

AIR/13/4

FALKLAND ISLANDS

AIR/13/4

~~CONFIDENTIAL~~
SÉCRETARIAT

VOL 2

TRN/AVI/6#4

LOCAL AIRFIELD

ARCHIVE

(Des to return)

File Opened 26.3.75

Closed

DES ONLY

26
~~yes~~ / ~~6/11~~ 29 Aug 74
mail from p. 286 please.

§
28. 8. 74.

27

See 20. 9. 74.
(C.S. to see)

§
6/11 / 2 mm p 287-289 for information.
- 7. 9. 74

~~6/11~~ 6/9/74

28

~~6/11~~ ✓ 7/22
to see these papers pl.
Further telegrams to that at p. 289 are
filed in FUE/13/2 C

§
20. 9. 74

29

Registry
Kindly off w. FUE/13/2/C.

24
24. 9. 74.


30

CCMM

Could you care to advise re 290 pl.
24
10. 10. 74.

I think the time has come for us to consider subdividing these papers, As a start, will you extract from this file all those to do with the Airport Communications and put them on a file entitled "New Airfield. Communications including Radio"

2. Then open another file entitled "New Airport: Duty Free Shop" When you have done this let me have the files back together with any recommendations you may have for further subdivision. Mark the "Duty Free Shop" file for Action by myself.


Chief Secretary

32

C.S.

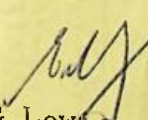
Action taken at 31.

Reg
29/10

33

C S

1. It is for the Consulting Engineers and the Contractors to decide how the work on the airfield is to be done: whether they employ labour from the Argentine or the proportion of Argentine labour to UK labour, is none of our concern.
2. What I did do when I met the Contractors and the Consultants was to make it very clear that we did not want a draining off of our labour from the farms during the vital 3-4 months of the season.
3. The consultants, Rendell, Palmer & Tritton, are responsible to the Crown Agents and to this Government as the Principal to keep us informed of what is happening and what is ^{the} proposed plan of work.
4. Therefore, I think you should see Mr Maidman as soon as possible and ask him to let us have this information.
5. On the face of it, it appears to me that Johnstons are reluctant to spend very much money on providing hostel accommodation for labour, for which allowance was made in the contract.
6. My only interest is to see that the work is completed on schedule and we cannot afford any slip up in this respect.


E G Lewis
5 November 1974

24

ES - Satisfied your mind on Dpl.
5/11

29

H.E.

Y.E.

Further to my minute of last week you will wish to know that I have discussed the matter ~~further~~ with Corlett, Maidman and Major Cooke.

2. Corlett told me that he would be happy if Simon Cooke and some of his marines would walk the area together with Johnston's men to locate what explosive devices might be out there. He said he was reasonably happy with Major Cooke's previous assurance that there was nothing dangerous there; the problem was to convince his men. He thought that once the marines had covered the area this would be satisfactory.

3. I proposed that this walk should take place on Monday. 16th, and rang Cooke while Corlett was in my office to this effect. When I put the phone down Corlett told me that in fact Monday would not be convenient, but he would get in touch with Cooke as soon as possible to arrange an early date. I suggested Tuesday.

4. When I saw Cooke over the weekend he told me that Corlett had not yet got in touch with him, but he was ready at the earliest opportunity to have a look at the area with Corlett's men.

5. I tried to pin Maidman down on whether a Clearance Certificate was necessary. He would not give me a definitive statement either way, but said he would discuss the matter on Monday 16th with Corlett and see if such a certificate is necessary.

6. If a certificate is necessary it may not be possible for Cooke to give it, in which case I suggest that we use the Explosives Team shortly coming out to look at South Georgia. If they require a metal detector this could be got from MOD via an "O3" order from Moody Brook to MOD today. It would then probably come out on next Monday's flight.

7. To guard against the contingency that either or both Corlett and Maidman are hedging it might be prudent to get the metal detector asap.

30

CS

16.12.74

C.S.

In view of the fact that Corlett raised this matter with David Hall it makes it appear likely that Johnston Construction Company will use every loophole in order to enforce a claim. Therefore it would be prudent to ask Major Cook to obtain a metal detector or mine sweeping device from MOD as a matter of urgency.

✓ Done
5/18/12
21

16th December, 1974

E G Lewis

YE

Draft Econ paper at untel. Per inf. of members.

[Signature]
6/1/74

6/1/75 / Means may miss

[Signature]
6/1/75

DCS

11.20.01

A common title for this file?

18.10

34

C.S.

Seen, try.

The title is rather odd. Change it to Employment. Labour Problems or some such title I suggest.

21.10

YES/ AM 30/10/74/ 35

1. fi. I will K.I.V.

