

AIR/13/4 *dm*

SECRETARIAT

AIRFIELD.

CAPE PEMBROKE

ARCHIVE

File C

Closed

Type	19/1	BU	1/5	HE	6/4	22/9	CS	7/1	BU	1/3	BU	CS	19/8
CS	19/1	22/9	HE	6/4	22/9	CS	7/1	BU	1/3	BU	CS	19/8	
BU	19/1	BU	1/5	HE	6/4	22/9	CS	7/1	BU	1/3	BU	CS	19/8
CS	20/1	22/9	1/5	CS	14/7	PA	14/10	CS	11/1	PA	14/3	BU	20/6
Type	22/1	HE	1/5	Type	✓	HE	14/10	CS	15/1	HE	✓	BU	20/8
CS	22/1	C/S	✓	CS	✓	BU	14/10	CS	17/1	R	✓	CS	20/8
Type	22/1	BU	10/5	FS	3/8	HE	24/10	Type	2/1	BU	✓	HE	✓
CS	24/1	HE	2/5	HE	10/8	HE	24/10	CS	18/1	CS	28/3	C/S	27/1
BU	1/2	C/S	10/5	Type	✓	HE	24/10	CS	18/1	CS	28/3	BU	✓
CS	34/1	BU	9/6	HE	21/8	CS	13/1	Type	2/4	HE	4/1	C/S	28/3
BU	✓	PA	13/6	PA	23/8	BU	✓	CS	21/1	CS	✓	BU	10/1
CS	✓	HE	19/6	HE	28/9	CS	13/1	BU	5/1	C/S	9/4	HE	✓
HE	2/2	FS	25/6	FS	✓	BU	✓	CS	5/1	BU	20/4	CS	✓
CS	6/2	YR	✓	CS	✓	CS	21/1	HE	5/1	CS	✓	HE	19/1
BU	✓	BU	1/7	FS	✓	BU	24/1	C/S	5/1	BU	✓	HE	24/7
CS	16/2	HE	21/6	HE	17/9	CS	27/11	Type	5/2	CS	1/5	BU	✓
BU	✓	Type	28/1	FS	18/9	BU	11/12	CS	5/2	HE	✓	CS	34/7
HE	26/1	CS	29/6	HE	20/9	CS	4/12	BU	16/10	CS	29/5	BU	✓
1/3	22/9	2/7	2/9	BU	14/12	CS	7/2	HE	✓	C/S	5/5	✓	✓
CS	1/3	CS	2/1	HE	✓	CS	17/12	Type	7/2	BU	✓	BU	✓
1/3	✓	BU	3/7	FS	28/9	BU	✓	CS	8/2	CS	24/5	HE	✓
CS	✓	HE	1/7	CS	29/9	CS	19/12	BU	✓	C/S	✓	C/S	✓
4/1	Type	4/2	22/9	✓	HE	✓	CS	11/2	CS	7/6	BU	10/8	✓

BU 25/10

YE

(1)

You BU & R184

A.S.

(2)

Pl advise re R187.

c.s. ✓ Good. *Butt* *around* 29/11

25/11

I am told by Spec that we had no mod equipment. Some of it was crated up by PWD and sent to Britain by "MCS" in July and some items went back with RPT team personnel. Draft ltr submitted.

27.11.72.

(4)

Office,

Re. despatch ltr at centre.

29.11.72

BU 1/2/73

BU 1/3

BU 1/4

BU 1/5

BV 1/7

(5)

F.S.

To see R 204 pl.

19/6

y. E.

(6)

See 4.7.

at 25/6

y. E.

(7)

213 noted. Draft reply to 216 sent.

at 3/8

(8)

F.S.

With R 218 pl.

28/8

(9)

y. E.

from Galt has not changed sign, 4.7

at 18/9/73

S.S.

I have telegraphed instructions to
 Mr. G. concerning 226.

Draft 1st to F.C.O. Leath

28/9/22

By *[Signature]*

⑪

R 231

to C & V agent file

⑫

RSC

Grateful for your views on X/ of
 R 228, plus if you consider it appropriate
 a draft form for cattle owners to sign.

19/10

13.

22/10

Y.E.

Your M.12.

In this minute cattle includes horses and sheep.

1. We cannot take a final decision until we hear which company will get the contract as companies have different views on how they expect Government to deal with cattle interfering with their work, and Government should agree on a remedy in conjunction with the particular company. Again, the area of possible risk to cattle should be agreed with the company and demarcated so that its limits are clearly visible on the ground.

2. From your minute, Government does not appear to wish to exclude cattle entirely from the area of risk, but intends to permit them to move through and graze in the area. The company on the other hand may insist that the area be enclosed by a fence and cattle be entirely prohibited from entering. If this is accepted, then Government will have to acquire the land for a public purpose under the Land Ordinance Cap. 36 Sec. 31 and compensation will be payable under Sec. 38. Financial provision will have to be made to pay this compensation.

Impracticable
 & v. expensive

It is about
 Crown land

3. Even if Government's present view prevails and it is decided to permit free movement of cattle, Government may still be faced with claims for compensation as there will be an inevitable diminution in the grazing land available because of the siting of static installations such as living quarters, site offices, POL depot, plant and machinery yard, plus areas in which tractors, scrapers etc. are actively working. The dairymen in particular may claim that this is adversely affecting their business. Again, in an open area not acquired under Sec. 31, owners may have rights under their current leases or licences and these rights may not be diminished or extinguished without due regard to the terms of the lease or licence.

4. Whether the area of risk is acquired by Government under Sec. 31 or not, with regard to owners signing a document absolving Government and the contractors from any liability in the event of injury to cattle, I think it unlikely that owners would agree to sign away their common law right to sue for compensation and to bear from their own pocket a heavy financial loss. To my mind it would be unreasonable to expect them to do so and, if they refuse, I cannot see how we can compel them. I would therefore advise against attempting this course of action. It would inevitably lead to bitterness on the part of the owners and it is important we obtain their co-operation.

5. I suggest that Government's approach should be based on the line of reasoning that where there is a known and obvious hazard to cattle, an owner is expected to take such steps to protect his cattle as a reasonable, prudent man would take in the circumstances. The company, for its part, owes a duty of care to owners to conduct their operations with due regard to the possibility that unattended cattle may without warning enter upon the area of activity. If an animal is killed or injured, not by unavoidable accident, but by the negligence of a company employee, then the owner may sue the company for damages in the normal manner in the court. In other words, a duty of care is imposed on both parties and this would, I believe, be willingly accepted.

6. There are, I understand, in addition to Government itself, three groups of owners who may be affected, i.e. the light house keepers, the dairy owners and an indeterminate number of private persons. As there is time in hand, I suggest as an immediate step, that Government consults with representatives of these groups to ascertain their views generally, their response to my proposal at para. 5 above, or acquisition by Government as an alternative, what rights, if any, are enjoyed presently by owners under lease or licence, and whether there are other relevant factors which Government should take into account. I suggest we do not raise the proposal in para 4 above.

7. Finally, the Argentinians no doubt encountered a similar problem when they built the present airfield and experience gained then and the measures taken may be a useful guide.

Ag. R.S.C.
24.10.73

JPJ/MJ

(14)

As C-5
You may care to discuss above
with RSC who may not be aware that all
the land in question is Crown land.
26/10

Discussed with OIC Ag Dept 2. 11.73
Common land does not include
the Peninsula. Animal owners
have been permitted to use
Peninsula in the past. They
can be ~~for~~ permitted to use it in
the future but at their own risk.

TJH
2. 11.73

BK 24. 11.73

BK 29. 11.73

BK 4. 12.73

BK 16. 12.73

BK 3. 1.74

(15)

Y/E / P.H. 2 Jan 74

I have tried to move
things along by sending R 234.

19/12

(16)

C.S.

R 13 with R 228. The peninsula
is not part of the Common so the
fee that is paid for grazing on the
Common carries no entitlement for
animals to graze in the Peninsula.

Animal owners are paying now
for grazing and we could draw
their attention to the danger. A
draft is at face if you think it is
sufficient otherwise we can make
owners absolve Govt and contractors
from liability for injury to animals

TJH
9.1.74

(17)

RSC

You are Familiar with
the problem - mention from (12) refer.

Perhaps you could have a so
at a form of notice on the lines of
the draft at face to be given
to animal owners with their licence.


9/1

18.

C.S.

Your m.17.

The warning notice opp. is sufficient in my view as it
stands. When construction work really begins Government
should erect warning notice boards at intervals around the
aerodrome area on the lines of "Danger to stock - construction
work in progress". Warnings should also be given over the
box at intervals and notices put on the public notice board
and inserted in the Falkland Islands Times. A statement
should be made in Legco nearer the time. No owner will then
be able to claim that he knew nothing about it.



Ag. R.S.C.
11.1.74

19.

RCS

1/1 sub.


11/1

(20)

C.S.

We spoke and I have spoken to
OIC Ag Dept. We can send a letter
to every animal owner on the lines of
the attached draft which should
make the owners position quite clear.



2. The letter would not issue until close to the time for putting animals into the Peninsular which is done by the Ag. Dept.

~~T.D.M.~~
15.1.74

(21)

PCS Good. Pl h.i.v. draft is at 239/40

~~T.D.M.~~
21/1/74

18/1

(22)

Bu 20 4.74
(2401)

~~YE~~ R 244. Have you retained the record of the 9th Jan meeting? Or was it not enclosed? I have not seen it.

23/

5/1

A brief Ser/

at St Andrews. Pl ask Mr S. L. V.

As have no copy in the night bag

B/W 20 APRIL

~~h.v.~~
S. L. V.

Bu 1/3

Bu 20/4/74

24

B/w 20 May 74

~~E. J. M.~~

B/w 20 June 74 ✓

~~E. J. M.~~

B/w 10 July

~~E. J. M.~~

B/w 10 August

Bu 2. 8. 74.

25

M^{rs} Browning

8

5.8.74

The short record of the meeting held on
the 2nd Aug was excellent and I make only
a few changes, before these have sent to me
my list on 20/

~~E. J. M.~~ / 2 Aug 74

Bu 28. 8. 74

C.L. JPA 12/7

You may wish to see this file.

P.141 may provide a basis for discussion
when SMO, Customs, Police, Immigration meet next
week i.e.w. the provision of a building at the Temp.
Airfield.

J 8.7.72

FORM FOR PROJECT APPLICATION

Administering Authority: Government of the Falkland Islands

1. Name of Project: Cape Pembroke Air Field, associated access roads and navigational aids.

2. Location of project and reasons for its choice: Cape Pembroke, Port Stanley. Messrs Wainwright and Botham, Board of Trade, carried out a feasibility study of constructing an airfield convenient to Stanley and came down in favour of Cape Pembroke. This choice was confirmed by Colonel Wheatley of the Royal Engineers when he looked at all the possible alternative sites in 1971. Further confirmation came when Messrs Rendel, Palmer & Tritton, Consulting Engineers, carried out a detailed study in 1971/72.

3. Is the project included in the approved Development Plan and, if so, where? Yes. Next in priority after the Stanley Power Station, work on which has already started.

4. (a) Will the project be put out to tender? Yes.

- (b) Name of Agency responsible for construction and operation: Falkland Islands Government.

5. Professional advice on which the project is based: Feasibility study by Messrs Rendel, Palmer & Tritton, Consulting Engineers.

6. What are the benefits to be derived from the project?
 - (a) Economic: Changing the Colony's transport communications pattern and providing for passengers, mail and freight to be moved by air to the most convenient terminal on the mainland of Latin America as advised by Messrs Peat Marwick & Mitchell in their transportation study of the Falkland Islands.

 - (b) Political: Assisting to break down the barriers that have prevented up to date a link with the Islands' largest continental neighbour.

 - (c) Social: Reduction of isolation of an island community by so speeding up transport communications as to place London within 36 hours travel time of Stanley.

7. (a) Total cost of the project (broken down into main items of expenditure):

Construction: £1,500,000.
 Design and supervision: £115,000.
 Total: £1,615,000.

(b) Amount of British Aid required: £1,615,000

7. (c) In what United Kingdom financial year is British Aid required and how much each year?

1972/73: £50,000	1973/74: £700,000
1974/75: £800,000	1975/76: £65,000

175.

8. When is the work expected to begin? Mid-1973.

9. How will the operating costs be financed when the project is completed? Following the round of communications talks in Buenos Aires in July 1971 and subsequent exchanges, the airfield is expected to be operated by the Falkland Islands Government, financed from its recurrent budget, and the external service to be provided by the Argentine Government through its development airline IADE.

10. If the project includes buildings or civil engineering work plans should be forwarded with this application in a form sufficient for an adequate examination in ODA. Building plans as per the Rendel, Palmer & Tritton Supplementary Report.

11. Will Consultants be used

(a) in the design stage: Yes.

(b) to supervise construction or, if not, how will construction be supervised: Yes.

12. Are services available?

(a) Water: Not available on site.

(b) Power: Not available on site.

(c) Other services: Not available on site.

(d) At present being constructed in between Stanley and the proposed site of the Cape Pembroke airfield is a temporary airfield with a length of 800 metres, designed to take the Fokker Friendship F27 carrying a payload of 4,000 lbs or a Hercules with a reduced load of 10 tons.

E G LEWIS
Governor

cc 2408/B

When you have time you will probably want to read through past volumes of this file. However, to put you in the picture quickly, what is necessary is to read a copy of the Board of Trade 1969 Feasibility Report on the Cape Pembroke airfield together with a copy of the report by Lt/Col. Wheatley of the R.E's which is to be found in this volume of the file.

2. In the event it was considered that the army could not undertake the task of constructing the airfield at Cape Pembroke and it is to be constructed by a civilian firm. Consequently a survey team from the international consulting engineers, Rendel, Palmer and Tritton, visited us in November - January to carry out detailed work upon which documents inviting tenders for the construction of the airfield are expected to be based. As at the time of writing this minute I would not expect that tenders will be likely to be invited by O.D.A. until June at the earliest and more likely September; the general impression one is obliged to draw is that an airfield is unlikely to be in operation at Cape Pembroke until 1975.

3. At the moment a large number of questions in connection with the airfield are unclear, in particular that regarding the financing of its construction. In view of what is likely to be the cost, a figure which H.E. will probably mention to you, financing is likely to be quite a hurdle and will probably involve special arrangements in view of the paucity of our capital reserves and of the unfavourable economic situation in the wool market/ with its consequential effects on our revenue and budget.

4. When you have the opportunity you will no doubt want to arrange for the Superintendent of Public Works to take you out to Cape Pembroke to show you the airfield site on the ground, and for the D.C.A. to fly you over it so that you can get a useful impression of it from the air.

5. Interim Airfield

to construct

I have mentioned in the minute I have written about the amphibious air service that the Argentine Government has undertaken to provide that service while the main airfield is being constructed. The wording of the relevant clause in the Joint Statement provides for a review of the situation. As it now looks likely that the Cape Pembroke airfield cannot be in operation until 1975 the Argentine Government has proposed, and has, with our agreement, sent two parties to survey a site for a temporary airfield. This site is at Hooker's Point and you will no doubt wish to inspect it at the same time as you inspect Cape Pembroke airfield site. There is no difficulty over this as you can visit Hooker's Point on the way to Cape Pembroke.

6. The construction of the interim airfield, which is to be effected primarily by laying a most modern form of PSP, will need to be covered by a Supplementary Agreement between Britain and Argentina. Meanwhile a certain amount of planning in connection with the project has been done. On a recent visit here Major Remorino, an engineer officer of the Argentine Air Force, with a small supporting party, made provisional arrangements for hire from the Falkland Islands Company Limited of accommodation for the construction team of some 20 men; satisfied himself as to the best orientation for the airfield runway and made various other logistic arrangements. It seems probable that the construction team, if all goes as planned, will arrive here in June and that construction of the strip to the stage where it can take the 'Guarani' will be completed by October.

7. The intention is to construct the temporary airfield in two stages, the first stage will be to provide a 600 m. strip; this will enable the 'Guarani' to be operated. The strip will then be extended to 800m. which will permit the operation of the F27 at approximately half load. At a guess, that stage could be reached in January 1973.

8. You will need to keep in close touch with whoever is in control of the construction project. We anticipate that an Argentine Air Force officer, probably supported by one or two junior officers, will be in charge but that most of the imported construction party will be civilians and that a certain amount of local labour will also be employed.

64 E.C.S. - 17.3.72

25.1.72

Telegram to F.C.O. dated the 16th October, 1972.

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Confidential.

Tel. No. 309.

Main Airfield and Rendel Palmer Tritton Report.

I have a meeting of Leg. Co. on the 25th October and have a question to answer on the progress of the main field at Cape Pembroke.

2. I realise that this is a subject down for discussion at the third round of talks and I can fudge the reply in Leg. Co. but it would be useful to know the present state of play.

LEWIS

2405/111
T H Lang Esq
Colonial Secretary
Falkland Islands



With the compliments of

WEST INDIAN AND ATLANTIC DEPARTMENT

D C B Beaumont

FOREIGN AND COMMONWEALTH OFFICE

SW1A 2AH

29 September 1972

CONFIDENTIAL

to Priority Falkland Islands telno 212 of 18 October and to Buenos Aires.

PERMANENT AIRFIELD. Your telno 309 (not to Buenos Aires)

1. We expect to have firm decision on financing Monday 23 October and will report soonest thereafter.
2. Presumably ExCo discussion will be confidential pending formal announcement and we are considering its timing in context of maximum advantage to you. Grateful for your views.

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INTERNATIONAL AERADIO LIMITED

AERADIO HOUSE · HAYES ROAD · SOUTHALL · MIDDLESEX · ENGLAND

TELEPHONE: 01-574 2411 · TELEX: 24114 · CABLES: INTAERIO SOUTHALL

Your Ref. 2408/III dated 22nd October 1971
TS.610.TW

12th January, 1972

Mr. J. A. Jones,
Colonial Secretary's Office,
Stanley,
Falkland Islands.

Dear Mr. Jones,

We have much pleasure in submitting the following proposal as a guideline to give you some idea of the costs of running your Aerodrome on the Falkland Islands.

A | We suggest that the king pin of the operation be an Air Traffic Controller/Manager, this man would be one of our ATCOs with experience in managing and co-ordinating the various services which must be present on any airport. Your airport in fact would be International in spite of the small number of movements.

B | Other staff at the airport should, we feel, be Falkland Islanders and to this end we would position our staff at the airport only for a period long enough to train local staff as Air Traffic Control Assistants or Radio Technicians.

The manning/cost breakdown would therefore look like this:-

1st Year

1	ATCO/Manager (ATCO I)	£ 8,000 p.a.
1	ATCO (ATCO III)	£ 6,500 p.a.
1	Local ATC Assistant Trainee	£ 1,500 p.a.
1	Radio Technician	£ 6,500 p.a.
1	Local Radio Technician Trainee	£ 1,500 p.a.
	Transport	£ 1,000 p.a.
		<hr/>
		£25,000 p.a.

2nd Year

1	ATCO I/Manager	£ 8,400 p.a.
1	Local ATC Assistant	£ 1,700 p.a.
1	Radio Technician	£ 6,800 p.a.
2	Local Radio Technician Trainees	£ 3,200 p.a.
	Transport	£ 1,000 p.a.
		<hr/>
		£21,100 p.a.

3rd Year

1	ATCO I/Manager	£ 8,800 p.a.
2	Local ATC Assistants	£ 3,500 p.a.
2	Local Radio Technicians	£ 3,600 p.a.
	Transport	£ 1,000 p.a.
		<hr/>
		£16,900 p.a.

C | The extra Meteorological Observers needed at the airport we assume would be locally recruited and trained and we have also assumed that, given the information channels, your Forecaster would be able to supply the forecast for the F27 service.

D | Some of the aspects of the operation of the airport which we have also assumed are that the Government would supply the spares and consumables as well as providing accommodation for the expatriate staff. The provision of medical services is another factor about which we would need some information in the event that a firm quotation is called for.

We trust that these thoughts will provide you with some idea of what will be involved in operating the airport. We must emphasise once more that these are very budgetary costs not based on complete information. They should be used as a guide only and they do not commit us to anything other than at this time being a source of information. We would be most interested in having a discussion with you and answering any further questions you may have.

Yours sincerely,



T. Wilson
Controller, Air Traffic Services
for General Manager, Operations

TW/AVA

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CONFIDENTIAL 231240Z

to Priority Governor Falkland Islands telno 219 of 23 October
info Buenos Aires

Your telno 323: PERMANENT AIRFIELD

1. Minister of Overseas Development is being advised to
approve expenditure of £1.8 million for construction of a
permanent airfield on Pembroke Peninsula. Further details
by bag and we shall consult separately on timing of
announcement. This will have to await Minister's approval.

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165/6
At pp 56/8is an outline of the possible cost of manning the main airfield under a contract with International Aeradio Limited.

2. The level of finance is approximately what I would have expected; and the outline project provides for the necessary local staff training.

3. I have, at an earlier stage of this exercise, had some discussion with the Met forecaster regarding med arrangements when the main airfield comes into use and would be grateful now for your comments, after you have consulted him further, on the paragraph of the IAL letter which I have sidelined C.

