sense of it to the Falkland Islands Company representative in Port Stanley. As a result of this, according to Mr Needham, more Islanders are saying they would wish to leave.

At present, the Falkland Islands Company in Port Stanley issues tickets valid either to Montevideo or to this country. In the case of tickets to Montevideo only, our Embassy there then issues to the Islanders tickets to this country but asks them to sign an undertaking to repay.

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We have so far told those Islanders who have been deported by the Argentines that we do not propose that they should be asked to honour the undertakings to repay that they have signed. We would propose to extend this to all those Islanders who arrive in this country and they will all be informed that we shall not ask them to honour the undertakings they have signed. This arrangement will help to ensure that control is maintained over costs in London and that the system is in a form identifiable to Exchequer and Audit. In the case of the Islanders who purchased their tickets in Port Stanley we shall arrange for them to recover the cost of the tickets. We shall need to agree with Mr Needham an arrangement for payment to him so that the extent of the concession can be identified by Exchequer and Audit.

The matter of the return to the Islands of the Islanders will be considered separately later. In a paper we prepared for ODO(SA) on 21 April on the modalities of evacuation, we estimated that the maximum cost of evacuating the Islanders and returning them would be about £2 million.

Yours ever
J E Holmes

(J E Holmes)
Private Secretary

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