29.10

36

R.

ftz 3/11 11/11
22
2.11.74.

37

DCS
125

1 Will you pl. let me know if you hear of any drawing off of labour in Camp or Stanley?

4.

3/11

OCF

P. see recent pp + return.

Sub 1/1/75

39

CS. Seen, try

24th 17.1.75

40

CS.

Ref 48 pt. give RPT the written assurance that Contractors may be used on the new decision.

What is position pt. about telephone between and old & Stanley? Consult P.M.

21/1

41

CS

P. take action on 40 + return file on 23/1/75

22/1

42

YE

File returned accdly. I haven't sorted out the telephone query yet but perhaps we can speak?

23/1

43

TE

Will work to cut ^{want} papers from

29/1

C.S.

Mr Ashfield called with the drawings of the aerodrome and said that there was provision in the plans for a commemorative plaque and that it was time that we were giving some thought to the type of commemorative item we wanted eg statue, plaque, stone, and the wording. I said the wording I would like to see was that "This airport was opened by Her Majesty the Queen...." !

The Town Hall, Hospital and New Power Station have commemorative plaques and we should have one for the aerodrome. A bronze plaque in the Reception Hall. This is something we can give thought to.

2th
4/2

45.

YB.

PS. has papers to file.

S¹²
12/4

44

Agricultural Officer

Government Grazing

As requested I wrote to Mr Corlett about the straying of horses onto the winter grazing for the cattle and he tells me that he is now in process of putting a cattle grid under the opening in the fence which will have the desired effect.

YHU
CS
7/13.

47

76
(93) sp.

500
12/13
48
1

48

L.S.

Thank you. Please keep me
in the picture. Surely the contractors have
only to increase £10 salaries, paying the same
sterling equivalent? *W. Jones*

49

DS.

With you pl. KIV. Will you pl. also
reply to (99).

Done *W. Jones*
12/3/75

W. Jones
5.33

50

(CLOSED)
See vol 3

272 FILE ①

FALKLAND ISLANDS AIRPORT AT CAPE PENBROKE, PORT STANLEY

NOTES of a Meeting held at Government House on Friday, 2 August 1974 between His Excellency The Governor, the Acting Chief Secretary, the Superintendent of Public Works and Mr Martin King and Mr Kenneth Cadman of Johnston Construction Ltd

.....

His Excellency opened the meeting

1. ACCOMMODATION

- (a) The Construction Company has put bids in for the following properties owned by the European Space Research Organisation:

5 Barran type bungalows situated in Stanley west;

1 hostel situated in Allardice Street;

No 3 Brandon Road and

No 9 Brandon Road.

- (b) A telegram has been sent by the company to Mr W Sloman of BAS expressing interest in the following BAS properties:

No 56 Davis Street;

No 12 Pioneer Row and

No 11 Ross Road West.

- (c) A telegram has also been sent from the visiting company representatives to their Head Office asking them to get in touch with Alginite Industries Ltd with regard to taking over the hostel formerly owned by the BAS.

On his return to Britain, Mr King intends to contact Mr Mitchell of the Falkland Islands Company and discuss with him the possibility of renting Stanley House. If the negotiations are successful, Stanley House would become bachelor quarters for some 10-12 unmarried personnel, with space for a Recreation Room: the garden would help supply the building team with fresh vegetables.

- (d) With regard to the total demand for housing, Mr King said that it was expected that there would be some 15 supervisory staff, of whom it could be expected 12 would be married and accompanied by their families, and that, in addition, there would be up to 20 key personnel (eg fitters, operators, etc) from Britain. Accommodation would thus be required for about 12 families and 23 single people.

- (e) It was not intended to build accommodation for the construction staff if this could be avoided, and it was assessed that sufficient housing has been obtained.

/(r)

- (f) His Excellency informed the meeting that with Cable & Wireless Ltd increasing the number of their staff here, and with the YPF construction team of some 60 people expected in November to begin work on the YPF tank farm, accommodation in Stanley would be very tight. However, if after Government had made an appraisal of its own housing requirements it appeared there would be vacant Government quarters, those would be offered to Johnston Construction Ltd.
- (g) It seemed likely that the construction company would also have several options on properties around the town being offered for sale by private individuals.
- (h) The five houses to be built for the engineers would be Coseley buildings, ie aluminium cladding on fibreboard, and would consist of:-
- 2 x 3-bedroomed houses;
 - 2 x 2-bedroomed houses; and
 - 1 x 1-bedroomed house.

The hostel accommodation would be built in two types, namely:-

- 2 x 24-man sleeping units with a mess and lounge;
- 16 x 1-man sleeping unit with separate small and mess.

