TRN/AVI/1 # 3 MISCELLANEOUS. C.S. (General) 19 38. No. 172/38. SUBJECT. H.M. Minister, Montevideo. 1938. ESTABLISHMENT OF AN AIR LINE TO 20th July. SOUTH AMERICA. Previous Paper. MINUTES. Copy of Mr. E. Millington-Drake's Savingram No. 12 to Foreign Office dated 14th June, 1938. 1-3 Telegram from Minister, Montevideo, of 26th July, 1938. 4 Red @ Submitted IncHel I am afraid that the repty will reach the video to take but plean and it a by will but plean and it a by will enclosed The himster will proximably for surd it an. We had belle send a derbalch h titt 29/2/35 S 1 S also Subsequent Paper.

Telegram 10 H.M. Meinister, Montevider 29/1/38. (5) Does M. desire Copies of Corhespondence Sent to the the S. of S. adding that M. associate. Yoursal, with the view's of the Minister? There . there, 4.8.18 a brief uport placeties , una any what has been dave I think - Her. 1 copies of the teleprant titte 40 M. Draw Sicharch Sabmited. mer ! Despatch No. 133 to 8. of 8. of 9. 8. 38. 100 9. Mr. Despatch Submitted. McH 10. 8. 38 little coto 6.1.18



With the compliments

of

His Majesty's Minister.

BRITISH LEGATION, MONTEVIDEO.

Lora .193 8.

COPY OF MR.E.MILLINGTON-DRAKE'S SAVINGRAM No.12, TO FOREIGN OFFICE DATED 14TH JUNE, 1938.

My telegram No. 52.

Inauguration of Air Port and lighting and buoying was postponed until June 11th, when I attended and the Brazilian Ambassador and myself were the only foreign representatives present.

In short impromptu speech of congratulations and thanks at the termination I mentioned the happy coincidence of the coming of a survey party in connexion with the eventual establishment of an air line to South America. Authorities present were much gratified and impressed, and the President of the P_0 rt Administration, without my having said a word about it, stated that it would be the intention of the Uruguayan authorities to offer the British company all facilities to make Montevideo their base in the Ri_v er Plate for repair shops, administration, etc. He added that, assuming that the service would be carried out by sea planes, the function would be to give them the island site adjoining the air port as a Customs free zone entirely under their control except for police purposes.

I replied that though the idea was naturally one with which I personally would feel sympathy, yet there were certain <u>prima facie</u> disadvantages, notably of a commercial kind, and that the matter was one on which the company alone could decide. President of the Port Administration then said that the offer would be "so favourable that they could not afford to refuse".

My /.

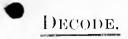
My own view is that if Airways Limited find it inexpedient to accept this offer, it is one which we can scarcely afford not to take advantage of in some way or another. Argentina has her own aeroplane factory at Cordoba, and I submit that Messrs. de Havilland should consider the desirability of establishing first an assembly plant and eventually a factory here, following up the opening they already have with the First Uruguayan Air Lines.

Furthermore, taking the long view I feel that this could best be done by the Canadian de Havilland Company, because (a) it is Canadian and therefore "American" in the sense that the word is used in Latin America and so less likely to arouse susceptibilities of any kind; and (b) because I understand that it specialises in hydroplanes, a type of machine which would seem particularly suitable to the River Plate and the Panana and Uruguay river regions, not to mention the inlahd lakes in this part of the continent.

Lastly, there should be borne in mind the possibility of what might be termed the eventual strategic extension of the air line to the Falkland Islands by, a flying boat service, say, fortnightly. Such a service might continue to Punta Arenas, but would have to avoid any place in Argentina because of the continual difficulties which would arise in connexion with the Falklands controversy.

I quite realise that at the present time aeroplane companies in Great Britain and Canada are working overtime but I look forward to, say, two years hence when aeroplane works in a remote, neutral yet friednly country working mainly with neutral labour might have advantages for several reasons.

2.



TELEGRAM.

From H.M. Minister, Montevideo.

To His Excellency the Governor.

Despatched: 26th July, 1938. Time: 2012. Received: 27th July, 1938. Time: 1100. I and my staff deeply appreciate your letter of May 11th -to-the-Golonial Office.

In regard to my telegram No. 12 addressed to Foreign Office of which a copy is now on its way to you presume that you will report your views and suggestions fully, but I should be grateful for brief summary of your opinion by telegraph as soon as possible for guidance of Leader of Survey party who are leaving July 29th for Rio de Janeiro. MINISTER, MONTEVIDEO. DECODE.

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TELEGRAM.

From His Excellency the Governot,

To H.M. Minister, Montevideo.

 Despatched:
 29th July,
 19
 38. Time:...

 Received:...
 19
 ...
 Time:...

Your telegram of 26th July Inauguration of Air Port this Government learns of possibility of establishment of Airways base in Montevideo with great pleasure and would encourage by all means in its power extension of British Air line further South making Falkland Islands a port of call. GOVERNOR.

GOVIELENT HOUSE, STAILEY, 9th August, 1938.

FALMIAND ISLANDS. No. 133.

SiP,

I have the honour to inform you that I have received from His Hajesty's Hinister in Uruguay a copy of his report dated the 44th of June, 1938, to the Foreign Office regarding the inauguration on the 14th of June, 1938, of an Air Port at Hontevideo, from which it would appear that the Bruguayan Authorities intend to offer to a British Campany all facilities to make Hontevideo their base in the River Plate. The Minister raised the question of the possibility of the extension of the air line to this country.

2. In reply I informed the Minister that this Coversment had learnt of the possibility of the establishment of an Airways base in Montevideo with great pleasure and would encourage by all means in its power the extension of a British Air line further South taking the Palkland Islands a port of call.

I have the honour to be,

Sir,

Your most obedient, humble servent,

(Sgd.) H. HENNIKER-HEATON