4. All this is somewhat long range at the moment but we have agreed in discussion that last week's Albatross movements indicate the practical impossibility of you being able to manage and control the airfield while at the same time running the FIGAS. Some arrangement of the kind envisaged with IAL will undoubtedly be necessary and needs to be kept in mind.


J.A.J.
31.1.72

Col. Sec.

I refer to your minute above, in particular para. 3, this I have discussed with the forecaster and we agree that it will be essential to employ a further two Observers because it will be necessary to operate a shift system.

2. Mr Boreland can not see any difficulties in training of assistants, he does however stress that training does take time and an early selection of candidates should be considered.

3. With the equipment already at the Met. Office the forecaster receives all the information necessary to provide a route forecast, our only problem at present is getting the forecast to the departure point on the mainland and this should disappear when the communication net-work is set up.


J.K.

9 : 2 : 72.



Foreign and Commonwealth Office
London SW1

Telephone 01-930 8440

J A Jones Esq OBE
Colonial Secretary
Stanley
Falkland Islands

Your reference

Our reference
HGF 21/4

Date

20 January 1972

Dear John

CAPE PEMBROKE AIRFIELD

1. From copy of Richard Lavers' letter of 10 January to me you will see that the Embassy in Buenos Aires do not consider it appropriate to ask the Argentines for details of the proposed operational weights of their aircraft which you asked for in your letter of 9 December 1971 to Ray Whitney.
2. Mr Wainwright of DTI recently met LADE representatives in Buenos Aires and details of runway requirements to accommodate the F27 aircraft which will be operated by LADE were discussed. I enclose Mr Wainwright's letter of 12 January to Colin Gordon in ODA which gives the information you require. You will note that Messrs Hattrell and Lovegrove of RPT were present at the meeting. I am sending a copy of this letter to Richard Lavers.

yours ever

George.

Enc

G F Kinnear
Atlantic & Indian Ocean Dept

Copy to:
R D Lavers
Buenos Aires



DEPARTMENT OF TRADE AND INDUSTRY

Civil Aviation Division 2
The Adelphi John Adam Street London WC2N 6BQ
Telegrams Civilair London Telex Telex No 22110/22119

Telephone 01-836 1207 ext

Mr C T Gordon
Overseas Development Administration
Eland House
Stag Place
London SW1E 5DH

Your reference

Our reference JS/23/04

Date 12 January 1972

Dear Gordon,

FALKLAND ISLANDS AIRPORT PROJECT : AIRLINE REQUIREMENTS

1 On 20 December 1971, I attended a meeting in Buenos Aires with representative of LADE, the Argentine airline serving Port Stanley in the Falkland Islands. The object of the meeting was, primarily, to ascertain exactly what the LADE runway requirement will be at the proposed new Airport at Port Stanley, and to make sure that this requirement coincides reasonably with what we believe to be practicable; and also, if possible, to discuss with LADE their general operational requirement at the Aerodrome.

2 The LADE representatives were led by Vice-Comodoro A A Degan Lob; the United Kingdom representatives were Group Captain C R Gordon (Air Attache, Buenos Aires), Mr R Laver (Third Secretary, Buenos Aires) and myself. Mr D Hattrell and Mr G Lovegrove of Rendell, Palmer & Tritton also attended the meeting.

3 LADE stated that they would require a single runway of 1200 metres (approximately 4000 ft) with a paved width of 45 metres (150 ft). The paved width could consist of a centre 30 metre width (i.e., the basic runway) to a bearing strength of LCN15, with shoulders of 7.5 metres on either side to a lesser bearing strength. It was confirmed that a secondary runway would not be required.

4 This requirement is satisfactory to us as regards runway length, but the run width is greater than we would otherwise provide. In asking for this paved width of 45 metres, LADE obviously have in mind the 35 knot cross wind component they have declared themselves willing to accept. We view this requirement sympathetically but would wish to look at it more closely when the Consultants' report is before us; we understand the Consultants have carried out a very detailed analysis of wind data at Port Stanley, which may give useful information on the incidence of high cross winds.

5 LADE would wish to have parking space for two F.27 aircraft, and simple approach lighting (including angle-of-approach indicators) for operation in conditions of low visibility. We are not convinced at this time of the need for runway lighting in the early stages of operations at Port Stanley; our information on visibility conditions suggests that poor visibility conditions are not frequent and that they are of relatively limited duration. More information on visibility conditions will be sought.

Copy of this letter and the Consultants' report will be provided for the Falkland Islands and the United Kingdom.

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storage; fire and rescue equipment would also be provided. LADE would also want to be able to uplift approximately 3000 lbs of fuel for each F.27 operation.

7 LADE also stated a requirement for a VOR, in preference to the NDB facility which has already been provided at Port Stanley from existing radio facilities. We have not hitherto considered a VOR to be necessary at Port Stanley (it is expensive to install and to maintain), and have considered that a NDB of suitable power would be adequate both as a navigation aid and a let-down facility for the relatively limited traffic that may be expected. However, LADE indicated that, if we were not prepared to install a VOR, they might be able to provide one from their own resources.

8 I emphasized to LADE that while we would give sympathetic consideration to the requirements they have put forward, the extent to which these would be met would depend upon the outcome of the technical studies now being carried out by consultants.

9 The discussions with LADE were also useful in clarifying their attitude to the Falkland Islands service. They clearly expect to provide regular scheduled services offering a high load capacity, and anticipate increasing traffic over the sector; they also anticipate unscheduled operations, such as medical evacuation services. They may be expected to press for a fairly high standard of facilities and aids at Port Stanley. However, it will be interesting and useful to see how LADE develop their interim operations into the temporary airstrip they are now constructing, and to see what minimum facilities they will find adequate for these operations.

10 I am copying this letter to Kinnear at the FCO, and to Group Captain Gordon in Buenos Aires, for information.

Yours sincerely,

R J Wainwright

R J WAINWRIGHT
Operational Services Overseas 2

*Be 17/3 (for completion & forwarding
of minute at 6.0.71)*

P 2 1/2

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RECORD OF A MEETING HELD IN THE FOREIGN AND COMMONWEALTH OFFICE
ON 22 SEPTEMBER 1972

Present

Mr N B J Huijsman		FCO (Chairman)
Mr K E Ainscow	}	
Mr E B Kelbie		Rendell, Palmer & Tritton
Mr D V Hattrell		
Mr M W Todd		Deputy Engineering Adviser ODA
Mr R J Wainwright		Civil Aviation Authority
Mr I C Hover		DOE
Mr Armstrong		DTEU
Mr Maslen	}	
Mr Beaumont		FCO

FALKLAND ISLANDS AIRFIELD

Requirement

1. Mr Huijsman said there was a Ministerial commitment to provide an airfield large enough to permit an air link with Montevideo if necessary and to meet the requirements of both the Fokker Friendship, the aircraft with which the Argentines intended to provide an air service, and of other aircraft that might use the Montevideo-Falklands route.

Airfield site

2. In 1969 Mr Wainwright had recommended a site at Cape Pembroke (site A). Rendell, Palmer and Tritton (RPT) had examined this site and an alternate one (site B) to the north-east of site A; they had finally recommended a modified version of the site A location.

Mr Ainscow explained that the drainage advantages of site B would be small, and that the site would involve excavation in bedrock, which would be expensive. Site A would be less expensive to construct than site B and lacked its other disadvantage, obstruction to takeoff. Modified site A would, he thought, be a little cheaper than the original site A, because it had some of the drainage advantages of /site B.

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site B. Mr Hover challenged the latter point and it was agreed that Messrs Wainwright and Hover should visit RPT the following week to examine evidence and take a decision as between the original and modified site A.

Configuration of Runway

3. Mr Armstrong queried the need for a cross runway, especially one combined with a wide main runway. Mr Ainscow said that in their terms of reference RPT had been asked to consider light aircraft traffic and the cross runway was designed as a safety measure for light aircraft flying from the mainland. The report had provided for the junction and the earthworks for the runway to be provided at the same time as the main runway, to save cost later; but if it was not intended to attract light aircraft there was no need for a cross runway. Mr Wainwright said that the lack of a cross runway would not prevent light aircraft using the airfield but would make landing risky in poor weather. The weather in the Falklands was often very windy and changeable. One could not necessarily count on firm met advice before take-off in Argentina and if a light aircraft could not land it might well not have sufficient fuel to make the return journey to the mainland, a particularly risky undertaking over such a large stretch of water. The decision on a cross runway should depend on whether or not we wished to encourage light aircraft traffic. Mr Huijsman said that the provision of a cross runway would need to be referred to Ministers for a decision.

Runway surface

4. Mr Hover said he thought the runway construction as proposed by RPT was too heavy and bearing in mind the very small number of flight movements each month, a satisfactory runway could be constructed more cheaply, by using 5" of rolled granule material and 1½" grouted surfacing. Mr Ainscow said that RPT had been asked to satisfy certain /standards

standards and this had been done. An asphalt surface would be cheaper to maintain. After discussion, it was agreed that Mr Hover should discuss with RPT the data which had led them to make the recommendations in their report and try to reach an agreed solution.

Runway length

5. The proposed runway length of 4,100 ft was generally accepted. RPT explained that a length of 4,000 ft would mean that an aircraft could carry 400 lb less freight.

Runway width

6. Mr Armstrong asked RPT why they had recommended a class C runway length with a class A or B width. Mr Kelbie said this had been done as a safety measure to take account of float caused by cross winds during landing. The extra width would give the runway a usability factor of 97%. Mr Wainwright said he supported the case of an extra wide runway, but suggested the cost could be reduced by omitting the hard shoulder. Mr Ainscow said that recent research had shown that the costs of the hard shoulder could be reduced a little; he thought the shoulder should be retained. Mr Armstrong said that the occasions an aircraft had to land in dangerously windy conditions would surely be rare. When such conditions did exist, the cross runway could be used and it therefore seemed unnecessary to construct the main runway of class A width provided the cross runway was also surfaced so that it could in emergency be used by the F27 for landing. After discussion, Mr Armstrong suggested that RPT should cost the difference between having a wide runway with no cross runway and a narrow runway with a cross runway. Mr Ainscow agreed.

Runway lighting and beacons

7. RPT agreed that there was no need for the airfield power supply to be linked with Stanley. Two generators would do quite well.

/Mr Wainwright

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Mr Wainwright agreed that portable runway lighting would suffice. No night flying was planned and the possibility of emergency night flying was remote. General visibility conditions in the Falklands were reasonable and he considered centre line lighting unnecessary. He thought a beacon and VAASIs would be sufficient for approach guidance. Mr Huijsman said that the temporary airstrip would give us an indication of what the Argentinians expected us to provide in this respect. Mr Wainwright said that he thought two beacons, one high powered and one low powered, unnecessary and that one would be sufficient. He asked about power for the main beacon. If necessary this could be sited somewhere other than on the airfield and might in that event be powered off the mains supply. Mr Kelbie said that ESRO had objected to the erection of a beacon in Stanley close to their own aerials but that RPT would during the detailed survey reconsider both the position and number of beacons, bearing in mind that the airfield would be supplied with generators.

Aprons

8. It was agreed that two stands where aircraft could be parked off the runway was a reasonable minimum provision.

Airport Terminal

9. Mr Todd said that he considered the original proposals far too lavish even if forecast air traffic doubled. The proposals in the supplementary report were much more appropriate; if something more sophisticated were needed in the future, the local PWD should be able to undertake the work. This was agreed.

Water Supply

10. Mr Todd recommended that water pipes should not be laid at this stage and that water supplies should be brought in by bowser before each week's flight. This was agreed.

Communications

11. Mr Wainwright said he did not see the need for two HF/RT facilities and that he thought one multi-channel radio to Comodoro Rivadavia would be sufficient. RPT said they would discuss this with their experts.

12. In reply to another query by Mr Wainwright, Mr Kelbie said that two VHF facilities had been included to link in with the Stanley Fire Service or for use during rescue operations.

Mr Wainwright said he could comment on this after meeting the Stanley Fire Officer who was on leave in this country; he undertook to invite RPT to the meeting.

Fencing

13. Mr Wainwright said he saw no need for fencing at what would be virtually an airfield open by prior permission only. It would be up to the airport staff to clear the strip before use. Mr Ainscow said the cost of fencing had been dropped from the estimates in the supplementary report. It was agreed the airfield should be unfenced.

Inflation

14. Mr Ainscow said the RPT estimates were at December 1971 prices and made no provision for inflation. It was agreed that provision should be made for inflation of 8-10%. Mr Armstrong said this provision would roughly balance out the savings made.

15. Mr Huijsman said that the project paper would need to be submitted by mid-October. Before that date the project proposals would have to be seen by FCO Ministers (paragraph 3). WIAD would therefore be grateful if the outstanding questions could be cleared by not later than 9 October.

1/2
C.S.

At p.162 I minuted to you as to the position, at the end of January, of the main and interim airfields. Since then I have received the tentative outline at pp.165-6 of the cost of manning the main airfield, in due course, under a contract with I.A.L. The figures are much what one would expect and the outline project contains the vital element of training of aerodrome control staff. However it assumes, which I had earlier not, that extra Meteorological Observers would be locally recruited and trained. The observations of the Director of Civil Aviation upon this are to be found at p.168. It is probably still too early to take any firm decisions on this subject but you will need to keep it in mind as, once the starting date for construction of the airfield is known, it should be possible to decide precisely at what point additional trainee assistants for meteorology will need to be recruited.

2. At the time of writing this minute a stage in the drafting of the Agreement on the Temporary Airfield has been reached such that I expect it to have been finalised before you arrive here (though after I have left).

J.A.J.
20.3.72

Bu. 2.2.72.

B/m 1 July

E.H.

file pl.
DECODE.

1721

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 16.5.72 Time: 1340 Received: 16.5.72 Time:

FM FCO 161045Z Unclassified to Governor Falkland Islands telno 100 of 16/5 Airfield Survey. Royal Engineers loaned a Craelius Earth Auger and a Terrameter to R.P.T. for use in their survey for the airfield. This equipment was due to be shipped back to U.K. when R.P.T. had finished with it. Now require it.

2. Grateful to know when it was shipped.

DOUGLAS-HOME

S/w,

would you advise what happened
to this equipment pl. and I will tell them
by telegram.

Col. Sec.

PL: HT This equipment is checked and
crated. I have not yet received further instructions
to ship. Is it to return to the Royal Engineers? if
so we will ship forthwith. *Ind 24.5.72*

f c.s.
24.5.72.

DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 23.5.72 Time: 1510 Received: 23.5.72 Time:

FM FCO 231110Z Unclassified to Routine Governor Falkland Islands
telno 103 of 23/5 My telegram 100 Airfield Survey.

Grateful you arrange to ship the earth auger and terremeter by
first available ship consigned to Central Engineer Park Long
Marston Stratford-on-Avon

DOUGLAS-HOME

S. P. S.

We have now the address
to which the equipment
should be sent. The H.S.
early July will be the first
opportunity?

PL: HT

P.S.

*Noted. Thank you.
26.5.72*

*f C.S.
25.5.72*

DECODE.

172

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 29.5.72 Time : 1015 Received : Time :

No. 174

Yourtels 100 and 103 Airfield Survey. Earth auger and terremeter checked and crated and will be shipped to address you gave by first opportunity expected to be vessel AES leaving here early July

LEWIS

PL: HT

MINUTES OF EXECUTIVE COUNCIL MEETING NO. 3/72
HELD ON 16TH, 17TH AND 30TH MAY 1972.

2408/III

AIR/13/4

5. REINDEL, PALMER & TRITTON REPORT

All Members had now seen the RPT Report and considered that it was a sound report, noting also that it maintained the same site for the permanent aerodrome on Cape Pembroke Peninsula as had been recommended by earlier teams of surveyors. It was further noted that the consultants had remedied an omission from their report, namely, that the length of the proposed run-way should be lengthened to enable it to receive long-range aircraft from Punta Arenas or Montevideo should the necessity arise.

His Excellency informed Council that he intended by the next mail to put in a further application for aid to the Overseas Development Administration following the receipt of the R.P.T. Report. In endorsing, Council stressed that they felt that the sooner work commenced on the permanent aerodrome the better and that the next phase should begin forthwith.

UNCLASSIFIED

10 June 1972

G F Kinnear Esq OBE
Atlantic & Indian Ocean Department
FCO, London SW1

PERMANENT AIRFIELD AT CAPE PEMBROKE

1. With reference to our telegraphic exchanges resting with your telegram no 108 of 2 June and my reply no 179 of 6 June, I enclose in quadruplicate an application for the British Aid required, namely £1,615,000.

174-5

E G LEWIS

ENCS

cc: R W Whitney, Esq, Buenos Aires.

CONFIDENTIAL 202010Z

to Routine FCO telno 323 of 20 October info Buenos Aires

your telno 212 and Buenos Aires telno 456: MAIN AIRFIELD

1. This is good news and I think there would be advantage in making announcement at least a week before third round of talks.

2. This would create an excellent impression here and effectively silence those who have doubted our good faith.

Fto please pass.

ZCZC ATS751 MOW676X LHC865 FCW005

FK BY GBLH 047

S LONDONLH 47/46' 20 0445 BG

ETA TPRIORITE

GOVERNOR

FALKLAND ISLANDS

FM BUENOS AIRES 192005Z

UNCLASSIFIED

TO ROUTINE FCO TELEGRAM NUMBER 456 OF 19 OCTOBER INFO
FALKLAND ISLANDS

FCO TELEGRAM 212 TO FALKLAND ISLANDS

I HAVE NO VIEWS ON TIMING OF ANNOUNCEMENT AND AM HAPPY
TO LEAVE DECISION TO YOU AND THE GOVERNOR

HADOW

COL 192005Z 456 19 212

NNNN

(MAIN AIRFIELD)

GOVERNMENT TELEGRAPH SERVICE
FALKLAND ISLANDS

GOVERNMENT TELEGRAPH SERVICE
FALKLAND ISLANDS

GOVERNMENT TELEGRAPH SERVICE
FALKLAND ISLANDS

GOVERNMENT
FALKLAND ISLANDS

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Pembroke airfield

AIR/13/4

PERSONAL

26 October 1972

N B J Huijsman Esq
West Indian & Atlantic Department
FCO, London SW1

CAPE PEMBROKE AIRFIELD

I have seen the records of some of the meetings held in London to discuss the financing of the main airfield and I would like to thank you for the skilful way in which you processed the application for aid funds. When we make the announcement that we are going ahead with the airfield much of the steam generated by the hard liners will, I hope, disappear in the Force 8 winds at Cape Pembroke.

Once again many thanks to you and the staff.

E G LEWIS

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Addressed to Governor Falkland Islands telno 222 of 25
October repta Buenos Aires.

My telno 219: PERMANENT AIRFIELD

1. For your information, Ministers have now approved expenditure. Copy of project submission follows by bag. We shall telegraph shortly about commissioning of detailed study, which will be next stage of project.
2. On question of timing of announcement, we see advantage in linking this with discussion of wider problem of Falklands finances. We have it in mind to brief Scott on financial position with a view to his speaking frankly to ExCo about the need to control expenditure and improve revenues. If he is to do this effectively there would be advantage if he or you could at the same time tell ExCo that ministerial approval for the airfield has been granted. The public announcement of the decision could then appropriately be made by you either at the opening of the temporary airfield or at the start of the talks. Suggested form of announcement will follow.
3. Grateful for your views.

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261950Z

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to Priority FCO telno 332 of 26 October repeated Buenos Aires.

Your telno 222: PERMANENT AIRFIELD

1. This is good news and I presume next stage of project is preparation of detailed drawings so that tender documents can be drawn up.
2. I would prefer not to link announcement with discussion of general problem of Falklands finances /and see every advantage in making an immediate release.

Flw please pass

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fm FCO 271715Z

to Priority Falkland Islands telno 230 of 27 October, info Buenos Aires.

PERMANENT AIRFIELD: Your telno 332 para 2.

1. We assume that an announcement in advance of inauguration of temporary airfield may be necessary to reassure public opinion and to allay doubts of our good intentions. On the other hand, the international impact will be less than if the announcement is made at the inaugural ceremony.

2. We will, however, be guided by your judgement and if you decide on an immediate announcement prior to the inauguration we should be grateful to have 24 hours notice to enable us to make simultaneous announcement in London.

3. Proposed text of our announcement on which we would be grateful for your comments is:

// "HMG is making a grant of up to £1,739,000 for the construction of a permanent airfield at Cape Pembroke in the Falklands. The airfield will have a 4,100 foot runway, and the estimated date of completion is May 1975. The Aid Funds made available for its construction will be additional to the existing proposed aid allocations".

//

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Fm FCO 271610

to Falkland Islands telno 231 of 27 October

Your telno 332: PERMANENT AIRFIELD

1. Agreed that the next step is for you to appoint consultants to prepare design drawings in accordance with projects committee submission, a copy of which is in tomorrow's bag.
2. You are not obliged to appoint Rendel Palmer and Tritton but in view of their experience and local knowledge we strongly recommend that you do so.
- XX → 3. We suggest that you telegraph authority for us to ask Crown Agents to negotiate on your behalf with consultants.
4. In conjunction with Crown Agents and ODA we will ensure that contractual letter contains all necessary instructions and stipulates close liaison with all interested Whitehall departments.
5. Consultants will also be required inter alia to
 - a. draft form of tender;
 - b. prepare a list of suitable contractors;
 - c. provide contract documents;
 - d. supervise construction;
 - e. prepare a quantity survey with comparative costs of UK and foreign materials and plant. This necessary to enable us to decide whether to seek waiver of UK purchase requirement.
6. Will telegraph views on announcement soonest.