The five houses and the hostel accommodation would be built on Davis Street East, on the eastern outskirts of Stanley. His Excellency said that it was Government policy that no further residential accommodation should be built in the western part of Stanley.

2. OFFICES

Good prefabricated office accommodation would be built at the job site and only a small office with telephone would be required in Stanley. Suitable space might be found in the Nat. building. Telephone wiring would be brought in by the company in September.

3. SHIPPING

When the YPF and Commercial Agreements with Argentina were signed additional regular shipping services could begin. It was expected that the Argentine ARA vessels would provide a three-monthly service which would dovetail in with the SIC charter vessel service, thus giving the Colony a 1½ monthly service. His Excellency also pointed out that the SAS vessels would be coming south in October/November 1975 and might be able to bring certain items of equipment; and certainly when the project was completed the northbound sailing of RRS Bransfield about April 1976 would give a good opportunity for getting equipment out of the Colony..

4. COMMUNICATIONS AT THE AIRPORT

It was pointed out to Messrs King and Cadman that Cable & Wireless Ltd now had an agreement with the Falkland Islands Government to operate the Colony's external services. The local administration now had the back-up of a large firm with world wide interests which was interested in providing and maintaining the equipment required for the telecommunications service at the airfield. The point was made that the permanent airfield would be British-owned, whereas the temporary airfield at Hooker's Point had been put in by Argentina and was controlled by the Argentines.

5. LABOUR

- (a) Note was taken of the Instruction to Tenderers that no Uruguayan or Chilean labour was to be employed on constructing the airfield: this clause had been inserted so as not unnecessarily to antagonise the Argentines who were after all logistically the most obvious people to employ. If, however, Johnston Construction Ltd engaged an Argentine contractor and he in turn employed Chilean labourers, the local authorities would raise no objection. It was thought highly improbable that any Uruguayan labour would be available under such an arrangement. In brief, first option to the Argentines.
- (b) Vice-Comodoro Bloomer-Reeve had suggested to His Excellency earlier in the day that there might be advantage in Messrs. King and Cadman calling on Vice-Comodoro de la Colina when they passed through Buenos Aires next week and asking him to put them in touch with contractors who had previously employed labourers on similar projects. It was felt that there was some merit in this suggestion as a recommended contractor would be certain to exercise strict surveillance over his men.

6. L.A.D.R.

The advisability of making flight bookings with LADR as early as possible was noted, particularly as the early summer brought heavy demands on the airline by reason of residents returning from overseas leave and the flow of tourists. It was thought that LADR would expect payment for any passages taken up by Johnston Construction Ltd to be made in sterling: no difficulty was foreseen in this.

7. FUEL

It was expected that the YPF Agreement would be signed shortly. The airfield construction company would probably be excluded from the Agreement which meant that the company could buy from YPF if it wished or could make its own arrangements regarding the supply of fuel. No objection was seen in any approach by the company to Shell of Argentina, if the company thought fit. The Governor said he saw no harm in Johnston Construction team shopping around for its fuel needs, and it was up to YPF to make the best competitive bid which after all they were well placed to do.

8. BITUMEN

Mr King said that it was proposed to obtain the requirements of bitumen from YPF.

9. TAXATION, EXPLOSIVES, SAND, ROAD TAX, DOCKING FACILITIES, MEDICAL FACILITIES AND EDUCATION

Various local authorities and Heads of Departments had been seen by Messrs King and Cadman, and no difficulties were expected as far as any of the above matters were concerned. Explosives would be kept under a lock and key in a magazine.

10. SOCIAL RELATIONS

Both Major Cook and Major Goss had been visited and no problems in relations between the company's labour force and the Royal Marines or with local labour were expected. The GEM stressed that local labour available for work on the airfield was minimal and that it had no objection to Argentine labour forming part of the visiting construction gang. It was asked that no coloured labour be brought in. (Keep the Falklands white!)

11. LIGHT AND WATER

Light would be provided at the site by generators to be brought in; and water would be supplied by bowsers taking water from Stanley.

12. ROAD TO AIRPORT

Mr King gave an assurance that the road from Stanley to the airfield would be as good as those at present in Stanley itself.

13. WILDLIFE

His Excellency said that he had a plea, namely that as the whole of the Peninsula area was restricted by law as far as shooting was concerned, that the company should draw the attention of its personnel to this fact and warn them that no shot-guns were to be fired there. He also asked that care should be taken not unnecessarily to disturb the wildlife in the area. Messrs King and Cadman took the point.

The following points were also raised during the meeting:-

- a. Mr King thought that school-leavers might like to take advantage of opportunity to learn skills from the visiting personnel while they were here.
- b. Sporting equipment. It was suggested that the tennis court at Stanley House might be re-surfaced as a goodwill gesture by the company; and that it might consider bringing in a few inflatable with outboard motors for the leisure use of its staff; golf, squash, badminton, riding, trout and sea fishing and bird watching were other recreations available.

