

CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

27 August 1982

*Dear Tim, Mr Lyne was 22/8*

With your letter of 16 August you enclosed one to the Prime Minister from Ted Needham, the Chairman of the Coalite Group.

The Falkland Islands Company has continued to play a useful role in shipping goods to the Islands and arranging for their distribution there. The Company has also started to repair its own damaged property. But this is no more than might be expected given the circumstances. Mr Needham is playing a cautious hand in reacting to reports of the Civil Commissioner's remarks that the days of the Company are numbered.

Though we must clearly co-operate with the FIC and Mr Needham, we see no compelling reasons for the Prime Minister to see him, at least at this stage. Mr Onslow proposes to see Mr Needham as a first step.

I enclose a draft reply from the Prime Minister accordingly.

*Your ever  
J E Holmes*

(J E Holmes)  
Private Secretary

T Flesher Esq  
10 Downing Street

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**DRAFT:** minute/letter/teleletter/despach/note

**TYPE:** Draft/Final 1+

**FROM:**

Reference

Prime Minister

**DEPARTMENT:**

**TEL. NO:**

SECURITY CLASSIFICATION

**TO:**

Your Reference

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

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**Copies to:**

PRIVACY MARKING

**SUBJECT:**

.....In Confidence

Thank you for your letter of 12 August about the future of the Falkland Islands and your plans to pay a visit there. I am sure such a visit would be well worthwhile.

CAVEAT.....

As you may know, Lord Shackleton has now completed the revision of his 1976 Economic Survey of the Islands, and the updated study should be ready for publication by the middle of September. You will no doubt first wish to study the recommendations in the report and consider their bearing on the role of your company in the Islands. We for our part will also need to study the report in depth and consult interested parties as fully as possible before reaching conclusions about the way forward.

Perhaps in the first instance you could get in touch with Cranley Onslow at the Foreign and Commonwealth Office, who will, I am sure, be keen to discuss these matters with you. He is taking a very close interest in the future of the Falklands.

Enclosures—flag(s).....



27 AUG 1954