CONFIDENTIAL 301830Z

179

to Priority FCO telno 336 of 30 October info Buenos Aires

PERMANENT AIRFIELD: Your telno 230

1. Your assumption is correct but in view of the escalation of arrangements for inaugural ceremony of temporary field I now consider that I should make announcement during course of my speech at Hookers Point on 15 November.

2. I have no comments /on proposed text which is very adequate.

FCO please pass.

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CONFIDENTIAL 071515Z

to Priority FCO telno 350 of 7 November and to Priority Buenos Aires

PERMANENT AIRFIELD: Your telno 400 and my telno 336.

1. In view of uncertainty about inauguration ceremony for temporary airfield I propose making announcement about permanent airfield on local radio at 142230Z. This would then link up with any press/publicity following opening of temporary airfield next day.

FCO please pass.

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BROADCAST ANNOUNCEMENT - EMBARGOED until 14 November
at 1930 hours local time.

The following announcement was issued by His Excellency the Governor today:

Her Majesty's Government is making a grant of up to £1,739,000 for the construction of a permanent airfield at Cape Pembroke. The airfield will have a 4,100 foot runway and the estimated date of completion ¹⁸ of May 1975. The Aid Funds made available for its construction will be additional to the existing proposed aid allocations.

Government House
13 November 1972

To be repeated in the morning and evening of 15 November 1972.

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PC(72)31

Capital Cost; £1,739,000
UK Aid required £1,739,000

PROJECT COMMITTEE SUBMISSION
FALKLAND ISLANDS
PERMANENT AIRFIELD

SUMMARY AND BACKGROUND

1. The purpose of this project is to give effect to a Ministerial decision that, as a political requirement, the Falkland Islands should be provided with a permanent airfield capable of accommodating aircraft operating from Argentina or, in case of need, from Uruguay.

THE HISTORICAL BACKGROUND

2. The Falkland Islands lie some 450 miles off the Argentine coast and are claimed as an integral part of the Republic. This claim has long been an irritant, both bilaterally and in the UN, in our relations with Argentina, our second largest trading partner in Latin America. It necessitates the maintenance of a small garrison on the Islands and has until very recently isolated them from ready contact with the Latin American continent. The Falkland Islanders themselves have always resisted the Argentine claim and there is a vocal Parliamentary lobby in this country pledged to protect their interests.

3. Following a 1965 UN resolution, a series of meetings have been held with the Argentine Government to discuss the Falkland Islands, in which HMG have repeatedly made it clear that there will be no transfer of sovereignty against the wishes of the islanders. The most recent rounds of talks, in 1970 and 1971, have with Argentine agreement concentrated on the improvement of communications, trade and other exchange between the Islands and Argentina. It is felt by both the British and Argentine Governments that improvement in these sectors is an essential prelude to creating the political atmosphere conducive to working out a satisfactory settlement of the sovereignty dispute. The Argentine authorities have already done a good deal to give effect to the agreements reached in the 1970 and 1971 rounds of talks. A further round is shortly due to be held in Port Stanley and the question of Britain providing a permanent airfield will figure on the agenda.

4. The dispute has meant that until the end of 1971 there was no contact between the Falklands and Argentina; the Falkland Islands' links with the outside world had to be maintained by sea with Montevideo, involving a voyage of over 1,000 miles in some of the worst sea conditions in the world. This service was operated monthly by the Falkland Islands Company (FIC) which received a subsidy of \$48,000 per annum from the Colonial Government. In 1970 the FIC gave notice that they would have to terminate the service after the end of 1971 because it was making heavy losses despite the subsidy. A subsequent takeover of the FIC by

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a company with exclusively UK interests plus a takeover bid for the latter company throws some doubt on the future of its interests in the Islands and emphasises the need for finding alternative means of communication. In the light of the changing circumstances Messrs Peat, Marwick and Mitchell were commissioned to examine the communications situation. They reported that while an airfield would be essential for the future development of the Islands it could not pay its way, but would have to be heavily subsidised. The British delegation to the 1971 Anglo-Argentine talks was subsequently authorised to negotiate suitable arrangements for air communications, operating in time from a permanent airfield, with the Argentine delegation.

5. At the July 1971 talks with the Argentines the latter undertook in the Joint Statement to provide a regular air service, leaving it to the UK to provide a permanent airfield. The air service is being provided by an amphibian Services aircraft, which will be replaced by safer and more reliable land-based civil aircraft when the temporary airstrip being built by the Argentines opens in November. The Joint Statement was subsequently endorsed by the Falkland Islands Executive Council and formally approved on 5 August 1971 by both Governments. Pursuant to this agreement the Argentine authorities now provide a regular service for passengers, cargo and mail to the Islands and have since last April been engaged in constructing a temporary metal airstrip outside Port Stanley. At the next round of Anglo-Argentine talks the UK delegation will be expected to report on the progress made in providing a permanent airfield to replace the temporary airstrip (Para 3 above).

The political aspect

6. HMG's aim in regard to the Argentine claim to the Falkland Islands is to seek an equitable political solution which takes full account of the wishes and interests of the Islanders. Clearly there was no prospect of any solution while the Islands and the Argentine remained completely out of touch with each other. HMG's priority objective has therefore been to restore free and regular communications (air and sea, postal, telegraph and telephone) between Argentine and the Islands. In pursuing this objective HMG have had to take account of the possibility that internal developments in the Argentine might result in the present cooperative regime being replaced by a more hostile one, and that the FIC's company policy might change sufficiently to cause the company to stop maintaining a regular service by sea between the Falkland Islands and the United Kingdom. Already the company is no longer prepared to accept passengers for the Islands from the UK and vice versa. Whatever arrangements are made for improving communications have therefore to take into account the need to keep open a link with points outside the Argentine.

7. Quite apart from these reasons a link with Uruguay must be retained in order to ensure the cooperation of the Falkland Islanders themselves. In discussions with representatives of the Islanders before and during the

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communications talks in 1971 it proved impossible to persuade them to accept any agreement with the Argentine which would leave them entirely dependent on Argentina for air services. In order to obtain their agreement to the Argentine offer to operate the air services, it was therefore necessary to give HIG's agreement in principle to the construction of an airfield that could be used for services to Montevideo if a rupture took place with the Argentine.

8. As a result of the agreements reached to date and particularly after the institution of the regular air service some of the misunderstandings and myths which have bedevilled relations between the Islanders and the inhabitants of the mainland have been removed as a result of closer contact. The temporary airstrip, however, offers only a partial solution. Apart from the fact that its life is limited to about four years, it cannot accommodate aircraft large enough to fly further than the nearest points on the mainland (ie Argentina). A feasibility study for a permanent airfield was therefore put in hand.

9. The first feasibility survey for a permanent airfield at Stanley was carried out in 1969 by Messrs Wainwright (DTI) and Botham (DCE). Their report recommended a 3600 foot runway suitable for light aircraft flying between Stanley and Argentina. A site on Cape Pembroke peninsula near Stanley was selected as the most suitable. Following the communications talks in June 1971 a further study was commissioned for an airfield from which it would be possible to operate aircraft with sufficient range to fly direct to Montevideo as well as to the Argentine. The Royal Engineers carried out an initial reconnaissance in September 1971 and recommended a 4,000 foot runway on a site on Cape Pembroke, at an estimated cost of £1.031 million plus cost of shipping, construction camp and plant. Owing to other commitments the Royal Engineers were unable to carry out a detailed study for the project.

10. Messrs Rendel, Palmer and Tritton, Consulting Engineers, were appointed in November 1971 to establish the suitability of the site on Cape Pembroke for operation of air services to the Argentine and, in an emergency, to Chile and Uruguay. After discussion and some reappraisal of the Consultant's main report we are now recommending a runway of 4,100 feet which, with ancillary constructions, is estimated to cost £1.4 million. To this figure should be added design and supervision fees of £95,000 making a total estimated cost of the order of £1.5 million at 1971 figures. These figures include a factor for contractor incentive and for contingencies, but not for inflation. The Consulting Engineers estimated that it would take two years from date of award of the contract to complete the airfield. It is recommended that the money required should be provided in the form of a grant additional to any other aid to the Falklands provided by HIG. The Falklands are not in receipt of budgetary aid, but have a recurrent annual deficit which, so far, has been met by drawing on reserves. These may be exhausted by the end of the current financial year. They presently have a UK loan of £100,000 to finance the Stanley Power Station, and have

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commenced making provision for its repayment. In their present financial state it would be unrealistic to expect them to be able to service further loans. The Falklands Islands Government have put forward suggestions for a five year development programme running at \$50,000 per annum, excluding any expenditure on the airfield. The construction of the airfield would be the first major project undertaken in the Falkland Islands.

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SECTION

II: TECHNICAL APPRAISAL

11. As agreed by the British and Argentine Governments LADE (Argentine National Airlines) is to operate the Argentine-Falkland Islands using, at the outset, a Fokker F27 (Friendship) aircraft which can cover the 500 nautical miles between Port Stanley and Comodoro Rivadavia (Argentina) when loaded, given the appropriate runway. The outline specifications for the airfield have been designed to meet also the requirements of the Hawker Siddeley HS 748 which is capable of flying the 1000 nautical miles between Port Stanley and Montevideo (Uruguay) under certain load constraints.

Runway Location and Orientation

12. The prevailing wind is westerly (ie in the SW to NW quadrant) and the selected runway site has an orientation of $88^{\circ} 47'$ relative to Grid North. It lies in the trough of a flat valley between Canopus and Mary Hills on Cape Pembroke to the east of Port Stanley.

Runway specifications

13. (i) Length: The runway is of "balanced" length, ie the accelerate/stop distance is equal to the take-off run, which with a clearway (unpaved) ensures the minimum paved length. The length calculation is based on the requirements for the Fokker F27 which needs a longer runway than the HS 748. The length of the paved runway is 1250 metres (4100 feet), together with an unpaved clearway of 265 metres (870 feet) to meet these requirements.
- (ii) Width: The F27 aircraft is certificated under FAA (to whose criteria LADE is expected to conform) to operate under 13 kt crosswind conditions which will give a daylight usability factor of 58%. (The equivalent British certification permits a crosswind of 29 kts, the usability factor in daylight in this case being 97%). This implies the adoption of a runway width of 45 metres (150 feet) instead of the more usual ICAO class C requirement of 30 metres (100 feet). The consultants recommend that the runway should be built to full strength to a width of 100 feet with the remaining 7.5 metres (25 feet) on each side tapering off as a paved hard shoulder.
- (iii) Runway strength: The critical aircraft for runway load is the HS 748. The selected runway site consists of sand, peat and clay in varying proportions. As elsewhere in the Islands the water table is high. It is not possible to compact the natural materials satisfactorily and provide a grass runway as the highly acid nature of the soils and the natural water is inimical to grass. Due to the low natural strength of the soil base it will be necessary to provide a strengthened base for the runway. No natural compactable gravels which can be successfully compacted to form a base of the required strength are available locally. In order to use the naturally occurring materials locally available in quantity, it is proposed to stabilise sands with cement to give a

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base thickness of 10½" (270 mm). This base, if left open to the elements, would deteriorate rapidly and has to be sealed to exclude moisture. The consultants propose that an asphalt wearing course 2" (50 mm) thick be added to the base, using locally available stone to provide the water-proofing required, and to add to the strength of the sand/cement stabilised base. It has the additional advantage of low maintenance cost. In order to maintain the strength of the runway a deep drainage system is proposed to lower the water table level, to maintain the moisture content of the base at a constant value at all times, and to collect the water shed by the paved runway, taxiway and hard standing.

Runway Lighting and Navigational Aids

14. Operations will be confined to daylight hours. Runway and taxiway lighting will not be provided, but as there may be a possible requirement at a later date the consultants propose to make ducting provision for its eventual installation. To cater for an emergency, portable, battery-operated lights for night use will be purchased.

15. A permanent Visual Aircraft Approach Slope Indicator (VASI) as recommended by ICAO will be installed to assist the pilot at approach and landing.

16. The following navigational aids and telecommunications are proposed:

- (a) a high-powered Non Directional Radio Beacon (NDB) to be installed on high ground, eg Canopus Hill;
- (b) a low-powered NDB to be installed on the centre line of and 2 km from the eastern end of the runway;
- (c) an HFRT link with Comodoro Rivadavia with capability of linking with other mainland airports;
- (d) HFRT - ground/air en route;
- (e) VHFRT - ground/air approach and aerodrome control;
- (f) Land line telephone link with Port Stanley exchange.

Aerodrome facilities

17. (a) Fire-fighting facilities. It is proposed that fire tenders, equipped to fight aircraft fires, will be provided to meet ICAO requirements.
- (b) Terminal facilities. It is proposed that a small terminal/operations building be provided to meet the minimum requirements.
- (c) Electric Power. It is proposed that electricity be supplied by generators at the airport.
- (d) Water Supply. It is proposed that water supplies be brought by tanker from Port Stanley to meet the needs of passengers, aircraft and fire fighting.

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Approach Road

18. The present road from Port Stanley to the Cape Pembroke area is appalling and will require improvement.

SECTION III: PROVISION OF LABOUR AND RAW MATERIALS

19. The labour required will not be available locally and will have to be imported. The probable numbers are not known. Apart from a few UK-based personnel, the imported labour will have to be Argentine and cost estimates are based on that assumption.

20. Sand and stone are available locally. Water and, if necessary, electricity can be provided from existing sources in Port Stanley.

SECTION IV: ECONOMIC APPRAISAL

Background

21. The Falkland Islands are small, far from any centre of population and have no significant potential for economic development. The population numbers about 2,000 and is entirely dependent on the production of wool. Investment is minimal, wool production is static, and there is net emigration. External communications are by sea to UK (freight only) and Mar del Plata in the Argentine and by air (Albatross amphibian) to Comodoro Rivadavia in Patagonia.

22. In 1971 Peat, Marwick, Mitchell and Co undertook a transportation study covering both internal and external marine and air links. Their forecast of the effect of the provision of an air link on expected external passenger traffic was as follows:-

	1970 traffic (marine only)	Forecast without an Airlink		Forecast with an Airlink	
	<u>1970</u>	<u>1973</u>	<u>1980</u>	<u>1973</u>	<u>1980</u>
Total Inward Passages	317	344	379	426	673
Total Outward Passages	<u>375</u>	<u>390</u>	<u>425</u>	<u>472</u>	<u>719</u>
Total Passages	<u>692</u>	<u>734</u>	<u>804</u>	<u>898</u>	<u>1392</u>

Without the airlink the only increase in traffic is expected from the establishment of AIL, a kelp harvesting firm. With an airlink the only significant quantity gains are tourism (plus 200 inward), seasonal labour (plus 20 inward) and education on the South American mainland (plus 28 inward). The expected tourism would scarcely keep one good-sized boarding house in business and, although a small influx of seasonal labour would certainly help with the shearing problem, the net benefits to the Islanders would be small.

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23. Such economic benefits as would accrue from an airlink with the Argentine would very largely be the time-saving, comfort, etc of around 500 persons per annum. If the airport were to be expected to pay its way then, even taking the average outward passages over the next 20 years at 750 per annum, each passenger would have to pay a departure tax of over £200 to service the proposed capital outlay. Clearly such a facility cannot be justified in economic terms alone. The purpose of this appraisal is to submit proposals ensuring that the political requirement is met at minimum cost to HMG.

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EXAMINATION OF THE CONSULTANT'S PROPOSALS

Proposed Service

24. The air service agreement negotiated with the Argentines envisages a service using a Fokker F-27 turboprop aircraft. This has a capacity of 40 passengers plus mails and some cargo. The Argentine airline which will provide the service (LADE) proposes to charge only a nominal fare of £6.40 per passenger, which on expected load factors would appear to represent only about 10% of the real cost. In this case the subsidy will be borne by the Argentine Government.

25. The technical alternative would be for LADE to use one of their small DH Twin Otters on three services per fortnight. This would provide at least 80 passengers each way per month, which would suffice to handle expected traffic loads for at least five years. Such an operation would require both a much smaller operating subsidy and a cheaper permanent runway - probably below £1 million.

26. For political reasons the airfield must however, be capable of taking traffic to and from Montevideo (1000 miles) should the need ever arise. This constraint increases runway size to the point where it is more than adequate for the F-27 ex-Argentina and twice the length needed for the Otter. The alternative of a Twin Otter service, therefore, becomes an illustration of the cost of the political constraints accepted by both HMG and Argentina. The only area of analysis remaining is a study of the engineering consultant's proposals for the large permanent airfield to secure maximum practicable economies.

Siting of the Runway

27. There is general agreement that the most suitable location for the permanent airfield is on the Pembroke Peninsula, about three miles from Stanley. Two sites, A and B, were considered. The Consultant's report stated that, were it not required to provide space for both a cross-runway and for possible future expansion of an air-terminal, site B would have been the cheapest alternative. The Consultants have however, recently costed site B and, taking certain hitherto unmentioned factors such as the prevalence of rock outcrops into consideration, now estimate that site B would be more expensive than site A. The latter is accordingly recommended.

Runway Dimensions

28. The Consultants, on the basis of ICAO standards, recommend a paved length of 4,100 feet plus 800 feet of clearway. This is basically decided and defined by the need to cover the Montevideo link. They also proposed a pavement width of 150 feet ~~with 25 foot strengthened margins on each side.~~ This width of pavement is

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substantially higher than ICAO standards but it obviates the need for a cross runway for the F-27. ~~The wide strengthened margins proposed are unnecessary and have been reduced from 25 feet to 10 feet.~~

29. The Load Classification Number (represents bearing pressure of aircraft on runway) of the F-27 and HS 748 are in the range 15-17. The Consultant's recommendations are on the basis of a pavement LCN of 15-20. This, given the foreseeable number of aircraft movements, suggests that the pavement would be rather stronger than it need be. But, as any load bearing calculations can only be approximations at this stage and as marginal reductions in pavement strength would not bring a significant cost saving (a 20% cut would save an estimated £27,000) there is no strong case for rejecting these recommendations.

30. It is proposed by the Consultants to put in the earthworks for a cross-runway as an added safety measure for light aircraft. The cost of these earthworks would be about £90,000. This would be of no benefit to scheduled flights, but would increase airfield usability for light aircraft from 83% to 93% (BCA standards). In practice, this means that for light aircraft traffic from the mainland there would be a slightly lower risk of finding them selves faced with a sudden change in the direction of the wind. However, in view of the negligible private traffic likely to be involved, particularly with the existence of a highly subsidised scheduled service, this item does not appear to be justified.

Terminal and Ancillary Facilities

31. The Consultant's proposals for terminal and operational buildings in the main report have been rejected in favour of one small combined building of 2000 square feet as recommended in a supplementary report (which assumed light aircraft operation only). This should be quite adequate for the traffic envisaged.

32. Portable runway lighting will be adequate for emergency and foreseeable scheduled requirements. Air-field fencing and water and electricity connections with Stanley are not necessary. Water can be brought out, as required, by a bowser and the 70 kw electricity requirement can be met by a local generator plus a standby. The Consultants have recommended an outlay of £45,000 per mile (plus indirect costs) on the road connection with Stanley. Despite difficult foundation conditions direct costs of £25,000 per mile would seem to be more than adequate for something that need carry no more than a few vehicles, once every week. The Consultant's proposals for navigation and approach aids included some unnecessary duplication of facilities and on technical advice they have been slightly modified.

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Costs

33. The cost breakdown at 1972 prices is as follows:-

	<u>As Recommended by Consultants</u>	<u>As Revised after Discussion</u>
	£	£
33.1 Airfield Earthworks and Paving	628,000	574,000
33.2 Road Earthworks and Paving	171,000	100,000
33.3 Drainage	53,000	45,000
33.4 Fencing and Gates	11,000	0
33.5 Water Supply and Dist'n	52,000	8,000
33.6 Power Supply	50,000	25,000
33.7 Airfield Lighting	30,000	25,000
33.8 Nav. Aids & Telecomms	70,000	60,000
33.9 Terminal & Operations Buildings	31,000	13,000
33.10 Substation	6,000	6,000
33.11 Fire Station	3,000	0
33.12 Sewage Disposal	12,000	3,000
33.13 Airfield Markings	<u>8,000</u>	<u>8,000</u>
Sub-Total	1,125,000	867,000
Add for Incentive Loading (15%)	169,000	130,000
33.14 Fire and Rescue Equipment	8,000	8,000
33.15 Maintenance Equipment	10,000	10,000
Add Labour, Labour Camp and Shipping	<u>310,000</u>	<u>260,000</u>
Sub-Total	1,622,000	1,275,000
Add for Contingencies (10%)	<u>162,000</u>	<u>128,000</u>
	1,784,000	1,403,000
Professional fees (11% of first sub-total)	<u>124,000</u>	<u>95,000</u>
Total	1,908,000	1,498,000

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SECTION V: FINANCING THE PROJECT

34. Virtually every item for this project will be imported; machinery and construction materials from the UK, and labour from Argentina. In these circumstances, a best estimate of project inflation during the period 1972-1976 is 6% per annum. The conversion from constant to cash prices becomes as follows:

	<u>Outlay</u> <u>1971 Prices</u>	<u>Outlay Inflated</u> <u>at 6% p.a.</u>
	£	£
1972/3	48,000	51,000
1973/4	647,000	727,000
1974/5	739,000	880,000
1975/6	<u>64,000</u>	<u>81,000</u>
	1,498,000	1,739,000

35. This cash figure of £1,739,000 excludes provision for the earthworks for a cross runway. It should be noted that a system of incentive payments will be necessary due to the location of the work and the need to import labour. This factor and the cost of shipping stores and equipment will inevitably inflate the cost of the work. Allowances for these factors have been made in the financial estimate.