/c.

- c. Use by the company of some of the ditching equipment already in the Colony to make ditches on the site about September was being considered.
- d. A PR exercise to encourage local people to grow vegetables or cut peat for the personnel of the company (for which they would be paid) was considered: and Mr Mitchell was to be asked to do all he could to ensure that the requirements of the company for groceries, etc was met, otherwise if, after a 3-month trial period local traders could not cope, the company would arrange for the importation of its own feedstuffs, etc. Supplies were available from Argentina and some people already had weekly orders with the supermarkets in Comodoro Rivadavia.
- e. It was asked that all animals should be removed from the Peninsula and the construction operation constituted a danger to them.

Mr King expressed his thanks and appreciation for all the help and assistance he and Mr Gorman had been given and said he was satisfied with the visit.

In reply, His Excellency The Governor said he saw no great difficulties ahead and there would be a fund of goodwill towards the company which was building the airport for which they had waited so long. However, it was up to the company and it would be judged by results.

GOVERNMENT HOUSE

PORT STANLEY

2 August 1974

PARLIAMENTARY QUESTION

31 July: P 15

Cape Pembroke Airfield

In the Commons today Sir Bernard Braine asked the Minister of Overseas Development what steps would be taken to ensure that Falkland Islanders are given the necessary training to equip them to take a responsible role in controlling and operating the new Cape Pembroke Airfield.

Mrs Judith Hart:

The Governor is aware that a small increase in staff may be necessary to enable the Falkland Islands Government to exercise overall control of the permanent airfield when it is built. I will consider sympathetically any request that the Falkland Islands Governor may put to me for specialised professional and technical training to be provided to enable local officers to take a responsible role. The day-to-day operation of the airfield will have to be considered at a later stage in connection with the airline, or airlines, using the airfield.

.....

E.11 26 May 74

286
(5)

PROJECT MEMORANDUM

File No: HWF 21/1

Falkland Islands
Project No: 4A

(To be read in conjunction with Project Memorandum No 4 of 21 May 1973)

ADMINISTERING AUTHORITY:

1. Name of Project Falkland Islands Permanent Airfield.
2. Location of the project and reasons for its choice consultants.
Pembroke Peninsula. As recommended by
3. Is the project included in the approved Development Plan and, if so, where? No. This is a special project.
4. a. Will the project be put out to tender? (A) Yes. It has been.
b. Name of Agency responsible for construction and operation (B) i) Johnston Construction Ltd
ii) The completed project will be under the overall control of the FIG.
5. Professional advice on which the project is based (a) Messrs Rendel, Palmer & Tritton.
(b) Engineering Adviser ODM.
6. What are the benefits to be derived from the project?
a. Economic The construction of the airfield is a
b. Social political requirement by HMG.
7. a. Total cost of the project (broken down into main items of expenditure)

Item	Description	Cost
(a)	Tender figure (including £150,000 Contingencies)	£3,236,011
(b)	Additional works (Consultants estimate)	150,000
(c)	Clients' risk for weather and delays in delivery of plant and materials (Consultants estimate)	100,000
(d)	Consultant's fees for supervision	150,000
(e)	Consultants fees to date (13 May 1974)	62,000
(f)	Crown Agents fees to date (13 May 1974)	6,000 (say)
(g)	Performance bond	5,000
(h)	Allow for inflation in labour and material costs to completion of work (Consultants estimate).	450,000
b. <u>In what UK financial years is British aid required and how much each year.</u>		<u>Total cost</u> £4,159,011
7. *	1973/74	52,950 *
	1974/75	1,861,272
	1975/76	1,506,166
	1976/77	564,672
	1977/78	173,951
		<u>4,159,011</u>

* Credited to Falkland Islands Government account for part payment of initial consultants' and Crown Agents' fees prior to 13 May 1974.

8. When is the work expected to begin?

Mobilisation work is in hand.

9. The project is supported by the appropriate Advisers at ODM and the Secretary of State for Foreign and Commonwealth Affairs. It has been approved by the Minister ~~for~~ Overseas Development.

10. A grant of £2,420,011 (total cost less £1,739,000 already approved by Project Memorandum No 4 of 21 May 1973) is hereby approved.

D. H. Han.

West Indian and Atlantic Department
Foreign and Commonwealth Office
London SW1

9 August 1974

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JOHNSTON CONSTRUCTION LTD

Civil Engineering and Building Contractors

Registered Office:

Johnston House, Hatchlands Road, Redhill, Surrey RH1 1BG

Telephone: Reigate 42466 (20 Lines)

Cables: Johnston, Redhill (Telex)

Telex: London 27641

23rd August 1974

His Excellency,
Mr. E.G. Lewis, C.M.G., O.B.E.,
Governor & Commander-in-Chief of the Falkland Islands,
Government House,
Falkland Islands.

