



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.