SECTION VI: ARRANGEMENTS FOR CONSTRUCTION

36. The supervising authority at all stages of the project would be the Falkland Islands Government. Two methods of effecting construction of this airfield are open to us:

- (a) by public tender by contractor
- (b) by use of the Crown Agents who would supply a management team only to supervise construction.

Method by Public Tender

37. The contract documents prepared by the Consultants would be put out to public tender. Owing to the remote location of the site, the high shipping charges, the unavailability of any local labour and the lack of historical cost data, the tenders would inevitably be high and there is a very strong possibility that suitable contractors might decline to tender. It would be advisable for tenders to be invited from a selected list and not from a general advertisement. The work

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would be supervised by a consultants team, working under the general authority of the Falkland Islands Government.

Method by Management Team

38. By this method, the Crown Agents would supply a management team of 8-10 people and would recruit plant operators etc., for the duration of the work.

39. The Crown Agents would act as a division of the local Public Works Department and all recruitment and management of labour would, in theory be the responsibility of the Falkland Islands Government. (Plant would be purchased by and be the property of the Falkland Islands Government). Crown agents charges would be: Cost plus a fixed fee. The choice between the two alternatives is discussed below (paragraphs 42 and 43)

SECTION VII: ARRANGEMENTS FOR OPERATION OF COMPLETED PROJECT

40. The completed airfield will be under the control of the Falkland Islands Government. It is expected that the airfield would be operated by a staff of two officers, one acting as air traffic controller and airport manager, the other being a radio officer. A small expansion of the Falkland Islands Government's present Civil Aviation Department may be necessary.

41. Routine civil maintenance of the airfield and airfield vehicles would be undertaken by the local Public Works Department and the Power and Electrical Department would maintain the airfield lighting, standby generator and electrical systems and services. A small increase in the establishment of these two Departments may be necessary.

42. The work should be put out to tender to a selected list of contractors. The contractors would be wholly responsible for the works, labour etc and would remove the construction plant on completion of the work.

43. Should no tenders be received the Crown Agents should be asked to perform the work on a management basis.

SECTION VIII: RECOMMENDATION

44. It is recommended that approval be given for the construction of a permanent airfield in the Falkland Islands in accordance with the specifications summarised in this paper, and that the cost be provided by a grant additional to any other aid to the Falklands furnished by HMG. The following have been consulted and concur:-

The Governor
Civil Aviation Authority DTI
Department of the Environment
Finance Department (ODA)
Deputy Engineering Adviser (ODA)
Dependent Territories Economists Unit
Latin America Department FCO



B/N K m
14/11
Foreign and Commonwealth Office
London SW1

CONFIDENTIAL

Telephone 01-

Your reference

His Excellency Mr E G Lewis CMG OBE
Governor and Commander-in-Chief
Stanley
Falkland Islands

Our reference HWF 21/5

Date 25 October 1972

Dear Governor,

PERMANENT AIRFIELD

Following our telegram 219, I now enclose for your information a copy of our submission to the Project Committee.

2. By the time you get this letter you will have seen from telegrams that Ministers have approved the recommended expenditure. You will also have heard from us about the appointment of consultants to prepare detailed design drawings.

3. You will see that we have not included provision for a cross-runway. The need for it does not seem pressing and, on professional advice, it was decided that the matter should be left for future consideration.

4. We are required to examine comparative costs of purchasing the equipment and materials for the project, both from within and outside the UK, with a view to seeking a procurement waiver if it proves significantly cheaper to purchase from foreign sources. We have yet to think about this, but I imagine the consultants will be able to produce a table of comparative costs.

Yours ever
D G F Hall

D G F Hall
West Indian and
Atlantic Department

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FKLX BY GBLH 099

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ETATPRIORITE

GOVERNOR

FALKLANDISLANDS

*6 High Sec, Pt ash S. P. M. about the position
A.G. 18/11*

FM F C G 171600Z UNCLASSIFIED TO ROUTINE FALKLAND ISLANDS

TELEGRAM NUMBER 255 OF 17 NOVEMBER 1972 PERMANENT AIRFIELD

1 MOD ARE ENQUIRING ABOUT EQUIPMENT LOANED BY THEM TO ODA FOR
USE BY RPT IN SURVEY OF SITE GRATEFUL TO KNOW POSITION ODA ON YOUR
BEHALF ARE UNDER AN

COL 171600Z 255 17 1972 1

LHE565/FCW017/17 ETATPTE GOV P2/48

OBLIGATION TO RETURN THE EQUIPMENT IN GOOD ORDER TO MOD
WHO OWING TO THE LENGTH OF TIME IF HAS BEEN ON LOAN ARE SUGGESTING
RAISING A HIRE CHARGE FOR PART OF IT PRESUMABLY IT WILL HAVE TO
COME BACK IN AES OR ONE OF THE RR SHIPS

DOUGLASHOME

Reply - 188

ENT TELEGRAPH SERVICE
FALKLAND ISLANDS

GOVERNMENT TELEGRAPH SERVICE
FALKLAND ISLANDS

GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

WA 142-821 584578/790938 500 pds 12/68 Grp.782

Number	Office of Origin	Words	Handed in at	Date
	PSY			30.11.72
To				
	LTF PRODROME LONDON SW1			HO A/c

37630 187

YOURTEL 255 OF 17 NOVEMBER 1972 PERMANENT AIRFIELD STOP NO MOD
EQUIPMENT NOW HELD HERE STOP TWO CRATES CONTAINING DRILLING
MACHINERY AND ONE CRATE OF SURVEYING EQUIPMENT FORWARDED ON
B/L 62 BY AES IN JULY TO CENTRAL ENGINEER PARK LONG MARSTON
STRATFORD UPON AVON STOP BALANCE OF ITEMS TAKEN BY RPT PER-
SONNEL ON DEPARTURE FROM COLONY

LEWIS

Time HRT.



Foreign and Commonwealth Office
London SW1

Telephone 01- 930 8440 Ext 579

T H Layng Esq
Chief Secretary
Falkland Islands

Your reference

Our reference HWF 21/1

Date 22 February 1973

for Layng.

PERMANENT AIRPORT

1. In the absence of David Hall, I am replying to your letter AIR/13/4 of 22 January.

2. The position is that Rendel Palmer and Tritton have been signed up to do the design work and supervise the building of the airfield. The Crown Agents have advertised the fact we are proposing to build an airfield and have already received six replies from contractors who say they are interested. We are, therefore, approaching the stage when the Crown Agents can call for tenders and shortly after that, in about May, we hope to be in a position to appoint the contractor.

Yours sincerely,
D C B Beaumont

D C B Beaumont
West Indian and
Atlantic Department

ADMINISTERING AUTHORITY:

1. Name of Project.

Falkland Islands Government

2. Location of the project
and reasons for its choice.Falkland Islands Permanent
Airfield.3. Is the project included in
the approved Development Plan
and, if so, where?Pembroke Peninsula. As
recommended by Consultants.4. a. Will the project be put
out to tender ?No. Development Plan is in
course of preparation. This
is a special Project.b. Name of Agency responsible
for construction and operation.Yes. If no tenders are received
Crown Agents will carry out
the work.5. Professional advice on which
the project is based.a) Work will be supervised by
local PWD/Crown Agents.
b) Completed Airfield will be
under the control of the
Falkland Islands Government.6. What are the benefits to be
derived from the project?
a. Economic.
b. Social.a) Messrs. Rendel, Palmer and
Tritton.
b) Engineering Adviser ODAThe construction of the airfield
is a political requirement by
HMG.

7. a. Total cost of the project (broken down into main items of expenditure).

<u>Item</u>	<u>Description</u>	<u>Cost.</u>	
		<u>As recommended by Consultants</u>	<u>As revised after discussion</u>
		<u>£</u>	<u>£</u>
1.	Airfield Earthworks and Paving	628,000	574,000
2.	Road Earthworks and Paving	171,000	100,000
3.	Drainage	53,000	45,000
4.	Fencing and Gates	11,000	0
5.	Water Supply and Dist'n	52,000	8,000
6.	Power Supply	50,000	25,000
7.	Airfield Lighting	30,000	25,000
8.	Nav. Aids & Telecomms.	70,000	60,000
9.	Terminal & Operations Buildings	31,000	13,000
10.	Substation	6,000	6,000
11.	Fire Station	3,000	0
12.	Sewage Disposal	12,000	3,000
13.	Airfield Markings	8,000	8,000
	Sub-Total	1,125,000	867,000

<u>Item.</u>	<u>Description</u>	<u>Cost</u>	
		<u>As recommended by Consultants</u>	<u>As revised after discussion</u>
		£	£
	Sub-Total	1,125,000	867,000
	Add for Incentive Loading (15%)	169,000	130,000
14.	Fire and Rescue Equipment.	8,000	8,000
15.	Maintenance Equipment.	10,000	10,000
	Add Labour, Labour Camp and Shipping	<u>310,000</u>	<u>260,000</u>
	Sub-Total	1,622,000	1,275,000
	Add for Contingencies (10%)	<u>162,000</u>	<u>128,000</u>
		1,784,000	1,403,000
	* Professional fees (11% of first sub-total)	<u>124,000</u>	<u>95,000</u>
	TOTAL	1,908,000	1,498,000

7. c. In what UK financial years is British Aid required and how much each year ?		<u>Outlay 1971 Prices</u>	<u>Outlay Inflated at 6% p.a.</u>
		£	£
	1972/3	48,000	51,000
	1973/4	647,000	727,000
	1974/5	739,000	880,000
	1975/6	64,000	81,000
		<u>1,498,000</u>	<u>1,739,000</u>
8. When is the work expected to begin ?	a) Design drawings now complete. b) Draft tender drawings and tender documents almost complete. c) Draft specification and bill of quantities expected. d) Go out to tender end of May 1973 e) Tenders submitted by 1 September 1973 f) Work Commences before end of 1973		
9. How will the operating costs be financed when the project is completed.	These will be carried on the Falkland Islands local budget.		
10. Examination of work plans.	All technical details have been agreed with Engineering Adviser ODA. The design drawings are Not yet available.		

* To include £800 for Crown Agents Contingency planning as approved
by Finance Department ODA.

11. Will Consultants be used.

a) In the design stage.

Yes. (Messrs. Rendel, Palmer and Tritton)

b) To supervise construction or, if not, how will construction be supervised.

No. The supervising authority at all stages of the project will be the Falkland Islands Govt.

12. Are services available.

Yes. Water and if necessary, electricity can be provided from existing sources in Stanley.

13. The project is supported by the Engineering Adviser ODA and the Secretary of State for Foreign and Commonwealth Affairs. It was approved by the Minister for Overseas Development on the advice of the Special Projects Committee on 24 October 1972.

Full details of the project are included in the Project Submission submitted to the Special Projects Committee.

14. The total UK grant approved by the Projects Committee was £1,739,000 and expenditure may be incurred up to this amount in accordance with the breakdown given in paragraph 7 of this memorandum.



D G F Hall

West Indian Atlantic Department
Foreign and Commonwealth Office
London SW1
21 May 1973



The Governor
Stanley
Falkland Islands



With the compliments of

WEST INDIAN AND ATLANTIC DEPARTMENT

D G F Hall
22 May 1973

FOREIGN AND COMMONWEALTH OFFICE

SW1A 2AH

Issued 17 May 1973

The Falkland Islands Permanent Airfield

Amendment No 1

11(b) Delete present wording and Substitute:

Messrs Rendel, Palmer and Tritton will supervise construction,
in accordance with the Agreement for Consultancy Services.



D G F Hall

24 May 1973

West Indian Atlantic Department

Foreign and Commonwealth Office

London SW1



The Governor.
Stanley
Falkland Islands.



With the compliments of

WEST INDIAN AND ATLANTIC DEPARTMENT

D. G. F. Hall.

24 May 1973.

FOREIGN AND COMMONWEALTH OFFICE

SW1A 2AH

Saving

From the Minister for Overseas Development

To The Governor FALKLAND ISLANDS

Date 30 MAY 1973

No. ACC 270/56/01



DEVELOPMENT AID

This is to inform you that £10,150 was credited to the Falkland Islands account with the Crown Agents for Oversea Governments and Administrations on 22 May 1973.

This payment against Development Project No 4 represents an issue of £10,000 for Rendel Palmer and Tritton Consulting Engineers plus £150 for the Crown Agents being payment of fees in respect of the Falkland Islands Airfield Project.

MINISTRANT

25th June, 1973.

Cape Pembroke
Permanent Airfield (Development Project No. 4)

I was given the impression that the Falkland Islands Permanent Airfield as a special project would not come under the Falkland Islands Government but would be administered by the Foreign & Commonwealth Office in a similar manner as Technical Assistance. I note from the scheme memorandum that the Administering Authority is the Falkland Islands Government and therefore provision for expenditure on this project and a corresponding revenue item, in respect of the U.K. grants, will have to be incorporated in our Annual Estimates.

Provision has not been made in our 1973/74 Estimates for this project and on confirmation from you that my interpretation of the scheme memorandum is correct I will make arrangements for additional provision.

I note that £10,150 has already been credited to our account in respect of Project No. 4 (Your saving ACC/270/56/01 of 30.5.73 refers). It is stated that £10,000 is for Rendall Palmer and Tritton and £150 to be paid to the Crown Agents. Our May, 1973 accounts do not include these payments and I should be grateful if you would advise me whether authority has been issued to the Crown Agents to effect the payment or whether all payments including those originating in Britain are to be authorized from this end.

Grateful for your assistance.

(H. T. ROWLANDS)
FINANCIAL SECRETARY

D.G.F. Hall, Esq., M.B.E.,
West Indian and Atlantic Department,
Foreign & Commonwealth Office,
LONDON, S.W.1.

HTR/LML



Foreign and Commonwealth Office
London SW1

Telephone 01- 930 8440

T H Layng Esq
Acting Governor
FALKLAND ISLANDS

Your reference

Our reference

Date 18 June 1973

Dear Tom,

PERMANENT AIRFIELD

1. The Governor and I have now had a long talk with Rendel Palmer and Tritton and Crown Agents. It is now agreed that the latter will go out to tender by the end of July, and that tenders will be in by the end of October. So much is at last firm and, at your discretion, may be disclosed publicly. We recommend, however, that what follows should remain confidential for the time being.
2. In the normal course of events Crown Agents would hope to award the contract by the end of December 1973 and the airfield would then be completed by the end of September 1975, but this represents optimum progress and postulates receiving "clean" tenders within the approved figure of £1.739m. This is most unlikely, and tenders may well be 20 - 25% in excess of this sum. This is due to the unfamiliarity of the Falklands to contractors, apprehension about shipping services and the availability of labour, and the fact that this is a 'one-off' job, i.e. there is no other work of a comparable nature offering in the vicinity to which machines and staff could be deployed.
3. In principle the FCO can authorise additional expenditure not exceeding 15% of the approved total, but as the extra amount has to be contained within the overall aid framework, consultation with ODA will be necessary. Excess of more than 15% would normally, although not necessarily, have to be referred to the Projects Committee. This could cause further slippage in the programme.
4. It is possible also that tenders (and there are unlikely to be more than 3) could be unacceptable for other reasons and may require lengthy discussion and possible re-negotiation with consequent delay. To avoid this we can fall back on Crown Agents, who, if authorised to complete their contingency planning, will construct the airfield

/in 24



in 24 months from the time they are asked to proceed.

5. We have already authorised Crown Agents to spend up to £800 to prepare contingency plans, but they now say this is insufficient and are putting up a case for an additional £1200. There is no doubt that we will have to agree. Crown Agents charges may be marginally less than those of civil contractors.

6. I will keep you in the picture as the matter progresses.

Mrs. C. W.
Dawson...

D G F Hall
West Indian & Atlantic Dept

NEWS RELEASEPermanent Airfield

Information has been received from London that tenders for the construction of the permanent airfield will be called for at the end of July and will close at the end of October.

It is expected that three firms of contractors will post tenders. If all arrangements go accordingly to plan, the successful contractor can be expected to be appointed by the end of December 1973 and the airfield completed by September 1975. It must be stressed that these dates depend entirely on satisfactory tenders being received.

Secretariat,
Stanley.

4th July 1973.

(For Broadcast in Newsletter, Friday 6th July)

9 Villiers St

Stanley

7th July 73

The Chairman Tender Board
Secretariat
Stanley

Dear Sir

I herewith tender the sum
of £5.00 (five pounds) for the acquisition
of the concession to sell refreshments
at the airport

Yours faithfully

Mrs Adrian K. Biggs

214 233 11
E611
PRIORITY

EN CLAIR

FM FCO 051355Z

UNCLASSIFIED

TO PRIORITY GOVERNOR FALKLAND ISLANDS TELNO 279 OF 5/11

INFO PRIORITY BUENOS AIRES

MY TELEGRAM 278. AIRFIELD

- (12) ~~234~~ ~~234~~ ~~234~~
1. GRATEFUL IF YOU AND HM EMBASSY WILL TAKE FOLLOWING ACTION, AS APPROPRIATE, TO FACILITATE AND ASSIST RENDEL, PALMER AND TRITTON (RPT) TEAM.
 2. ON ARRIVAL AT BUENOS AIRES (FLIGHT NUMBER TO BE CONFIRMED LATER) MEET, FACILITATE WITH CUSTOMS, ARRANGE ACCOMMODATION AND ONWARD FLIGHT TO CONNECT WITH DEPARTURE POINT OF AMPHIBIAN. EACH MEMBER OF PARTY PROPOSES TO CARRY TOTAL OF 80 LBS. WEIGHT OF KIT AND EQUIPMENT. RPT WOULD LIKE EARLY CONFIRMATION THAT THIS IS ACCEPTABLE FOR AMPHIBIAN, AND IF NOT, WHAT RANGE OF WEIGHT IS ACCEPTABLE.
 3. RPT WILL BE GRATEFUL IF FOLLOWING CAN BE ENSURED DURING TOTAL PERIOD IN FALKLANDS :

(A) THREE LAND ROVERS PREFERABLY WITH DRIVERS :

(B) UP TO EIGHT LABOURERS :

(C) LOAN OF WINDPROOF JACKETS, GUM BOOTS, WADERS ETC.

FROM BAS OR RM DETACHMENT :

(D) CENTRIFUGAL PUMP FOR WASH BORING, PREFERABLY TWO INCH :

(E) USE OF PWD JCB EXCAVATOR :

(F) FORTY GALLON DRUMS FOR WATER STORAGE :

(G) STORE FOR SOIL AND SURVEY EQUIPMENT :

(H) ACCOMMODATION FOR THREE TEN INCH BY FOUR INCH PLOTTING

TABLES, WITH GOOD LIGHTING, TWO DRAWING BOARDS AND T SQUARES

(I) ROOM WITH SOLID WORK BENCH AND WATER SUPPLY TO BASIN .

FOR SOILS TESTING WORK.

/4.

4. RPT WISH TO KNOW, BEFORE DEPARTURE ON 13 NOVEMBER, IF
FOLLOWING IS AVAILABLE IN STANLEY:-

(I) BS SIEVES IN GOOD CONDITION, NUMBERS AND SIZES :

(II) SPECIAL ROAD OIL FOR WET SAND MIX :

(III) AUTOMATIC VOLTAGE RECORDER.

5. RPT WILL BE GRATEFUL FOR HELP OF COMMERCIAL SECTION

OF EMBASSY FOR ENQUIRIES INTO AVAILABILITY AND PRICES OF
CONSTRUCTION MATERIALS IN ARGENTINA, AND FOR INTRODUCTIONS TO
ARGENTINE AIRCRAFT OPERATORS.

DOUGLAS-HOME

F I L E S

AIOD
L AM D
SIR L MONSON
MR HANKEY

COPIES TO

MR A M TURNER ODA
MR C T GORDON

FFFFF

215

9/3/9

PRIORITY

EN CLAIR

FALKLAND ISLANDS

UNCLASSIFIED.