Sir,

May I express my thanks for the hospitality extended to Mr. K. Cadman and myself by you and your wife during our recent visit.

I am pleased to say that our mobilisation seems to be proceeding well and we still expect to be steaming into harbour towards the end of November.

There are one or two matters in which your help would be appreciated.

Firstly, we may be short of accommodation for our staff. At the moment we have secured only the E.S.R.O. property, i.e. seven houses, one hostel, together with Stanley House and the Alginate Hostel. We have been informed by B.A.S.S. - Mr. Sloman, that we must bid by tender for his two houses so of course we cannot guarantee success. Our need is for three more houses to give us a total of ten houses for married staff. If you can help in any way, we would be most grateful.

The second point concerns fuel. The Embassy in Buenos Aires confirmed that we were free agents to obtain fuel from any source. However in Buenos Aires only Y.P.F. have the supplies of fuel and there is no doubt that the other fuel companies, such as Shell, cannot help us. Y.P.F. are only interested in selling fuel to us in barrels ex-factory and leaving the problem of shipping etc. to our agents, Houlder Bros.

Continued...

His Excellency, Mr. E.G.Lewis, C.M.B., O.B.E.

23rd August, 1974.

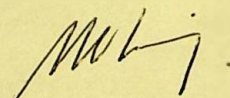
I have done some research into costs of fuel ex Buenos Aires compared with costs of fuel in Stanley and have found that if we were able to draw fuel with our mobile bowser from existing tankage in Stanley, we could offer a saving on the contract cost to the client of something between £50,000 to £100,000 based on current prices. There would also be two further benefits in that we would not flood the island with 10,000 non-returnable drums and we would also minimise the risk of delay due to possible late delivery of Y.P.F. fuel.

I have discussed this matter with the Consulting Engineers and the Crown Agents who agree that there would be real benefit for all concerned. The Crown Agents, having spoken to Mr. D. Hall, advised me to contact the Falkland Islands Trading Co.

I have asked Mr. Mitchell of the Falkland Islands Trading Co. to investigate the matter with the Admiralty as I believe that the question of replacing stocks is of some importance. Our requirements are approximately 2,000 tons of fuel over a period of fifteen months. It seems feasible that subject to all the proper authority permits etc., we could draw either from your power station tanks or from the Falkland Islands Trading Co. tanks.

Your assistance and advice in this matter would be very much appreciated. I feel sure a solution along these lines would result in practical and economic benefits for all concerned.

I have the honour to be,
Sir,
Your Excellency's obedient servant,


M.W.King.

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7

6 September 1974

AIR/13/4 C

M W King Esq
Johnston Construction Ltd
Johnston House
Hatchlands Road
Redhill
Surrey RH1 1BG

Dear Mr King

Thank you for your letter of 23 August, and I am pleased to hear that your mobilisation is proceeding according to plan.

At the moment I am afraid that we are being flooded out with staff, and it is most unlikely that Government will be able to make available any housing. However, we will keep the position under review and let you know later on what the possibilities are.

In regard to fuel, it certainly makes no sense to ship your gas oil out in drums from Buenos Aires, and I am enquiring from the Ministry of Defence whether we can expect another tanker within the next few months. Even if an RFA tanker comes in, there is of course no guarantee that we will be able to draw on admiralty stocks to the extent necessary to supply you and other users: some of the fishing trawlers that are working in our waters are also putting in bids for fuel. In any case I will keep you informed, and no doubt David Hall in the FCO will let you know the up-to-date position.

Yours ever

E G Lewis

FILE:

AIR/13/4 C
FUE/13/2 C

8

289

CONFIDENTIAL

061400Z

From Falklands

Tel No 324 of 6 September

Routine to FCO

Info BA

GAS OIL STOCKS

1. I would be grateful if you would ascertain from MOD when we may expect an RFA tanker to replenish the tanks on the camber.

2. At present our stocks are as follows:-

Admiralty tanks and Naval barge:	2,500 tons
BAS:	883 tons
Falkland Islands Company:	50 tons
Government tanks:	550 tons

3. The BAS stocks will be used to replenish the research vessels during the season, and the Endurance will be drawing on the Admiralty stocks. Also, with the trawlers moving down into our waters, we can always expect requests for bunkers as has already happened with the Taiyo Maru.

4. A further complicating factor is that Johnston Construction Ltd will require 2,000 tons of fuel over the period of 15 months they are constructing the main airfield. YPF apparently are only prepared at this stage to supply in drums, and this would make the cost prohibitive, apart from the fact that I do not want the Colony to be flooded with 10,000 non-returnable drums.

5. If, as I expect, MOD do intend to send a tanker down before the end of the year, it would be useful to know the tonnage it proposes to put into the tanks on the camber and also whether we can draw sufficient supplies to cover Johnstons and likely demands from trawlers.

NOTE on discussion - Monk, Corlett and Cadman

5. 11. 74

1. Johnston's charter vessel due FIC jetty 1st/5th Dec. They have made arrangements with FIC
2. Johnstons have nine houses. They need one more. They have considered 1 Kent Rd. but think it would be too expensive to convert.
3. STAFF: Five engineers in F.I. now. One arriving tomorrow. Six more due shortly.

Labour Force: Total labour force is expected to be not more than 80 labourers. Johnstons have been negotiating with contacts in Argentina for some labour. They hedge about actual numbers but say they have submitted a list of 25 names to the Argentine Government which has told them will take 60 days to clear and screen them before white cards can be issued. Pressed on this matter Cadman volunteered that they had in mind bringing in shortly about 10 labourers from Argentina, i.e, 10 out of the 25 they think would prove satisfactory. Pressed further Cadman and Corlett said that they could not yet state what their total labour force would be or the proportions from Argentine and UK. It was evident however that they have insufficient prefabricated accommodation for the numbers of Argentine labour that they envisaged they would employ. It is also evident that they hope to employ local labour as much as possible who, of course, will be living in their own houses. I mentioned that I understood the contract with them specified that they should employ in the region of 40/50 Argentines. They thought the situation was that they should make efforts to employ such labour but that they were not necessarily bound by it.

This is perhaps putting it a bit strongly. I think Johnstons will employ Argentine labour if it is readily available and they can find reasonably cheap accommodation here for them. I think it is also true to say however, that they have not sufficient accommodation on their charter vessel for this size of labour force.

Gredence is ~~then~~ lent to this general view by a statement that Corlett made that he would welcome an agreement ~~with~~ with local farm managers towards obtaining local labour up to a maximum of 30.

4. Materials Apart from the charter vessel due in early December the Bahia Buen Sucesso will be bringing in cement and bitumen. Further supplies of cement and bitumen will follow on other Argentine vessels and/or possibly the next FIC charter. They are having problems over the bagging of cement as according to Corlett the Argentines bag theirs in single thickness paper.

S. P. R.

We discussed p.r. at some length & they were left in no doubt that we value this airfield (one engineer was reported that he could not see the need in so small a community for a team project). I commended to Corlett the p.r. undertaken by C & W. Corlett seemed more anxious to get off on the right foot in his connection

3rd
5. 11.



Foreign and Commonwealth Office
London SW1A 2AL

Telephone 01-

Your reference

F L Hardaker Esq
Crown Agents for Overseas
Governments and Administrations
35-41 Lower Marsh
London SE1

Our reference HWT 21/1

Date 29 October 1974

FAIRLAND ISLANDS
PERMANENT AIRFIELD

1. Further to your letters of 24 July and 17 October about your fees and role in connection with this project, I am sorry that pressure of work and the necessity to consult our advisers have prevented me from replying before this.

2. We are content that Crown Agents should be paid the amounts relating to work already done as set out in paragraph 6 of your letter of 24 July. We cannot, however, agree your proposal about fees for the contract phase of the project.

3. As you know, the fees for Crown Agents' duties during this phase are as set out in paragraph 3 of your letter of 24 November 1972. For easy reference these are:-

£150 plus 0.4% on the first £250,000
0.2% on the next £250,000
0.1% on the remaining cost exceeding £500,000

We agreed a proviso that should Crown Agents be requested to undertake additional duties, including site visits, these would be charged on a time and expenses basis.

4. Our feeling is that as we have already accepted this basis of fee charging it should stand; any additional work necessary being charged for if and when required, in accordance with the original proviso. An engineer visit does not seem mandatory, and will only be necessary if a situation arises which cannot otherwise be disposed of. Similarly, an engineer's time on supervisory and advisory work will be needed only "if and when required" and should be charged for on this basis and not as a fee.

5. The scope of Crown Agents' duties has not yet been defined clearly, but as Messrs Kendel, Palmer and Tritton are already being paid to exercise a close supervisory role, it seems superfluous for Crown Agents to do the same. We do not envisage Crown Agents supervising the work on a day to day basis, but otherwise their

/role



- 2 -

role should be as set out in paragraph 9 of your letter under reference. Crown Agents, as general agents for the Falkland Islands Government, would, in any event, undertake the financial responsibilities listed in my letter HwF 21/1 of 24 September to Rowlands with copy to Dyke. It seems to us that Crown Agents' other duties in their supervisory role, ie. overall technical and administrative advice and control, progress reporting and representation of the Governor at technical discussions, are covered adequately by the scale of fees already agreed. | x

6. I should be grateful for your concurrence with the foregoing. I am copying this letter to the Governor and to John Taylor and Magnus Todd in ODM.