ADDRESSED FCO TELNO 386 OF 8 NOVEMBER REPEATED ROUTINE

(2.33) BUENOS AIRES . AIRFIELD YOUR TELNO 279 ASSISTANCE FOR (11)

RENDEL PALMER AND TRITTON . WE CAN PROVIDE EVERYTHING

MENTIONED IN PARAGRAPHS 3 AND 4 EXCEPT

(A) TWO DRAWING BOARDS AND T SQUARES

(B) SPECIAL ROAD OIL FOR WET SAND MIX . 2 TEST SIEVES BS

410: 1962

(A) APERTURE WIDTH 500 MICROMS MESH NO 30

(B) 250 MICROMS MESH NO 60

(C) 150 MICROMS MESH NO 100

(D) 53 MICROMS MESH NO 300 .

FILTER SHEETS 14 CMS DIAMETER , 10 CARTONS OF 25 .

LEWIS

F I L E S:

AIOD
L.A.M.D.
SIR L MONSON
MR HANKEY
MR D A SCOTT

COPIES TO:

MR A M TURNER)
MR T C GORDON)

ODA

*Local officer
stores acc.
for team*

*use. few equipment
& stores*



Foreign and Commonwealth Office
London SW1

Telephone 01- 930 8440

T H Layng Esq
Acting Governor
FALKLAND ISLANDS

Your reference

Our reference HWF 21/1

Date 18 July 1973

Dear Tom,

FEASIBILITY STUDY: PERMANENT AIRFIELD

1. Please refer to the Financial Secretary's letter of 23 February 1972 to Stepney in ODA asking that the Falkland Islands Government account with Crown Agents should be credited with the sum of £1619.80 in respect of services and facilities provided for Messrs Rendel, Palmer and Tritton in connexion with their feasibility study.
2. After voluminous minuting and discussion, Finance Department ODA have concluded that they cannot meet your request and I have been asked to reply.
3. You will recall that the original request for assistance to RPT was contained in our telegram 279, a copy of which is attached for easy reference. A copy of your reply is also attached.
4. Our telegram should be read in conjunction with the ODA circular memorandum on "Overseas Consultancy Services" a copy of which was sent to you under cover of Circular Savingsgram No SPD 204/205/016 of 23 October 1969. The relevant paragraph of the memorandum reads as follows:-

"Local Facilities for the Firms Use

To carry out an overseas assignment, the firm will usually need local administrative facilities (such as transport, medical services, office accommodation) local technical facilities (such as access to local records, technicians, laboratory facilities) and local labour. The Government of the developing country is normally required to provide and pay for such facilities and to agree to a list of them which is incorporated in the contractual arrangements between the Ministry of Overseas Development and the firm"

/2.



5. It is felt that the above quoted passage taken in conjunction with our telegram 279 makes it clear that the local services and facilities specified were to be provided at the expense of the Falkland Islands Government, and it would be well nigh impossible to put up a credible request to HM Treasury for a write off.

6. I am sorry to send you this disappointing ruling, but we have looked at the matter from every angle in an effort to meet your request and I am afraid the decision is final.

Yours ever
DGF

Copy: Mr J M B Blair-Fish }
Mr J Taylor } ODA

D G F Hall
West Indian & Atlantic Dept



SAVING TELEGRAM

By Bag

FM FCO

090930Z

(HWF 21/2)

UNCLASSIFIED

To Routine Governor Falkland Islands telno 14 Saving of 9 August, 1973
AIRFIELD: DEVELOPMENT PROJECT NO 4.

You have been advised by ODA Saving Telegram that £40,800
has been credited to your account with Crown Agents.

2. It is now in order for you to authorise disbursement of
£800 to Crown Agents forthwith and £40,000 to RPT when Crown
Agents are satisfied that section 31 (ii) of the Consultancy
Agreement has been complied with.

F I L E S
WIAD

COPIES TO
MR J TAYLOR ODA
MR M W TODD ODA
MR C R CHALLIS ODA
MR A J C SMALL Q DEPT CROWN AGENTS

JJJJJ

SAVING TELEGRAM

BY BAG

FROM F C O 171400Z

(IMF 21/1)

UNCLASSIFIED

TO GOVERNOR FALKLAND ISLANDS TELNO 16 SAVING OF 17 AUGUST 1973
AND SAVING TO BUENOS AIRES

PERMANENT AIRFIELD

DEVELOPMENT PROJECT NO 4.



The Consultants, Messrs Rendel Palmer and Tritton, went out to tender on 16 August. Interested Contractors must submit tenders by 8 November.

F I L E S

WIAD

PS/MR AMERY

PS/LORD BAINIEL

COPIES TO:

MR M TODD

MR J TAYLOR

MR C R CHALLIS

MR K L HARDAKER
CROWN AGENTS

ODA

Ref: AIR/13/4 C

21st September 1973.

PERMANENT AIRFIELD

As you will know from my telegram No. 255 of 21st September we have had two engineers - Messrs. Egan and Hommin - from Costains here this week.

2 They have, I think, generally been well pleased with their visit, but have posed the following four questions to me in writing (the references are to Rendel, Palmer and Tritton's 'Instructions to Tenderers' which we had not previously seen):-

1) Part II. Page 4. Cl.(3)

We are concerned that labour obtained in Argentina might in fact be Chilean since they are fairly numerous in the south. In that case will they be rejected under this clause.

2) What will be the taxation angle for Argentines employed on this contract? Will they be liable to Falkland tax as well? The point will need to be clarified before the contractor starts.

3) Will the shipping link provided for in the communications agreement to run between the Falklands and Argentina be set up? This will be useful for provisioning the camp site.

4) Specification Page 18. Clause 140

The housing site provided at the east end of the town is far from satisfactory from the point of view of sewerage. To build concrete block houses there will be expensive and very slow. Does the client really want block built houses, or, for that matter, does he really want any permanent houses left at all at the end of the job?

3 I have given them the following answers:

- 1) Our concern in this matter is simply not to offend the Argentines. If in fact the odd Chilean signs on with an Argentine sub-contractor or recruiting agency and is accepted, we can take it there can be no question of offence and thus no objection from our side. It seems odd that only Chile and Uruguay are embargoed. A contractor might well see merit in recruiting in Brazil, and one would have thought that a better way to secure what we are after would be to say, "No labour shall be recruited for the work in any South American country other than The Argentine republic".
- 2) I have explained, following your telegram number 247 of 20th September that our view is that labour residing in Argentina employed by an Argentine registered company would not be liable to Falkland Island tax, but that labour employed by a British registered company would be.
- 3) I have pointed out that the Falkland Islands Company runs a vessel every three months from Mar del Plata to Stanley, and that each year there are some half dozen other shipping opportunities between the Argentine and the Falklands provided by Servicio de Transportes Navales, YPF and other Argentine lines.
- 4) Messrs. Egan and Hemmin have made the point that to insist on the contractor building sophisticated concrete block houses for its engineers will delay the all important start on the actual airfield. Clause 140 comes as a complete surprise to us here and the point of it is not clear. Government has no requirement for additional housing; we already have more than we need and the ESRO houses will soon be vacated as well. From our point of view temporary pre-fabs would be perfectly acceptable, and if by agreeing to these we can speed up the completion of the airfield then this seems to be the overriding consideration. No doubt, also, the tender price will be correspondingly reduced!

4 I am giving two copies of this letter to the Costain's representatives - one for them to hand on to Rendel, Palmer and Tritton.

ZZCZC ATSS801 MOV598X LHC623 FCW003

223

FKLX BY GBLH 054

LONDONLH 54/53 24 1746

ETATPRIORITE

GOVERNOR

FALKLANDISLANDS

DM BUENOS AIRES 241521Z

UNCLASSIFIED TO ROUTINE FALKLAND ISLANDS TELNO 94 OF 24 SEPT

YOUR TELNO 255 TO FCO PERMANENT AIRFIELD

1 WE HAVE RECEIVED TELEX MESSAGE FROM JOHNSTONS REDHILL

CONSTRUCTION FIRM WHOSE REPRESENTATIVES CROSS AND RENNIE ARE VISITING
YOU WITH A VIEW TO TENDERING ON FLIGHT 1ST OCTOBER

HOPSON

COL ETATPRIORITE 241521Z 94 24 255 1 1ST

Entered

NNNN

TELEGRAPH SERVICE
FALKLAND ISLANDS

GOVERNMENT TELEGRAPH SERVICE
FALKLAND ISLANDS

RESTRICTED 212000Z

Routine to FCO and BA

Telegram No. 255 of 21st September

Your telegram No. 247.

Permanent Airfield

We agree and as Costains engineers are here and pressing on this question have informed them accordingly in confidence.

2. We would be grateful if Rendall Palmer and Tritton could be asked to inform us in advance of any important visitors here in connection with the airfield. Present engineers arrived out of the blue. Had we known in advance of their visit they might have been able undertake in addition some of our Technical Assistance commissions with savings of expense and time all round.

FCO please pass

RESTRICTED

From FCO 201750Z

To Priority Buenos Aires.

Telegram No. 247 of 20th September

information Falkland Islands.

Your telegram No. 325:

Permanent Airfield

1. We consider the permanent airfield can be said to be an activity "related to communications" within the meaning of the last sentence of the third paragraph of the Joint Statement, which would therefore apply to Argentine residents engaged in building the airfield who were employed by Argentine employers. The latter would include any Argentine registered company but not a British registered one. We consider the airfield to be a practical measure "adopted in order to implement and promote communications and movement" within the meaning of the sixth paragraph of the Joint Statement. In that sentence the word "persons" is not defined and therefore includes Argentine labour. In accordance with paragraph 6, we should facilitate in the Falkland Islands the transit, residence and work of Argentine labour employed in the construction of the permanent airfield.
2. In accordance with the third paragraph of the Joint Statement, taxes should not be charged on the salaries and other emoluments of residents of the Argentine mainland who are employed in the building of the permanent airfields by Argentine employers, the latter includes any Argentine registered company but not a British registered one. We agree that the special consultative committee would be the right body to handle subsequent problems.
3. We suggest that to avoid a charge that we had given one firm interested in tendering for the contract an unfair advantage over others, it would be advisable to make any information given to one available to all. Before handing out any information, we would be grateful for confirmation that the Falkland Islands agree and will act accordingly.

ZCZC 'ATS810 C MOX358X LHE734 FCW002

FKLY BY GBLH 068

LONDONLH 68/65 25 1215 P1/51 BG

ETATPRIORITE

GOVERNOR

FALKLANDISLANDS

FM FCO 251107Z

UNCLASSIFIED TO ROUTINE GOVERNOR FALKLAND ISLANDS TEL NO

177 OF 25 SEPTEMBER 1973

PERMANENT AIRFIELD

MY TEL 146 AND SAVING TELEGRAM ACC 264/56/01

1. PLEASE NOW AUTHORISE CROW AGENTS TO DISBURSE L950
(POUNDS STERLING NINE HUNDRED AND FIFTY) TO THEMSELVES
AND L10,000 (POUNDS

COL ETATPRIORITE 251107Z 177 25 1973 146 264/56/01

1 L950 () L10,000 (

Earls & FS

LHE734 ETATPTE GOV FALKLANDISLANDS PAGE 2/14

STERLING TEN THOUSAND) TO RPT.

2. THESE AMOUNTS REPRESENT INTIAL PAYMENTS NOW DUE
DOUGLASHOME

COL) 2.

Entered

NNNN

GOVERNMENT TELEGRAPH SERVICE
FALKLAND ISLANDS

GOVERNMENT TELEGRAPH SERVICE
FALKLAND ISLANDS

GOVERNMENT
F/

Notes of round-up meeting with Messrs Egan and Hemmin from Richard Costain Limited, concerning the construction of the permanent airfield.

1. Messrs Egan and Hemmin said that they had, in general, been well pleased with their visit to the Colony and had received an enormous amount of help from the Superintendent of Public Works, local contractors and a number of other Heads of Departments concerned with the project. If they secured the contract, which they very much hoped they would, they would plan to send the first party of workers in April, 1974, gradually working up to a full construction unit on the site by the middle of August. They appreciated that this would be the worst time of the year, but the timing of the tender going out was such that this could not be avoided.

2. Apart from the four written questions which they had handed to me before the weekend and which I had replied to, also in writing, they had the following minor points to raise:

(i) Cattle. They were concerned that the construction site would be accessible to the cattle and horses which graze in the Cape Pembroke and Stanley Common areas and wondered what it would be possible to do about this.

X / I said that the restrictions on grazing which are going to be caused by the building of a second aerodrome would be quite serious for our local dairy owners and we would not want to restrict the pastures available to them more than was absolutely necessary. I said that I thought the risk of these cattle coming to any harm, either at the hands of hungry South American meat eaters, or from accidents involving construction machinery, were not great and it would probably be preferable to accept these risks rather than to place restrictions which might be resented. Government would take legal advice as to whether it would be prudent for us to require those owning animals which graze on the common land to sign a document absolving Government and the Contractors from any liability in the event of injury to the cattle.

(ii) The engineers said that it would save considerable time if Government undertook preliminary ditching to drain the airfield site in advance of the Contractor's arrival in the Colony.

I said I could well understand this and it was certainly a valid point but, unfortunately, our Public Works Department has neither the labour nor the machinery available to undertake what, in local terms, is a fairly major project. We have on order a McConnell Arm ditcher which would probably be ideal for the job but it was most unlikely that it would arrive before April, 1974.

Mr Egan said that Richard Hills (a local Contractor) had a machine which might be suitable and that it might be possible for Costains - if they get the contract - to come to some agreement with Hills.

(iii)/...

(iii) The engineers asked whether it would be possible for supplies of vegetables to be prepared in advance of the arrival of the construction team. I pointed out that by April most of the vegetables from the preceding summer would be out of season and that by August there would be virtually nothing available. For the subsequent period I said that no doubt arrangements would be able to be made for adequate supplies to be grown locally but that for the initial six months the Contractors would have to reconcile themselves to importing what they were going to need.

3. For my part I said that if we had seen the tender documents in advance of their issue, the only additional point which I had noted which ^{we} might have wished included was an obligation on the part of the Contractors to preserve as far as possible the penguin rookeries in York Bay. These are uncomfortably close to the site of the airfield and, of course, are situated on sand which the Contractors would no doubt wish to use, but they are the nearest penguins to Stanley and as such are a valuable natural resource, much appreciated by tourists.



The Secretariat, Stanley
24th September, 1973

T.H. Layng

Notes of a meeting with Messrs Cross and Rennie of Johnstons Constructions Limited concerning the contract for the building of the permanent airfield.


The general impression created by these two engineers was that Johnstons were sending us very much their third or fourth eleven. As compared with the engineers from Costains who were here the previous week, Cross and Rennie impressed us as being remarkably uninterested in the project, unenthusiastic about obtaining the contract and over concerned about petty details, whereas Costains representatives had clearly done a great deal of work on the project and arrived armed with a very long list of queries to be resolved which took up nearly a whole afternoon even at the preliminary meeting. The Johnstons representatives really seemed to have very little to say and did not impress us as being particularly expert in their field.

2. Mr Cross showed himself to be out-spokenly anti-Argentine and was unable to see why pressure was being brought to bear on them to use Argentine labour, petroleum products etc., and to base their operation on the mainland. He seemed upset by what he considered the high wages that they would have to pay to bring Argentines into the Falklands and, in particular, by allegedly high social service contributions which he claimed the Argentine Government made obligatory.

3. I informed Messrs Cross and Rennie of the position concerning taxation for Argentines brought into the Colony.

4. The same points concerning housing for the construction team were made and I gave the same replies (see notes on the meeting with Costains representatives).

5. The overall impression gained was that dealings with this firm would be by no means as satisfactory as with Costains and that, indeed, Johnstons were not particularly interested in obtaining the contract.



(T.H. Layng)

The Secretariat.

3rd October, 1973

RESTRICTED



Foreign and Commonwealth Office
London SW1

Telephone 01-

Your reference

M W Todd Esq MBE
Assistant Engineering Adviser
ODA

Our reference HWF 21/1

Date 8 October 1973

FALKLAND ISLANDS: PERMANENT AIRFIELD

1. Following our telephone conversation on 4 October, the Governor and I lunched with representatives of Costain Civil Engineering Ltd on 5 October.
2. Costains seem keen to get the contract, although the Governor and I stressed, of course, that allocation of the contract was not our concern and they naturally agreed with this. Costains appear to have a pretty good idea of the price ceiling, but this information can be obtained fairly accurately by reading the relevant Parliamentary answer in Hansard.
3. Costains are worried that the tender documents (which we have not seen) make several unnecessary stipulations (eg the permanent housing, which might cost up to £70,000 and slow down completion, to which Tom Layng referred in his letter of 21 September) which will add to the expense of the work.
4. Accordingly they propose to put in two bids; one strictly in accordance with the requirements of the tender documents, and another, which will be lower priced, cutting out what they consider unnecessary 'frills'.
5. Costains advised us that it would be ethical to advise other tenderers of their intentions. I said I would consult you about this.
6. Costains enquired whether they could so tailor the work that residual buildings the which might be useful to the Falkland Islands Government, would be available after the project is complete. The Governor stressed that the overriding requirement was to get the airfield operational as soon as possible, and as a first step it was essential that the cost should be readily acceptable to HMG. Anything left behind when the work was completed would be regarded as an acceptable bonus, but inflation of the tender price to provide it should be firmly ruled out.

/7. I am

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RESTRICTED



7. I am asking Rendel Palmer and Tritton for a copy of the tender documents. I understand these include 'Instructions to Tenderers'.

8. One interesting fact emerged. Costains felt that they might well charter a ship to take out plant, materials and management and skilled staff, rather than rely on the present rather ad hoc shipping services. In addition they did not think that sub-contracting to Argentine firms would offer any appreciable saving.

9. I am copying this letter to Tom Layng.

D G F Hall
West Indian and Atlantic
Department

Copied to:

T H Layng Esq FALKLAND ISLANDS



Foreign and Commonwealth Office
London SW1

Telephone 01- 930 8440

E W Hunter Christie Esq
The Falkland Islands Committee
Room 402
The London Wool Exchange
Brushfield Street
LONDON E1

Your reference

Our reference HWF 21/1

Date 31 October 1973

Thank you for your letter, and personal note, of 23 October.

The tenders for the permanent airfield are now due in on 8 November. This is a firm date and should enable the tender to be awarded in January. There has been some slippage since I last wrote to you, mainly due to potential tenderers having to spend more time on the ground in the Falklands than they originally thought necessary.

There have been no known cases of poaching in Falkland territorial waters, but in view of the interest being shown in the fishing potential of the neighbouring high seas, the Governor keeps a close eye on this. A Falklands based sea fishing industry is an attractive idea, but the distance from the United Kingdom and the sea conditions, which are very different to those encountered, for example, off Iceland, have so far deterred British trawler operators. However, fishing trials are to take place in Falkland waters early in the New Year, but as this is a commercial venture you will appreciate that I cannot disclose details at this stage. There is also some British commercial interest in exploiting the fisheries in the high seas around South Georgia.

Thank you for your invitation to luncheon. I look forward to this, and perhaps your Secretary could telephone me in due course. We could certainly have a more general discussion when we meet.

D G F Hall
West Indian & Atlantic
Department

Silent Copies:-
T H Layng Esq
Falkland Is

Mr Relton
Dr Heap
HWF 18/9

UNCLASSIFIED

RESTRICTED 162305Z

ROUTINE TO FCO FROM FALKLANDS

Telegram No. 323 of 16th November

information B.A.

Permanent Airfield.

anniversary of

When Brigadier Barthot was here for the opening of the temporary airfield he asked me about the progress being made on the main field adding wryling that the temporary strip was "a bit short" for him.

2. I made the usual noises but it would be helpful to know the present position.

FCO please pass

E. Ch
17/11

CONFIDENTIAL 271800Z

Priority to FCO from Falklands

Telegram No. 339 of 27th November
info B.A.


Main Airfield

Your telegram No. 218.

Bowles who in addition to being a local contractor is a member of the Legislative Council has had a letter from one of the Costain engineers who visited the Colony in which he states that he doubts whether his firm or any other would build the airfield. He gives as his reasons logistic difficulties and political uncertainty.

2. I trust that I will be consulted before any irrevocable decision is taken to give the work to the Crown Agents as I am certain that this would entail further delays at a time when we are under increasing political attack for not doing our bit under the agreement with the Argentines.

FCO please pass



CONFIDENTIAL 182000Z

Priority to FCO from Falklands

Telegram No 371 of 18 December

PERMANENT AIRFIELD

1. My tels 323 and 339.
2. Most members have tabled questions for 4 January Legislative Council Meeting about the airfield. I was told in London on 6 December that tenders received were in region of £3.5 million and given Costains direct links with FIC and Bowles this information will inevitably soon reach here. Grateful if we could be informed of present position and advised of what may be made public in Legislative Council.

*This was repeated on Tel 372
on 19th*

PRESS RELEASE FROM GOVERNMENT HOUSEPermanent
Airfield File

236

PARLIAMENTARY QUESTION - FALKLAND ISLANDS

In the Commons on the 28th November 1973 Mr. Richard Luce asked the Secretary of State for Foreign and Commonwealth Affairs, what progress is being made on the implementation of the Joint Agreement on communications of 19th June 1971 between Great Britain, the Falkland Islands and Argentina.

Mr. Julian Amery: Good progress has been made on the implementation of the agreement. There has been a marked increase in traffic between the islands and the Argentine mainland and there is now a weekly air service between Port Stanley and Comodoro Rivadavia.

Mr. Luce: Does my Right Honourable friend agree that in order to see a continuation of the improvement in the relationship between Britain and the Falkland Islands on the one hand and the Argentine on the other it is important to stick rigidly to the terms of the Agreement. Will he say first, whether, and, if so, when, Britain will construct a Permanent Airfield? Secondly does he agree that this kind of practical arrangement, which treats the question of sovereignty as a separate issue, might be a guideline for an improved relationship between Great Britain and Spain over the question of Gibraltar?

Mr. Amery: Work on the Permanent Airfield is going forward as planned. I take note of the second part of my Honourable Friend's supplementary question. I hope that the Spanish authorities will do so too.

HRT.

CONFIDENTIAL

From FCO

201800Z

To Priority Falklands

Tel No 247 of 20 December.

Your Telegram No 372

Airfield

1. You may use following in reply to questions:

(a) Present position is that consultants are examining the three tenders submitted. They are expected to report thereon in mid-January.

(b) Until the report is required, we cannot assess affect of general costs inflation on present estimated cost of airfield.

2. For your information, consultants consider that tenders are unjustifiably high.

CONFIDENTIAL

DRAFT CIRCULAR LETTER

200A

Grazing of animals in the Peninsula

There will be considerable activity in the Peninsula in connexion with work on the construction of the permanent aerodrome and there may well be some danger to animals in the Peninsula.

The customary practice of permitting animals to graze in the Peninsula will be continued this year on the understanding that animals grazing in the Peninsula do so at the owners' risk and that neither Government nor the aerodrome construction company accepts liability for any injury suffered by an animal in the Peninsula.

Owners not wishing their animals to graze in the Peninsula should notify the OIC Agricultural Department by the

RESTRICTED

111630Z

To Priority Falkland Islands

Tel No 14 of 11 Jan 1974.

PERMANENT AIRFIELD

1. We are discussing bids and considering further action urgently. PRCJ would be grateful to know what ESRO accommodation will be available, and when. Details are required of:

(a) 3 houses/bungalows suitable for management and supervising staff with your estimate of numbers (ie bachelors can double up) they can accommodate.

(b) Hostel/mess suitable for how many construction workers give floor area and details of ablutions etc.

(c) Workshops and ancillary buildings. Give floor area.

2. Will any rent be required for accommodation?

RESTRICTED

10 re a File

Note

Cons passed to

early

9

O i/c ESRO who
will supply details quickly.

Ref Tel No 14 of 11 jan 1974

Permanent Airfield.

(a) Following Dorran bungalows are/will be available:-

NOW: 7 Racecourse Road, 14 Ross Road West

31 March: 27 Ross Road West

30 June: 5 Racecourse Road, 22 and 26 Ross Road West

All Dorran type houses, three bedroom (1 double, 2 single)

Furnished fully up to blanket level (no linen, crockery etc)

Frig and washing-machine, and oil central heating.

(b) Hostel accomodation at present for three batchelors at S.R.C. hostel.

We shall be ready to fully vacate and sell in June.

Accomodation is 5 bed-sitters, plus lounge, kitchen and 2 bathrooms

Bedrooms are 3 of 4.3 X 4.0 metres and 2 of 4.0 X 3.6 metres

Lounge 4.3 X 4.0 Metres

Fully furnished as single accomolations.

Full time housekeeper available

(c) ESRO station is 330 sq. metres, comprising:

Main ops room 145 sq.m., Workshop 29 sq.m.,

Five offices each 12 sq.m., Stores 44 sq.m.,

plus kitchen, toilets etc..

2. Rent+Lodging charge for Hostel at present £12 p.m.

Unlikely S.R.C. prepared to rent Dorran bungalows in the long term, since it is their object to dispose of these properties.

Policy regarding this would have to be discussed with S.R.C in U.K.


G.M.J.

15.1.74

Q/367/43

1 November 1973

1. H W Todd Esq
Engineering Adviser
Overseas Development
Administration
Stag House, Elmd Place
SW1E 5BN

2. The above suggested that the Falkland Islands Airport should be prepared before the end of the year 1973. The proposed construction of the airport is a major project and it is suggested that the Falkland Islands Airport should be prepared before the end of the year 1973.

I am enclosing a report on the Crown Agents' Contingency plan for the construction of the above.

2. You will note the qualifications made in respect of the costs given and the method of execution of the works.

3. I shall be happy to discuss this report with you at any time prior to my departure to the Far East on 19 November.

Yours faithfully,

A J CLEMAN
The Falkland Islands Airport should be prepared before the end of the year 1973. The proposed construction of the airport is a major project and it is suggested that the Falkland Islands Airport should be prepared before the end of the year 1973.

enc.

Q/367/43
1 November 1973
H W Todd Esq
Engineering Adviser
Overseas Development
Administration
Stag House, Elmd Place
SW1E 5BN

CROWN AGENTS' CONTINGENCY PLAN FOR THE CONSTRUCTION OF A PERMANENT AIRFIELD IN THE FALKLAND ISLANDS

INTRODUCTION

1. Approval was given on the lines suggested in PC(72)31 that invitations to tender for the permanent airfield in the Falkland Islands should be prepared by Rendel, Palmer & Tritton (RPT). In paras. 36, 38 and 39 of this document it was suggested that in the event of the tenders being unacceptable the Crown Agents might be invited to undertake this task with direct labour.
2. It was suggested (1) that the Crown Agents should undertake the preparation of a contingency plan against this possibility, and this proposal was approved by FCO (2). There was further correspondence subsequently (3) (4) (5) (6) on a proposal that as part of this preparation a Crown Agents team should visit the Falkland Islands. However, the timing for this was likely to be such that the bones of the contingency plan should be prepared before then, and presented to FCO by 1 November.
3. It was later suggested (7) that some form of costing should be included in the contingency plan.

AIM

4. The aim of the contingency plan is to indicate the best solution to the problems confronting the Crown Agents should they be invited to undertake this task, with a view to saving time between that invitation and the start of construction. An outline of tentative costs under various heads is included.

GENERAL DISCUSSION

5. The technical problems of constructing a permanent airfield in an engineering desert, on a peat site under water for part of the year, pale into insignificance compared with the administrative difficulties to be overcome. This contingency plan, therefore, concentrates on solutions to the latter, generally within RPT's overall specifications for the airfield, approach road and terminal buildings.
6. It is assumed that readers are aware of the location, climate and lack of local sources of men, plant, vehicles, equipment and materials on the Falkland Islands. Other factors are the poor harbour facilities, the Islanders' dependence on the 3-monthly ships from the U.K. (provided by the Falkland Islands Company)

- (1) Q367/43 of 20 March '73
- (2) FCO letter H/F 21/1 of 16 April '73
- (3) Q367/43 of 20 June '73
- (4) ODA letter (M W Todd) of 28 June '73
- (5) Q367/43 letter of 5 July '73
- (6) ODA letter (M W Todd) of 4 July '73
- (7) ODA letter (M W Todd) of 27 September '73

for goods, building materials and food, and the Islands' relationship with neighbouring countries on the mainland of South America. However, in formulating this plan we assume that:-

- (a) The Islanders will accept Argentinian labour;
- (b) The Argentine will prove helpful in providing resources;
- (c) The weekly flight from the mainland to the temporary airstrip to the south of Port Stanley will continue until the permanent airfield is in operation;
- (d) Accommodation currently occupied and owned by the European Space Research Organisation (ESRO) in and near Port Stanley will be made available.

7. The outline plan envisages:-

- (a) Construction of a temporary camp with materials imported from the U.K. - see Appendix A.
- (b) Acquisition in the U.K. of the plant and vehicles needed for the project, and their transportation by sea to the Falkland Islands. See Appendix B for a provisional
- (c) list of plant and vehicles. *eleven*
- (c) A management team from the U.K., ~~ten~~ strong (Appendix C).
- (d) A labour force, including plant operators, drivers and mechanics recruited in the Argentine and housed in the temporary camp. This labour force, including its own administrative staff, will be about 150 strong and will need to be self-sufficient for food. Since the men will not be accompanied by their families some rotation during the construction period will be inevitable.

More detailed discussion of these points follow.

HOUSING

8. The Contract Documents include a provisional item for the construction of permanent bungalows for the Engineer's site staff, which are to be handed over to the Employer on completion of the project. We visualise up to ~~ten~~ such bungalows being required for our expatriate U.K. staff. Fortunately the ESRO station is closing down in the middle of 1974, and ample furnished accommodation (some ten to thirteen Dorrans houses) will be vacated progressively during the run-down period. We suggest that these (or others) be bought by the Government and allotted to us. How precisely this operation is financed it is too early to say; the cost will be of the order of £150,000, but could be regarded as a capital asset in the long run.

9. CAMP

9. The camp will be occupied for two years. There are few recreational facilities in Port Stanley, so the Argentinian labour force will have to be self-contained for all purposes. Besides heated sleeping accommodation, lavatories and showers, a mess-hall, a kitchen, a recreation room, and even a football pitch will be required. A poor standard would inhibit recruitment. Plentiful fresh food (the Argentinians are choosy eaters, we understand) in this isolated spot means a ten-ton cold store and a ready replenishment.

/...

10. There seem to be three choices here:-

- (a) To hire or buy a ship and run it as a floating base (as the Maidstone is being used in Belfast). This course has so many disadvantages, not the least being the very high cost, that it has been discarded.
- (b) To build a temporary camp with pre-fabricated hutting imported from the U.K. Temporary accommodation for the work force could be found (perhaps in the gymnasium or in the ESRO hostel - see below) while the bases are prepared, the huts erected, and the services installed; and a suitable site exists to the east of Port Stanley, as recommended in the Wheatley Report (8). Some provisional discussions are going on with U.K. suppliers of pre-fabricated buildings, but in view of the more attractive solution at (c) below this solution may be of only academic interest.
- (c) To enlarge the ESRO hostel at the head of the harbour. This, we believe, consists of fair quality accommodation for about ten single men, office and laboratory, and ancillary buildings. The ESRO hostel is about three miles west of Port Stanley (and therefore further from the construction site), but it is reached, we believe, by a concrete road, and this separation from Port Stanley might be an advantage. The existing buildings would provide accommodation for the advance party of the Argentinian work force while the camp is enlarged. The practicability of this solution must depend on a site reconnaissance, and, of course, on the Government's willingness to buy the ESRO buildings, subject to their availability on time. Nevertheless, it appears the best, and is the one selected for further investigation and is the one used for the costing exercise.

11. Besides the living quarters, stores and offices, workshops and covered repair areas will be required. As it is unlikely that they will be required again, by anybody, the best solution is again to construct to temporary standards, using prefabricated hutting, with a view to demolishing them at the end of the project. Some site offices will also be needed, unless these administration buildings are erected on the construction site. There are three possible locations:-

- (a) At the camp site. Handy for the men, but furthest from the construction site.
- (b) Port Stanley. Ideal for handling stores for the harbour, and convenient in other ways.
- (c) On the construction site. On paper the best solution, but with obvious disadvantages; reached by a poor road

(8) Initial Reconnaissance Report by 62 CRE (Construction)
(Lt. Col. R. Wheatley M.B.E. R.E.)

(until it is improved), lack of services and communications, no ready-made site, almost top priority at the start of the project.

As the facilities have to be provided, whichever site is selected, the choice is perhaps academic at this stage. We have chosen course (c) and omitted site offices from our shopping list.

- (d) Some thoughts on temporary prefabricated buildings are at Appendix A.

PLANT AND VEHICLES

12. A preliminary list of plant and vehicles is at Appendix B; to this must be added workshop and site equipment.

The choices are:

- (a) To buy new:
Pro: Less likely to break down, smaller spares scaling.
Anti: Long delivery delays, difficult to assemble together for charter shipment, ship out at end of project.
- (b) To buy secondhand:
Pro: Short delivery times, leave at Falkland Islands at end of project (i.e. write off).
Anti: Risky - who will vet buys? More liable to breakdowns, larger spares scalings.
- (c) To hire from U.K.:
Subject to more detailed investigation this course is very likely to be ruinously expensive and to avoid paying hire charges for down-time would complicate the transportation plan.
- (d) To hire from the Argentine:
If politically acceptable this may reduce the cost of the works substantially, and should be investigated further. We are unable to comment fully on this at this stage except to estimate the cost reduction in paragraph 17.

We prefer (a) above, unless hiring from the Argentine is practicable, and we costed on this basis at paragraph 17(a). An alternative costing based on hiring most of the plant from the Argentine is given at 17(b).

TRANSPORTATION

13. The Falklands are off the main shipping routes and the harbour facilities are primitive. The "Annette Danielsen" (with no passenger accommodation) operated by the Falkland Islands Company makes four trips a year from the U.K., and there are occasional, unscheduled calls by ships from the Argentine. The weekly Friendship flight from the mainland has little spare capacity, and charter aircraft will be necessary for supplies of fresh and frozen foods etc.

14. There are four, or perhaps five requirements:-

- (a) To ship the plant and vehicles from the U.K. (or the Argentine if we can hire plant therefrom).
- (b) To transport the labour force from the Argentine; this will be a continuing commitment, as turn-over and wastage could be high over a two-year period.
- (c) To ship cement, bitumen and other stores from the Argentine.
- (d) To cater for urgent stores and spares.

and
possibly

- (e) To evacuate the plant and vehicles at the end of the project. This is really (a) above in reverse.

The easy paper solution to shipping from the U.K. is to put the problem to the Falkland Islands Company and also to charter a vessel (perhaps with a landing craft to avoid using the only jetty which has a 10-ton limit). This pre-supposes that items of plant and vehicles will be made available for shipment to a phased plan, an eventuality that seems unlikely judging by our experience with British manufacturers. However, in default of a better answer (and staging on the Argentine is, we understand, so hazardous and administratively difficult as not to be seriously entertained) this would appear to be the course to pursue first.

Requirement (c) above may turn out to be the easiest, in that either "Annette Danielsen" or a local Argentinian freighter could be chartered. There are, however, always difficulties in shipping cement, but these and other problems could be solved.

15. Replenishment (of food and spares) presents a real problem. The weekly flight may not be able to carry freight, and in any case may prove unreliable. The military solution advocated the permanent use of an RAF Andover, but that would be beyond our resources. We recommend liaison with the Argentine airline operating the Fokker Friendship as the best solution (and also for the transportation of the Argentinian labour); failing that the charter of an aircraft or small vessel plying between Comodoro Rivadavia and the Falklands should be investigated. We have considered the possibility of MOD assisting with supply but we have not followed this up.

STAFF

16. First thoughts on the resident site staff are at Appendix C. No allowance is made for the staffing of a procurement base in the Argentine, though some agency will be required there throughout the project: it should be possible to recruit an agent on a commission basis.

COSTS

17. Any estimate of cost prepared at this stage must be regarded as very provisional and it is with some reluctance that we give the following rough orders of cost:-

(a) Constructional plant purchased new in U.K.

	£
(i) Cost of plant and vehicles, f.o.b.	600,000
(ii) Argentinian Labour	400,000
(iii) Housing for resident staff	200,000
(iv) Camp buildings including offices, workshops and stores.	175,000
(v) Workshop and laboratory equipment	20,000
(vi) Construction materials	100,000
(vii) Fuel, oils and lubricants	45,000
(viii) Freight charges by sea from U.K. (30% on f.o.b. price at (i) and (v) plus 25% of (iv))	211,000
(ix) Local freight charges by sea (1 % on (vi) and (vii))	14,500
(x) Spares (15% of (i) + freight)	105,000
(xi) Sundries including water, electricity, gas, etc.	35,000
(xii) Terminal Building	30,000
(xiii) Provisional sums (for nav aids, telecommunications etc. as in pp 87-89 of the B. of Q's)	200,000
(xiv) C.A.A. Supervisory team	250,000
	<hr/>
	2,635,000
20% Contingencies	527,000
	<hr/>
	£ 3,162,000
	<hr/>
Less residual value of plant vehicles and equipment	200,000
	<hr/>
	£ 2,962,000
	<hr/>

(b) Constructional plant hired from Argentina

(i)	Hire of plant vehicles and equipment plus minor purchases	40,000
(ii)	Argentinian labour	200,000
(iii)	Housing for resident staff	200,000
(iv)	Camp buildings	175,000
(v)	Workshop and laboratory equipment	10,000
(vi)	Construction materials	300,000
(vii)	Fuel, oil and lubricants	25,000
(viii)	Freight charges by sea from U.K.	27,000
(ix)	Local freight charges	14,000
(x)	Spares	5,000
(xi)	Sundries	15,000
(xii)	Terminal building	5,000
(xiii)	Provisional sums	200,000
(xiv)	CAA Supervisory team (from U.K.)	200,000
	20% Contingencies	2,227,000
	Total	2,227,000

SUMMARY

10. Until the assumptions (para. 6) have been confirmed, and areas of doubt (such as para. 12(d)) resolved by visits to the area, this contingency plan must remain somewhat vague in content. The result of a site visit would:-

- Enable the list of plant to be finalised, and determine whether all or part of it could be hired from the Argentine.
- Resolve the housing, camp and administration building problems.
- Remove some of the doubts in the transportation plan.

- (d) Confirm the availability of the labour force from the Argentine, and establish a better figure for its cost.
- (e) Confirm the availability of fuel, bitumen, cement and other materials, and their cost.
- (f) Establish some sort of rapport with the British Embassy in Buenos Aires, the Argentinian Armed Forces, and the airline operating into the Falklands.

19. In the meantime the following appears to be a summary of conclusions:-

(a) ACCOMMODATION

Houses for ex-U.K. staff are available. The nucleus of a camp for imported Argentine labour exists. It will need to be expanded with temporary pre-fabricated hutting. Administration buildings will be needed, again in temporary pre-fabricated hutting - the cheapest commensurate with standing up to two years' use.

(b) PLANT AND VEHICLES

The preliminary list of constructional plant requirements needs to be refined after a site visit. Whether to buy new or second-hand plant, or whether it can be hired from the Argentine, is still to be resolved.

(c) TRANSPORTATION

For moves to (and perhaps from) the U.K. an approach should be made to the Falkland Islands Company and also the possibility of chartering a vessel to supplement their limited service must be investigated.

For moves to and from the Argentine:

Personnel, spares and food - by air.

Stores - by sea, by Falkland Islands Company or local shipping agents.

(d) STAFF

A draft list of ex-U.K. staff has been prepared - ten eleven strong. (see Appendix C).

A planning cell should be set up within the Crown Agents, initially to prepare a detailed plan for the project, and subsequently (at a reduced staffing level) to manage the project.

APPENDIX "A"

PRE-FABRICATED HUTTING

1. Based on the argument at paragraphs 10 and 11 (that pre-fabricated hutting would be needed to augment the accommodation at the ESRO hostel and to provide workshops, stores and offices at the construction site) and on a prospectus by Dexion Overseas Ltd., the requirements of pre-fabricated hutting would be of the following order:-

6 Accommodation Units (6 x 64' x 24')	9216 sq. ft.
3 Ablution/Lavatory Units (3 x 24' x 24') ..	1728 "
1 Kitchen (less equipment) (1 x 32' x 24')..	768 "
1 Mess Hall/Recreation Room (1 x 64' x 24')..	1536 "
3 Stores Buildings (including for Workshops) 43 x 64' x 24')	4608 "
1 Office (1 x 72' x 24')	1728 "
	<hr/>
	19,584 sq. ft.

At £4.75 per sq. ft. £93,024

Allow for furnishing and heating £31,972

£ 125,000

2. As stated elsewhere, firm requirements would depend on a detailed reconnaissance. Moreover, as the above figures do not include the cost of bases, connection to services (if any) nor expensive equipment such as a cold store, it would be wise to add a handsome contingency figure for estimating purposes. Accordingly, £175,000 is shown in paragraph 17 of the Plan.

3. Current delivery dates are 8 to 10 weeks.

APPENDIX "B"

PROVISIONAL LIST OF PLANT AND VEHICLES
TO BE PURCHASED IN U.K.

Quarry Equipment

- 1 2 cubic yard Dumper
- 1 1½ cubic yard Bucket Loader
Compressors, drills etc.

Earthworks

- 1 2 cubic yard Dock Dumper
- 30 6 cubic yard Tippers
- 2 2½ cubic yard Loaders
- 3 D6C Dozers (two with rippers)
- 2 Fordson Tractors
- 1 Trailer, general purpose (10 ton)
- 2 22RB's with dragline
- 2 JCB 3C's
- 1 Compressor and tools
- 3 Heavy Graders
- 6 Medium sized Water Trucks
- 2 Water Pumps

Compaction Equipment

- 2 Vibrating Plates
- 1 6/8 ton smooth-wheeled Roller
- 1 Sheeps-foot Roller
- 1 20 ton PNR
- 1 10/12 ton smooth-wheeled Roller
- 1 Towed Vibrating Roller

Crushing Plant

- 2 Medium Crushers, one with Granulator

/...