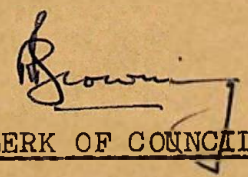
D G F Hall
West Indian & Atlantic Department

copies: HE The Governor, Falkland Islands/
Mr J Taylor, CMG)
Mr M W Todd, MBE) ODM

AIR/13/4

vi. Construction of permanent airfield -

Certain problems with regard to labour have been encountered. It was expected that when the project was in full operation that there would be some 80 workers employed. Tentative arrangements for the employment of labour had been made in Argentina but, despite the advice of His Excellency and the General Secretary of the General Employees Union that no reliance could be placed on the availability of local labour, it appeared that Johnston's Construction Limited were hoping to engage local people to work on the airfield. Messrs Corlett and Cadman of the construction company had been asked to keep the Chief Secretary fully apprised of the situation, particularly as it appeared that they were experiencing difficulties over the issue in Buenos Aires of Temporary Travel Cards for the labour force. Honourable Members advised that every effort should be made to ensure that in-roads were not made into the local labour force in Stanley and on the farms.


CLERK OF COUNCIL

AIRCRAFT CAPABLE OF OPERATING IN THE NEW RUNWAY

New Airport file 510.

12

TWIN OTTER DHC-6- CANADA STOL NAVIGATION SPEED 132 Kts. NOT PRESURRIZED VOLUME: 10,87 m³ PAX 18/20
(page 23) COMODORO TO STANLEY FLIGHT TIME: 04:00 hs.
GALLEGOS " " " " : 03:12 "
OWNERS: AIR FORCE/YPF/NAVY/AEROCCHACO
NOTES: Only on emergency, with limited pay load, on VMC.

YS-11 JAPAN NAVIGATION SPEED 225 Kts. Volume 71,67 m³ Landing distance 660m Take Off run 1110m
(page 159) PAX: 64/40 PAY LOAD 14.559 lbs.
COMODORO TO STANLEY FLIGHT TIME: 02:20 hs.
GALLEGOS " " " " : 01:53 hs.
OWNER "AUSTRAL"
NOTES: Because of the range ,only advisable to flight from Gallegos or with a technical landing at
PUERTO DESEADO. TAKE OFF from Stanley should be with no more than 40 Pax. Never with temperature
over 15°C.

E-27 FOKKER TROOPSHIP HOLLAND Navigation Speed 232 kts. VOLUME 60.5 m³ TAKE OFF RUN 1250 m. Lnding distance 600m
(page 165) PAY LOAD 11.840/13.652 lbs. PAX 40/34.
COMODORO TO STANLEY FLIGHT TIME: 02:12 hs.
GALLEGOS " " " " : 01:49 hs.
OWNER AIR FORCE, future operator AEROCCHACO.
BREAK EVEN POINT 55% aprox.

F-28 HOLLAND NAVIGATION SPEED 458 Kts(Mach 074) Volume 83m³ Pay Load 18.100 lbs. Take off
(page 168) run 1676 m(maximun take off weight) Landing 800 m. Pax 60/68
COMODORO TO STANLEY FLIGHT TIME : 01:08 hs. 0
GALLEGOS " " " " : 00:55 hs
OWNER AIR FORCE - AEROLINEAS ARGENTINAS HAS ORDERED 3- *Expected early 1976*
NOTES: ONLY ADVISABLE TAKE OFF WITH 50% PAY LOAD. BREAK EVEN POINT 43%.

AVRO 748 U.K. NAVIGATION SPEED 225 Kts. Volume 54.82 m³ PAY LOAD 11.512 lbs. Take off run 838 m
(page 214) Landing 605 m. PAX. 48/30
COMODORO TO STANLEY FLIGHT TIME: 02:27 hs.
GALLEGOS " " " " : 01:58 hs.
OWNERS :AEROLINEAS ARGENTINAS -YPF
NOTES: Break even point around 110%. Temperature for take off under 15°C.

SHORT SKYVAN

(page 233)

CANADA PERFORMANCE SAME AS DHC-6, TWIN OTTER.
STOL PAX 20
COMODORO TO STANLEY FLIGHT TIME : 04:00 hs.
GALLEGOS " " " " : 03:15 hs.
OWNERS COAST GUARDS.

Volume; 22.05 m³

PAY LOAD 4.600 lbs.