Laying Equipment

- 1 PF90
- 1 Towed Sweeper Brush
- 2 Hornsey Gritters
- 1 Barber Green Mixer for wet mix material

- 1 1/2 ton truck
- 1 1/2 ton truck
- 1 1/2 ton truck
- 1 1/2 ton truck
- 1 1/2 ton truck
- 1 1/2 ton truck
- 1 1/2 ton truck
- 1 1/2 ton truck
- 1 1/2 ton truck
- 1 1/2 ton truck

Notes

1. The contractor shall be responsible for the maintenance of the equipment and shall be responsible for the cost of the equipment.
2. The contractor shall be responsible for the cost of the equipment.

APPENDIX "D" (Cont'd)

Asphalt Plant

- 1 Bitumen Distributor - 600 gallons
- 1 Pre-heater - 1000 gallons
- 1 Asphalt Plant

General Equipment

- 1 Fuel Tanker, Petrol
- 1 Fuel Tanker, diesel
- 6 Landrovers
- 5 7 ton Trucks (platform bodies)
- 1 Workshop Lorry
- 2 Mobile Generators
- 2 10/7 Concrete Mixers
- 6 Concrete Vibrators
- 1 10 ton Crane.

Notes:

- 1) The constructional plant listed above is for the construction of the airfield in accordance with RPT's specification. We consider that some economies can be effected with minor changes to this specification.
- 2) If plant can be hired from the Argentine then the list above will need considerable modification.

APPENDIX "C"

PROVISIONAL MANAGEMENT TEAM

- 1 Resident Engineer
- 1 Engineer (supplied by RPT for Quality Control)
- 2 Assistant Resident Engineers
- 1 Office Manager
- 1 Plant Manager
- 3 Superintendents of Works, Civil
- 2 Superintendents of Works, Mechanical

The composition of the team may vary from that shown above but the total number will remain at eleven persons.

244



Foreign and Commonwealth Office
London SW1

Telephone 01-

HE Mr E G Lewis CMG OBE
Governor and Commander-in-Chief
Falkland Islands

Your reference

Our reference

Date 16 January 1974

28 Jan

Dear Tidy.

Held at GH?

PERMANENT AIRFIELD

1. I enclose copies of the report on tenders, Crown Agents contingency plan and record of the meeting held here on 9 January. ?
2. Ministers and ODA have been put fully in the picture and we are now proceeding on the course outlined in paragraph 4 of the minute.
3. The next step will be to submit to Ministers that the extra money should be made available. We will telegraph the outcome as soon as possible, but you will appreciate that there will be a further delay of at least a month to six weeks.
4. We do feel for you over all this trying delay and know that Falkland Islands opinion is getting restive. All I think you can say now is that tenders are being analysed by the Office and Crown Agents, and the appointment of a contractor is expected in the near future.
5. I hardly need add that we are all seized of the great urgency of this matter.

Best wishes.

Yours ever
D G F Hall

D G F Hall

BUENOS AIRES "HERALD"

27 January 1974

Falkland airfield

London

BRITAIN hopes that a permanent airfield will be built by March 1976 on the Falkland (Malvinas) Islands.

Deputy Foreign Secretary Julian Amery said here that tenders for the airfield, received on November 9, 1972, were still being studied.

"It is expected that the tenders will be awarded by the end of March and that construction will be completed 24 months from that date, although the airfield could be operational before then," Amery said.

Ref: AIR/13/4 C

7th February 74.

Permanent Airfield

Please refer to your letter (unreferenced) of 16th January to the Governor.

2. You will already have received our telegram number 56 asking for a copy of the minutes of the meeting held in the FCO on 9th January which were not enclosed.

3. There are two points which we have noted from the other enclosures to your letter - firstly the Crown Agents in their Contingency Plan C/567/43 of 1st November 1973 seem to be under some misapprehensions concerning the FRO buildings. These have probably been cleared up as a result of my telegram number 26 of January 17th which replied to your specific queries. The FRO single man's hostel is an ordinary dwelling house in the centre of Stanley. The FRO administration block is three miles to the west of Stanley (the opposite direction from the airfield site). Neither of these buildings however could provide the nucleus of a camp for imported Argentine labour (para 10 (c) and 19 (a) of the C.A. Contingency Plan) except at considerable expense. The hostel is simply a house in Brandon Road with no space round it, while the Administration building is at the head of Stanley Harbour which is already becoming seriously polluted and we firmly told the contractors, when they were out here, that there could be no question of agreeing to this being used as a labour camp unless adequate septic tanks were installed. The Stanley Town Plan has laid down that there shall be no residential development to the west of the town until such time as a sewerage disposal scheme is adopted for the town. At present all sewers run untreated into the harbour!

4. Secondly, the second paragraph of page 27 of Rendel, Palmer and Tritton's report on the tenders states that "there is little prospect of similar work to follow this project". In fact there seems at the moment to be a very good chance that there will be sufficient work to keep a major contractor occupied in the Colony for a number of years. Alcatraz Ltd. are following progress on the construction of the airfield with great interest and are very likely to approach the contractor who is given the tender with a view to their constructing the Alcatraz processing factory and housing here - currently costed at some £7 million. The Ministry of Defence have a team here to report on the possibility of building new Royal Marine Barracks, and finally there are our own modest Development Plan projects - the new school, swimming pool, extension to the prison and transinsular road. All these taken together, if they come off, would seem from here to make it worth while for a large firm to consider establishing themselves here. It

might even be worth Costain's while to take a risk on making a loss on the airfield simply because they would then be here with their housing, labour camps, machinery and management and thus almost certain to land any future contracts which were offered.

5. I am sending a copy of this letter to Todd at the Overseas Development Administration, Small in the Crown Agents and Rendel, Palmer and Tritton.

(T. H. Layng)

D. G. S. Hall, Esq., MBE,
West Indies and Atlantic Dept.,
Foreign and Commonwealth Office,
London SW1.

c.c. H. W. Todd, Esq.,
Engineering Adviser,
Overseas Development Administration,
Bland House,
Star Place,
London SW1.

A. J. C. Small, Esq.,
Crown Agents for Overseas
Developments and Administrations,
4 Millbank,
London SW1.

Rendel, Palmer and Tritton,
Consulting and Designing Engineers,
Southwark Bridge House,
61 Southwark Street,
London SE1 1JA.

CE



Foreign and Commonwealth Office
London SW1

Telephone 01-930 8440

A J C Small Esq
Crown Agents for Oversea Governments and
Administrations
Q Department
35 - 41 Lower Marsh
LONDON SE1

Your reference

Our reference

Date 25 January 1974

FALKLAND ISLANDS AIRPORT

1. Thank you for your letter of 22 January.
2. I note that both tenderers are prepared to discuss their tenders in detail with the general object of making substantial reductions in prices. I note also that consulting engineers are *reluctant* to say how much might be saved, but I understand from Magnus Todd that this might be in the order of £300,000 on the now enhanced total.
3. We agree that discussions with tenderers should now go ahead subject to the terminal date of the tenders being amended. In this connexion you will appreciate that even after these fresh discussions are complete, we shall need some weeks to secure Ministerial and financial approval for the additional cost. As we sincerely hope to be able to award the tender by the end of March may I ask that consultants are reminded of the necessity for speed?
4. I should be grateful to know what additional payments will be required by yourselves and consultants for the extra work, which need not, however, be held up pending your reply. From our telephone conversation I gather that these will be approximately £2,500.
5. I am copying this letter to the Governor (under confidential) and Magnus Todd.

Copied to:
HE Mr E G Lewis CMG OBE
Governor & Commander in Chief
FALKLAND ISLANDS

Mr M W Todd MBE.ODA

D G F Hall
West Indian & Atlantic Dept

CONFIDENTIAL

CONFIDENTIAL

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HWF 2/11

RECORD OF A MEETING HELD AT THE FCO ON 9 JANUARY 1974
TO DISCUSS THE TENDERS SUBMITTED FOR THE CONSTRUCTION OF
THE PERMANENT AIRFIELD IN THE FALKLAND ISLANDS

Present: Mr N B J Huijsman, WIAD
Mr N D Matthews, WIAD
Mr D G F Hall, WIAD
Mr M W Todd, ODA
Mr A J C Small, Crown Agents
Mr K L Hardaker, Crown Agents

1. Mr Huijsman said that both tenders received (Costain Civil Engineering Ltd: £3.38 million, Johnston Construction Ltd: £3.45 million) were considerably in excess of the £1.74 million approved by Ministers. We would now have to seek approval of Ministers for the extra funds required. Before doing so he felt that areas of possible saving in the tenders should be identified and discussed with tenderers, and that any loading of the tenders for risk should be quantified.
2. Mr Small said that the economic climate had changed since tenders were received in November. The reduction in public spending in the UK would lead to a cut-back in construction activities, and overseas jobs were now more attractive to the industry. The two contractors might therefore be more cooperative in consultations aimed at reducing the bids.
3. Mr Small was however of the opinion that savings would probably be marginal in light of the increased cost of fuel and certain materials and the probable need to agree to the special conditions imposed by the tenderers. In his view it was unlikely that the cost of the airfield would be less than £4 million. Mr Todd concurred and felt that the inflated bids were largely due to the construction being a "one off" job with no possibility of the re-deployment of expensive machinery etc to another job, or achieving the maximum possible economy in the use of the equipment on the job itself.
4. It was agreed that Crown Agents representatives should meet for the consultants, accompanied by Mr Todd, to see the contractors as early as possible during the week beginning 14 January to discuss the possibility of reductions in their bids. If this was established it would then be for consideration whether the consultants should embark on detailed examination of tender costs to this end. This process might however take 3 weeks to a month and would mean an increase in consultants' fees.
5. Mr Huijsman drew the attention of the meeting to the time constraint. Tenders were only good until 8 March and we were on record that we hoped the airfield would be operational by the end of 1975. Mr Todd confirmed that the airfield could be operational

/before

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before constructional was finally completed.

6. Mr Small explained that the Crown Agents' contingency estimate for the job on a management basis (£2.9 million if plant is purchased new in UK, and £2.2 million if plant is hired in the Argentine) were very tentative at this stage and rested on various assumptions which would have to be proved. Some areas of doubt would have to be resolved and a visit made to the site. This would all take time. In the meantime the contingency plan would remain somewhat vague.

c.c. Governor, Falkland Islands (with copies of report on tenders and CA contingency plan)

Mr Larmour (with covering minute)

Mr Carless

All those present.

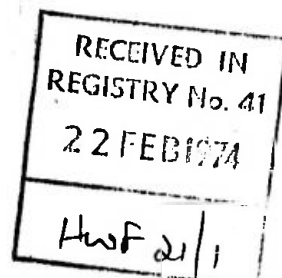
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Q/367/43

14.1.1974.
① Enter in main file in Q Department
② Copy to Governor
in next day.
20 February 1974

250
(20)

Messrs Rendel Palmer & Tritton
Southwark Bridge House
81 Southwark Street
LONDON SE1 1SA



Attention of Mr Ainscow

Dear

FALKLAND ISLANDS AIRPORT

In our letter Q/367/43 of 30 January 1974 we authorised you to hold further discussions with the two tenderers for the airfield project. This authority is of course superseded by the decisions taken at the meeting in the Foreign Office on 13 February. At that meeting it was decided that:-

- (a) You should invite revised tenders (based on the existing parameters) from the two tenderers, rather than hold discussions.
- (b) The revised tenders should take account of the following:-
 - (i) Weather and materials delays risk to be shared and a limit fixed for the contractor's liability.
 - (ii) A price variation ^{allow} to be allowed.
 - (iii) Seeding to be shown as a provisional item on a cost plus basis.
 - (iv) An item to be included for the overhaul of borrow material if found to be necessary.
 - (v) The mobilisation period to be increased to six months.
 - (vi) Early payment of preliminary items will be accepted, but within a reasonable limit to be assessed by you bearing in mind reasonable security the employer must retain against possible default by the contractor.
 - (vii) It is expected that the "Buy British" rule may be applied on concrete (for technical reasons) and on steel (small quantities).
 - (viii) The contingencies item to be reduced to 10 .
 - (ix) The employees risk for weather and materials delay to be shown as a separate contingency item: this could be 3%, but you should suggest a reasonable figure for these risks.

.../(x)

20 February 1974

- (x) Tenderers should not assume that the employer will purchase buildings or equipment on completion of the work. They should also be informed that no buildings are available from the employer, although they may wish to negotiate with ESRO for the purchase/rental of their buildings.
- (xi) Revised specifications should be priced by tenderers for the following alternatives:-
- (a) Prime coat and surface dressing.
 - (b) Dense bitmac surfacing, say 1½ ins.
 - (c) BS 594 rolled asphalt, say 1½ ins. (hot sand carpet)
 - (d) Marshall asphalt, say 1½ ins.
 - (e) Wet mix base
 - (f) Dense bit. mac base 75mm

(xii) The tenders to remain valid until 30 April 1974.

(c) You would let me have technical details of the specifications in b(xi) above before issue to tenderers.

Please proceed as quickly as possible; you are aware of the urgency and the need to submit your comments and recommendations on the revised tenders in 6 weeks (preferably) but not later than 8 weeks.

Yours sincerely,

A J C Small
for Chief Engineer (Transportation)
Engineering Services.

cc D G F Hall, Esq, Foreign & Commonwealth Office —
" M W Todd, Esq O.D.O.



Foreign and Commonwealth Office
London SW1

Telephone 01-

T H Layng Esq
Falkland Islands

Your reference

Our reference HWF 27/1

Date 1 March 1974

*Dear Sir.***PERMANENT AIRFIELD**

1. Thank you for your letter AIR/13/4C of 7 February.
2. Your telegram 26 cleared up the matter of the ESRO buildings, particulars of which have been passed to consultants, who will now advise contractors that if they wish to pursue the matter they must do so direct with ESRO headquarters here.
3. Contractors have, as a matter of course, looked into possibilities of follow-up jobs which, it could be hoped, would influence tender prices in our favour. I am told that they have not been impressed by what they have learned. They would require, at the least, a letter of intent from potential clients, and AIL are certainly in no position to issue this. I have just spoken to Stewart who confirms my view and, although he did not commit himself, gave me the impression that AIL's plans are still very open-ended. I am writing separately about this.
4. The Ministry of Defence have not yet decided whether to patch up the RM Barracks or build new ones and would, I think, be precluded by normal governmental tendering requirements from issuing a letter of intent.
5. With respect, I think your own projects, essential though they are, are too small to influence tender prices, but when the contractors are on site they may well take them on, to your financial benefit.

B/M K m
12/3

Yours ever
D G F Hall

D G F Hall
West Indian & Atlantic Dept

c.c. M W Todd Esq MBE
ODA

A J C Small Esq
Crown Agents, Q Dept,
35-41 Lower Marsh
London SE1

RESTRICTED

252

15 March 1974

AIR/13/4 C

D G F Hall Esq MBE
West Indian & Atlantic Department
FCO

Dear David

PERMANENT AIRFIELD

1. Thank you for your letter Ref ~~WVF~~ 27/1 of 1 March addressed to Tom Layng, and I agree with the conclusions set out in your Paragraph 5.
2. I presume from all the changes in the domestic front that this project will be subject to further delays, but no doubt you will keep me in touch.

Yours ever



E G Lewis

2nd April

74.

Dear Sir,

Please refer to your letter of the 26th January 1974 regarding the permanent aerodrome.

2. I regret that the construction of the permanent aerodrome has not passed beyond the tender stage and although it is hoped that a decision will be made soon there may well be further delays.

Yours faithfully,



(D. R. Morrison)
AG. CHIEF SECRETARY

E. E. Warburg, Esq.,
Head of International Affairs,
International Aeradio Limited,
Aeradio House, Hayes Road,
Southall,
Middlesex UB2 5NJ.

CB

2/13/4 254

EXTRACT FROM A TELEGRAM RECEIVED FROM "CENTROFORM"
27.3.74.

Mr. Luce - Does not the Honourable Lady agree that one way of helping the economic development of the Falkland Islands would be to improve communications there? What progress is being made on the construction of the permanent airstrip on the Falkland Islands?

Miss Lestor - Tenders are now being examined by the consultants. The airfield has been designed to the specifications required to enable aircraft to fly to other destinations in Latin America, besides Argentine airfields.

File



Foreign and Commonwealth Office
London SW1A 2AL

Telephone 01-

His Excellency
Mr E G Lewis CMG OBE
Governor and Commander-in-Chief
FALKLAND ISLANDS

Your reference

Our reference

Date 29 March 1974

Dear Toby.

PERMANENT AIRFIELD

1. Both contractors, Costains and Johnstons, have asked for an extension of time for submission of their revised tenders because of absence of key staff. As we certainly do not wish either of the tenderers to withdraw at this stage we have had no alternative but to extend the closing date to 8 April.
2. This being so, the consultants' analysis of tenders (provided they are uncomplicated by caveats) will not be complete until 22 April at the earliest. This rules out consideration by the Project Committee on that date. However we are now thinking in terms of another Committee Meeting at the end of April or early May, but this depends on getting through all the stages without any unforeseen hitches arising.
3. We appreciate fully the difficulties of explaining the delay to the Islanders, but you may consider that it would be worthwhile telling them now that the increased costs of materials, and other inflationary factors, have necessitated a very searching look at tenders, and further discussion with tenderers, and that this may cause a further slight delay. I realise that this will sound rather lame, but we are as concerned as you no doubt are, and are doing all we can to expedite matters.
4. It must be increasingly difficult to convince Islands opinion of our bona fides over the airfield, but a recent Parliamentary Answer by Miss Lestor, although she did not mention completion dates, should give some reassurance. You will have had Guidance Department's report in the verbatim series by now.

*Yours ever
D G F Hall*

D G F Hall
West Indian and Atlantic Department

Copies to:
Mr M W Todd ODA
Mr M Joseph ODA
Miss J Lewis DTEU

CONFIDENTIAL

Q Department

Q 367/43

22 May 1974

Johnston Construction Ltd.,
Johnston House
Hatchlands Road,
Redhill,
SURREY RH1 1BG

Gentlemen,

FALKLAND ISLANDS AIRPORT


This is to inform you that it is our intention, acting for and on behalf of the Governor of the Falkland Islands, to award the Contract for the construction, completion and maintenance of the above Works on the basis of your tender therefor dated 5 April 1974 incorporating Pavement Alternative No 2, subject to clarification of certain matters arising therefrom and mutual agreement of the terms and conditions of the Contract.

We propose that discussions to this end should take place at a meeting at the offices of our Consulting Engineers, Messrs Rendel, Palmer & Tritton of 61, Southwark Street, London S E 1, commencing at 10 a.m. on Friday the 31 May, 1974.

It would be helpful if in the meantime you would send to Rendel, Palmer & Tritton the Preliminary Time/Progress Chart referred to in paragraph 3(4) of their letter (971/L/OM.4499) to you of 11 March, which should be based on the assumption that the Order to Commence can be issued by 17 June, 1974, together with copies of the quotations referred to in paragraph (iii) of the preamble to Appendix 'C' (Variation of Price - Materials and Fuels).

Your early confirmation that the time and date of the proposed meeting are suitable would be appreciated.

Yours faithfully,



(E A KIRBY)
Director
Engineering Services



Foreign and Commonwealth Office
London SW1A 2AL

Telephone 01-

E W H Christie Esq
Joint Honorary Secretary
The Falkland Islands Committee
Room 402
The London Wool Exchange
London E1

Your reference

Our reference

Date 3 June 1974

Further to the meeting attended by you and other members of your Committee at the Foreign and Commonwealth Office on 14 March I now write to let you know that the construction of a permanent airfield in the Falkland Islands, at a cost of approximately £4.2 million, has been approved. The contract is being awarded to Messrs Johnston Construction Ltd.

The Governor is announcing this to his Legislative Council on 4 June at 10 o'clock am (local time).

D G F Hall
West Indian &
Atlantic Department



Foreign and Commonwealth Office
London SW1A 2AL

Telephone 01-

F G Mitchell Esq
The Falkland Islands Committee
Room 402
The London Wool Exchange
Brushfield Street
LONDON E1

Your reference

Our reference

Date 3 June 1974

Further to your letter of 23 May and our telephone conversation on 31 May, I now write to confirm that control of the permanent airfield, when it is built, will be exercised by the Falkland Islands Government although, of course, it is possible that day to day operations will be handled by whatever airline, or other concern, is using it.

I will write again about the other two matters you raise.

D G F Hall
West Indian and Atlantic Department

Silent copies:

HE Governor
FALKLAND ISLANDS

Mr Relton LAD

7 AIR 115/4

20

RESTRICTED

131600Z

From Falklands

Tel No 210 of 13 June

Routine to FCO

Info BA

PERMANENT AIRFIELD

Your Tel No 142

Now we have made the announcement, the inevitable questions are being asked. In particular, it would be useful to know:-

- (a) When Johnston Construction Company expect to start work on the ground
- (b) The timetable for construction
- (c) To what extent Johnston Construction expect to sub-contract to firms on the mainland.

RESTRICTED

From FCO

To Routine Port Stanley

Tel No 180 of 20 June

Info BA

your Tel No 210

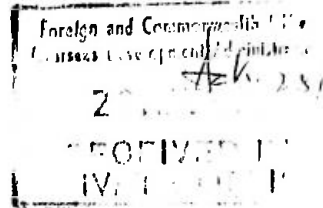
PERMANENT AIRFIELD

1. The Crown Agents hope to be able to issue "instructions to proceed" to contractor by end of June. The total period for contract is 21 months including mobilisation period from that date. Answers to your questions are:-

- a) On basis of above, Johnston Construction's preliminary programme provides for four month mobilisation period plus one month for shipping and approximately one further month before physical work can begin. However, their planned progress chart shows advance work on setting up on site about beginning of October.
- b) Preliminary programme shows drainage and improvement of roads as first items, followed by quarrying and earthworks. Work on airport buildings would start about ninth month of contract.
- c) At present contractor does not expect to subcontract to firms on mainland except for the supply of labour. But firm decision on this question can only be taken following further visits.



HOUSE OF COMMONS
LONDON SW1A 0AA



From: William Deedes

May 22nd, 1974

Dear Sir

Does this little lament about
an airstrip for the Falkland Islands come
into your ambit? I would like for
obvious reasons to send a reasonable response.

Yours sincerely
William Price

William Price, Esq., M.P.,
Foreign and Commonwealth Office.

Mr J C Machin
Room E931
ODM

Dark Sec

FAULKLAND ISLANDS
PERMANENT AIRFIELD
PROBLEM

1. To answer the attached letter from Mr William Deedes MP to Mr William Price MP, enclosing a letter from a Mr C H Brind of 6 Pittlesden, Tenterden, Kent.

BACKGROUND

2. Successive British Governments have confirmed that there will be no change in the present sovereignty status of the Falkland Islands against the wishes of their inhabitants. With the agreement of the Islanders it has been the policy that communications between the Islands and their larger neighbour, the Argentine, should be improved in order to remove mutual distrust and provide additional trading, educational and medical facilities for this remote dependant.

3. The implementation of this policy has brought considerable benefits to the Islanders, but they are aware of Argentine sovereignty pretensions and fear total reliance on Argentine goodwill for the provision of their external communications.

4. As a step towards removing the Islander's fears, Ministers have approved the construction of a permanent airfield at a cost of approximately £4.2 million. This will be announced by the Governor to his Legislative Council on 4 June.

RECOMMENDATION

5. I recommend that Mr Price should reply to Mr Deedes on the lines of the attached draft.

3 June 1974

N D Matthews
West Indian & Atlantic Department

Copy: Mr Guest

Mr Matthews

Thank you

May 1974

10 June 1974

Thank you for your letter of 22 May enclosing one from Mr C H Brind of 6 Pittlesden, Tenterden, Kent, about the Falkland Islands.

The policy, pursued by successive British Governments, of improving communications between the Falkland Islands and the Argentine has brought considerable benefits to the Islanders, but I realise, of course, that they are apprehensive about undue reliance on Argentine goodwill, especially for the provision of external communications.

Accordingly, we have now authorised the construction of a permanent airfield capable of handling aircraft large enough to fly to points in South America outside Argentine control, at a total cost to HMG of about £1.2 million. This will be announced by the Governor on 4 June and construction should be completed by mid 1976.

This expenditure, equivalent to £2,000 per head of the population, indicates our continuing concern for the interests of the Falkland Islanders and I hope it allays Mr Brind's fears.

I return Mr Brind's letter.

William Price
Parliamentary Secretary

Rt Hon William Deedes MP

PRESS RELEASE FROM GOVERNMENT HOUSE

PERMANENT AIR FIELD

Although these are early days, the following is the probable programme for the Johnston Construction Co Ltd.

As announced by the Falkland Islands Company, the heavy equipment will come out by sea towards the end of the year. It is expected that the main work will commence about a month after the arrival of the ship. However, the planned progress chart of Johnston Construction Co shows advance work starting on the site about early October. The sequence will probably be work on the drainage and improvement of roads, quarrying and earthworks, and then about the 9th month of the contract a start will be made on the airport buildings.

....

GOVERNMENT HOUSE
STANLEY

26 June 1974

ZCZC ATS 143 MOX806X LHE721 XLH452 TX263563

FKLX BY BL 067

S LONDONLH 67/66 4 1750 PAGE1/50

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ETATPRIORITE

IMMEDIATE GOVERNOR

FALKLAND ISLANDS

FM FCO 041400Z UNCLASSIFIED

TO IMMEDIATE PORT STANLEY TELNO 188 OF 4 JULY 1974

PERMANENT AIRFIELD

1 CROWN AGENTS ARE NOW READY TO ISSUE A FORMAL LETTER OF ACCEPTANCE
OF THE CONTRACTORS TENDER

GRATEFUL AUTHORITY FOR THEM TO SIGN ON YOUR BEHALF

2 ENGINEERING ADVISER AGREES

COL 041400Z 188 4 1974 1 2

LHE721 GOVERNOR PAGE2/16

THAT THIS IS IN ORDER

CROWN AGENTS HAVE A GENERAL SUPERVISORY ROLE OVER THE PROJECT

CALLAGHAN

Entered

NNNN I

FILE 266
GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

Number	Office of Origin	Words	Handed In at	Date
--------	------------------	-------	--------------	------

A/C H/O 4 July 1974

To

STAT PRIORITY ((IMMEDIATE))
PRODRONE LONDON SW1

042100Z

From Falklands

Tel No 239 of 4 July

Immediate to FCO

PERMANENT AIRFIELD
Your Tel No 188

1. Crown Agents have the authority to sign on my behalf.
2. I would like to have a copy of Contractor's tender and letter of acceptance by bag as early as possible.

LEWIS

Time

hi pl.
COPY:

267

Letter addressed to:

W E Bowles

From: Johnston Construction Ltd

Johnston House
Hatchlands Road
Redhill
Surrey

Ref: DMR/SM Dated: 9 July 1974

TEXT:

Thank you for your friendly letter.

I have rather delayed answering it because of the peculiar circumstances that although it was announced everywhere that we had been awarded the contract, we had not in fact signed anything and were still negotiating details about labour, etc.

I think that everything is now finally settled so we can heave a vast sign of relief - but in a sense the problems are now only starting.

The Director/Contracts Manager who will be in control of this job - Martin King - and the Production Manager - Ken Cadman - are proposing to visit Port Stanley on Monday 29 July for a week's preliminary visit to set up as much as possible before the main invasion which would be nearer September/October.

They would like to talk to you and also to your cousin (?) John Rowlands, about the job generally and about the possibility of getting five concrete house bases started in that area just outside town that we looked at and also to look at the Dorran houses of ESRO that we will probably be buying.

Also, do you know of anyone locally who might be interested in cooking/catering either for our main camp or for our bachelor mess?

I myself will not be back out again this year, but might manage to get out next year. However, I am sure that Martin and Ken will very much appreciate the sort of help that you kindly gave Ted Cross and myself. And you should discuss with them how we can best use your assistance during the contract.

I am very happy that this contract has finally materialised and look forward to hearing about it and assisting from this end.

Sgd: DAVE RENNIE

Dist: 1 File

1 Pink

1 Extra

1 Mr Hall

1 The Governor of the ^{GOVERNMENT}

Falkland Islands ✓

1 Mr Hardaker

268

10 July 1974

15 July 74
Mr E B Kelbie
Rendel Palmer & Tritton
Southwark Bridge House
61 Southwark Street
LONDON SE1 1SA

Dear Sir

... I am forwarding herewith a spare copy of the Letter of Acceptance addressed to Johnston Construction Ltd for the Falkland Islands Airport.

2 His Excellency the Governor of the Falkland Islands has requested a complete set of the Contract Documents and I shall be glad if you would please prepare a set for sending out to him, including the attached letter which is intended as his copy.

3 I am copying this letter to His Excellency the Governor and to Mr David Hall in the foreign office for their information.

Yours faithfully

K L Hardaker

K L HARDAKER

/IOC

GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

267

Number	Office of Origin	Words	Handed in at	Date
			A/C H/O	22 July 1974

To
 ETAT PRIORITE (ROUTINE)
 PRODRONE LONDON SWL

221400Z				
From Falklands				
Tel No 266 of 22 July				
Routine to FCO				
Info BA (FCO Please Pass)				
MAIN AIRFIELD				
1. We have heard that Johnston Construction Ltd are sending our two				
engineers on 29 July for a week in order to do preliminary survey.				
2. Bloomer-Reeve has pointed out that air service will be fully				
booked particularly during September and October and if consultants				
or contractors are planning to ask for seats or charters from LADE,				
latter should be informed early.				
			LEWIS	

Our ref Q 367/43

Your ref

Date 8 July 1974

Johnston Construction Ltd,
Civil Engineering & Building
Contractors, Johnston House,
Hatchlands Road, Redhill,
SURREY, RH1 1BG

Dear Sirs

FALKLAND ISLANDS AIRPORT

Acting for and on behalf of the Governor of the Falkland Islands, we accept your Tender incorporating Pavement Alternative No 2 dated 5 April 1974 amounting to £3,241,010.83 (three million two hundred and forty-one thousand and ten pounds and eighty three pence) as set out in APPENDIX 'A' hereto for the construction completion and maintenance of the above Works in conformity with the documents listed in the APPENDIX 'B' hereto, subject to the agreed terms and conditions recorded in APPENDIX 'C' hereto.

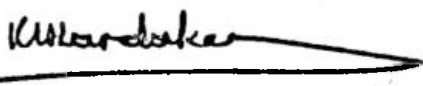
2 The Engineer for the purposes of the Contract will be the Engineer named in Clause 1(1) (c) of the Conditions of Contract viz; Messrs Rendel, Palmer & Tritton.

3 The order to commence the Works will be given in the terms of Clause 41 of the Conditions of Contract.

4 A Contract Agreement will be entered into in accordance with Clause 9 of the Conditions of Contract; the drafting of this Agreement will be put in hand immediately. Until such time as this agreement is executed your tender, this letter and your confirmation of the agreed terms and conditions set out therein shall constitute a binding Contract.

5 Please send your acknowledgement of this letter confirming your acceptance of the terms and conditions thereof and nominating the Insurance Company or Bank with whom you propose to be jointly and severally bound under the terms of the Bond referred to in paragraph 1 of APPENDIX 'C' to this office; thereafter all correspondence in connection with the Contract, other than that referred to in Clause 67(2) of the Conditions of Contract, should be addressed to the Engineer at 61 Southwark Street, London, SE1 1SA.

Yours faithfully


for (E A KIRKBY)
Director of Engineering Services

ATSO75

POSRA LHC335 XLH512 TX919307

FKLX BY GBLH 083

LONDONLH 83/82 22 2137 PAGE1/50

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ETATPRIORITE

GOVERNOR

FALKLAND ISLANDS

FM FCO 221550Z UNCLASSIFIED TO ROUTINE PORT STANLEY TELNO
204 OF 22 JULY PERMANENT AIRFIELD FOLLOWING MESSAGE
RECEIVED FROM RPT QUOTE M W KING OF JOHNSTON CONSTRUCTION
LTD WILL ARRIVE PORT STANLEY ON MONDAY 29 JULY
FOR VISIT IN CONNECTION WITH THE AIRPORT CONTRACT WE WOULD BE

COL ETATPRIORITE FM FCO 221550Z TELNO 204 22 RPT M W
LTD 29

LHC335 XLH512 TX919307 GOV PAGE2/32

GRATEFUL FOR COPY OF RECORD OF ANY DISCUSSIONS BETWEEN GOVERNOR
AND THE CONTRACTOR IN CONNECTION WITH THE AIRPORT AND
PARTICULARLY INESPECT OF LOCATION OF ACCOMMODATION FOR STAFF
AND WORKPEOPLE UNQUOTE

CALLAGHAN

RESTRICTED

BRITISH EMBASSY

BUENOS AIRES

26 July 1974

4/21

293

S Relton Esq
Latin America Dept
FCO

PERMANENT AIRFIELD AT PORT STANLEY

1. I had a long talk earlier this week with Messrs Catman and King from Johnston's Constructions Ltd. en route to Stanley for a reconnaissance mission on the permanent airfield. One of the questions they posed was to what extent, if at all, would they be subject to the social legislation governing the construction industry in Argentina with regard to any workmen recruited on the mainland. They confirmed that they planned to employ their labour through a contractor. In that case, I suggested that their deal would be with the contractor; they would pay him, presumably, a lump sum and it would be for the latter to arrange to pay the work-force their salaries, the necessary bonuses, family allowances etc. dictated under Argentine law. (I said this on the assumption that this labour force in 'providing services in the Falkland Islands for activities related to communications' are covered by para 3 of the Joint Statement). I also added that any welfare or other practical legislation relating to the construction industry would not be applicable and I did not believe the Argentines would worry about this.

2. I should be grateful if you could advise me if I have in the foregoing misrepresented any of the legal aspects. I enclose a copy of my minute reporting on the call.

M G D Evans

enc.

cc: H E The Governor
FALKLAND ISLANDS

RESTRICTED

NOTE FOR FILE

PERMANENT AIRFIELD IN PORT STANLEY: DISCUSSION WITH REPRESENTATIVES OF JOHNSON'S CONSTRUCTION LTD

1. Messrs Catman and King (respectively ^{K be} head of the team in situ to build the airport and a company director in overall charge of the project) called on Monday 22 July.

LABOUR

2. The project is due to take 21 months from the date of the contract, signed in July 1974. Johnston's envisage sending out a large charter vessel in mid-November bearing the heavy equipment and materials. The team to build the airport will have some 15 key operatives from the UK (some with their families) and a further 30 or so specialised workmen. Together with a further 40-50 Argentines as a labour force, the total workforce at the peak of production is envisaged as 80-90, mixed Argentine-British. The aim is to mechanise the work to the extent possible.

3. As to housing, Johnston's expect to take over the ESRO houses for the overseeing personnel and their families and will probably bring out pre-fab housing for the labour camp, which will be sited near Stanley.

4. As to the employment of Argentine labour, Johnston's expect to employ a contractor and would like to employ labour from the south which could well include a number of non-Argentines, eg Chileans and Uruguayans. This force would be recruited around November and it is expected that they would be sent out to the Falklands around Christmas.

5. The following questions were posed to which I volunteered to find answers (consulting the MFA ^{where appropriate})

(i) would there be any objection to the recruitment of a mixed nationality labour force.

(ii) Given that the MFA would wish to screen the workforce as far as possible, what procedures would be followed in giving the white travel documents. Could this be done in the south, eg by the MFA arranging for screening by some official on the spot?

(iii) Would it be possible for travel cards to be issued to the workforce coming from the UK in advance of their arrival - on the assumption that they would travel on the Friday British Caledonian flight and that photos and all relevant details were given to Houlders in advance?

(iv) To what extent would Johnston's be subject to the legislation governing the Argentine construction industry, eg in treatment of the workmen on the Islands and in payment of bonuses etc.

RESTRICTED

6 MATERIALS

6. Johnston's will need about $\frac{1}{2}$ million gallons of gas oil (a deal worth about £200,000)- or say 30,000 gallons a month (136,000 litres) from November for about 12-15 months. They would like to know whether YPF could supply their needs on favourable terms and whether also they might be prepared to build them temporary storage tanks for the fuel. As to lubricants, they were keeping quiet about this and bringing them from the UK since they understood that YPF lubricants were of inferior quality. (I said that so long as the agreement had not yet entered into effect and at the time their ship was due it probably would not have done, there would be no objection).

7. Johnston's will also need cement- roughly 200 tons every three months. This they plan to purchase in Argentina. I said that the STN service should be inaugurated soon and could carry their cement so long as they could undertake to give the details of quantity etc well in advance.

Gwynne Evans

26 July 1974

MGD Evans

cc Mr Rolton LAD FCW
11-2 Mr Governor, Falkland Islands


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ACS

ENGINEERS FROM JOHNSTON CONSTRUCTION LTD:
MAIN AIRFIELD

1. As discussed, you should see the two engineers first and find out what they are after, and then I will be available to see them either this afternoon or early tomorrow morning.
2. While they are here, they should see the following:-

SPW
Supt Civil Aviation
Chief Police Officer
Collector of Customs
SMO
The Met Forecaster
3. In addition, they will, no doubt, be having talks with Mr Milne.
4. One of their main problems will be accommodation, and it will be interesting to see whether FIC has anything to offer.
5. In case the SPW is uncertain about his attitude to the engineers, the form is as follows:-

The Consulting Engineers, Rendel, Palmer & Tritton, will have a resident engineer to supervise the construction according to the terms of the contract. In addition, the contractors, Johnston Construction Ltd. will have their own Clerk of Works, etc. We are here to give them every possible assistance, but the final responsibility about how the work is carried out, etc is for the consultants and the contractors.
6. One of the major points will be whether the contractor is going to import labour from Argentina and another important factor is one of logistics, as LADE will be heavily booked from September onwards.


E G Lewis
29 July 1974

Y.E.,

Messrs. King and Cadman have just left me to go and see the CPO regarding insurance of their vehicles etc. before going on to see you at 3.30. They are afterwards going to see Mr Johnston of ESRO. The SPW is fielding them and will be working in close liaison with them for the rest of the week. I have told them that I will be available to give whatever assistance I can at any time and that all Heads of Government departments that would concern them will do the same. They intend to see Ag.SCA, SMO, Met Off., Mr Knight (C&W), Collector of Customs, and V/C Bloomer Reeve (I stressed the importance of ensuring that LADE could cope with any intended air bookings they would make.

I understand that they will ask you about the site for any quarters that they might build and which would afterwards be taken over by Government. The Consulting Engineers have indicated that they are prepared to allow the bungalows to be built wherever you may choose. The other items were the Commercial Agreement and the YPF Agreement. They can find out nothing from either Houlder Bros. (Who are most likely to be their agents) or the B.A. Embassy regarding the supply of bitumen and fuel.

At the moment they are finding their way around and expect to be back to see me again.

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PRESS RELEASE FROM GOVERNMENT HOUSE

CONSTRUCTION OF THE MAIN AIR FIELD

Mr King, a Director of Johnston Construction Ltd in overall charge of the main airfield project, and Mr Cadman, who will be in charge of the construction team on site, called on His Excellency The Governor this afternoon. All aspects of the phasing of the project were discussed, and whilst they are in Stanley, Messrs King and Cadman will be having talks with Heads of Government Departments concerned with the main airfield and with other interested parties such as the Falkland Islands Company, LADE, etc. During their stay in Stanley, Messrs King & Cadman are being assisted by Mr Bernard Turner, Superintendent of Public Works.

.....

GOVERNMENT HOUSE
STANLEY

29 July 1974

ZCZC ATS209 MOZ875X LHE170 XLH306 TX263563

FKLY BY GBLH 069

LONDONLH 69/67 1 1555 PAGE1/50

238

[Handwritten signature]
1 Aug 74

ETATPRIORITE IMMEDIATE

GOVERNOR

FALKLAND ISLANDS

FM FCO 011000Z UNCLASSIFIED TO IMMEDIATE PORT STANLEY TELNO
210 OF 1 AUGUST 1974 PERMANENT AIRFIELD 1 PLEASE AUTHORISE
ROWN AGENTS TO PAY L1,000,000
(POUNDS STERLING ONE MILLION) TO JOHNSTON
CONSTRUCTON AS MOBILISATION ADVANCE IN TERMS OF CLAUSE
60C1D OF THEIR CONTRACT PAYMENT IS DUE

COL ETATPRIORITE IMMEDIATE 011000Z 210 1 1974 1 L1,000,000
60C1D

LHE170 XLH306 TX263563 ETPTE IMMDT GOV PAGE2/17

ON MONDAY 5 AUGUST 2 COMPENSATING CREDIT TO YOUR SPECIAL AIRFIELD
ACCOUNT WILL BE ARRANGED HERE

CALLAGHAN

COL 5 2

Entered
NNNN

GOVERNMENT TELEGRAPH SERVICE
FALKLAND ISLANDS

GOVERNMENT TELEGRAPH SERVICE
FALKLAND ISLANDS

GOVERNMENT
FALKLAND ISLANDS

FALKLAND ISLANDS

239

FILE

Date

Date _____

A/c H/O 1 August
1974

ETAT PRIORITE (IMMEDIATE)
PRODRONE LONDON SW1

[illegible]

PRESS RELEASE FROM GOVERNMENT HOUSE

PERMANENT AIR FIELD

Today His Excellency The Governor authorised the Crown Agents to pay £1 million sterling to Johnston Construction Ltd as a mobilisation advance.

GOVERNMENT HOUSE

STANLEY

1 August 1974

GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

281

Number

Office of Origin

Words

Handed in at

Date

A/C H/O 3 August
1974

To

ETAT PRIORITE (PRIORITY)
PRODRONE LONDON SW1

031700Z

From Falklands

Telegram No. 285 of 3 August

Priority to FCO

and to BA

FCO Please Pass

AIRFIELD

Your Tel No 204.

1. Meetings with King and Cadman of Johnston Construction Ltd have been most useful and we have sorted out many problems. Record of a round-up meeting held at Government

House on Friday will be in Monday's bag for you and BA. King will take back a copy for Randall Palmer Tritton

2. Fuel and bitumen supplies plus labour will be the major items to be discussed in BA, where King and Cadman will be until Friday. Bloomer-Reeve has alerted YIF and De la Colina.

LEWIS