LOCKHEED ELECTRA

L-188

(page 371)

U.S.A. FAX 70
OWNER NAVY.
NOT ENOUGH INFORMATION
SPEEDS WILL BE AROUND THE ONES OF THE F-27

C-130 HERCULES

(Page 382)

U.S.A. NAVIGATION SPEED 320 Kts. Volume 121,7 m³ -Maximum pay load 48.500 lbs.
STOL Lading : 1450 m normal, stol 800 m. Take off run 800 m.
Pax 98/114
COMODORO TO STANLEY FLIGHT TIME : 01:16 hs.
GALLEGOS " " " : 01:38 hs.
OWNER AIR FORCE
NOTES: Take off limited to about 16 ton pay load.

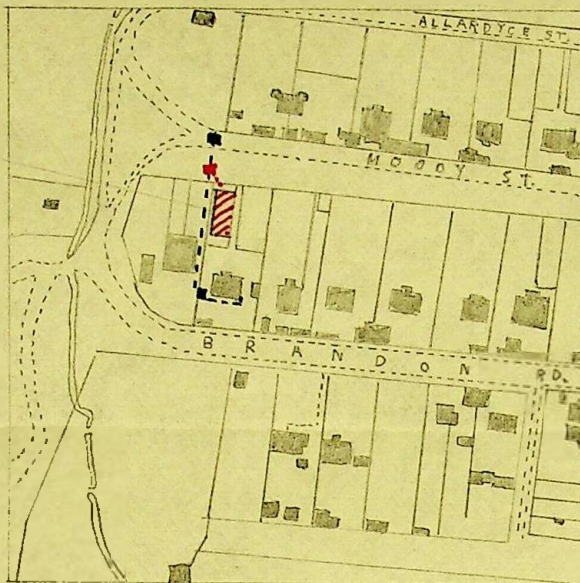
YAK 40 YAKOLEV

(page 523)

USSR NAVIGATION SPEED 324 kts. Take off run 360 m. Landing 360 m. Volume around 32 m³
PAX 27/33
COMODORO TO STANLEY FLIGHT TIME : 01:12 hs.
GALLEGOS " " " : 01:30 hs.
FUTURE OWNER AEROCHACO. STIMATED TIME OF DELIVERE APRIL /MAY 1975.
NOTES: No information has been given of the break even point. Air Force flew it for 20 hs and found it a very unsophisticated jet A/C. Break Even should be around 40% to 48% of pay load on short legs, on longer hauls it should go up to 75%. It must operate over 34 Pax.
Can be considered feasible to be chartered on NO REGULAR.

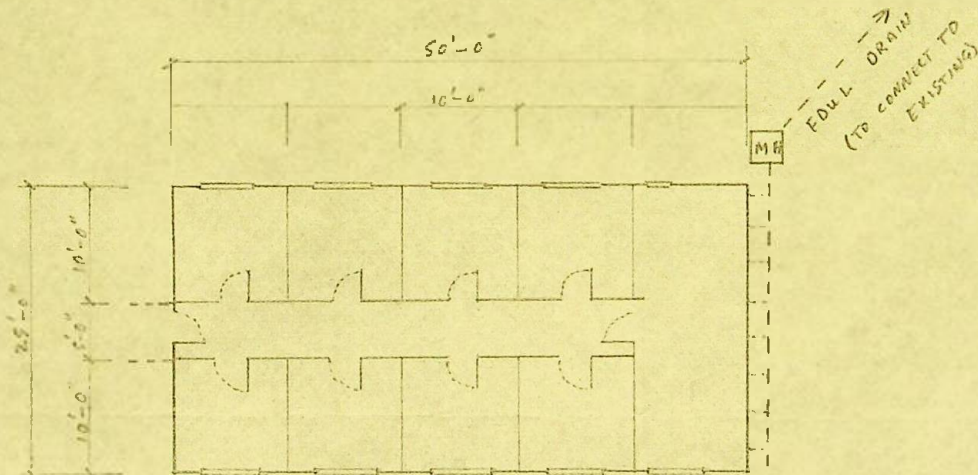
POSITION OF PROPOSED HOUSE

--■-- EXISTING FOUL DRAINAGE
 ...■ DRAINAGE FOR NEW HOUSE



SCALE 1:2500

POSITION OF NEW HOUSE



PLAN OF NEW HOUSE



JOHNSTON CONSTRUCTION LTD

Civil Engineering and Building Contractors

Registered Office:

Johnston House, Hatchlands Road, Redhill, Surrey RH1 1BG

Telephone: Reigate 42466 (20 Lines)

Cables: Johnston, Redhill (Telex)

Telex: London 27641

From: P.O. Box 136,
Stanley,
Falkland Islands.

14th November, 1974.

The Chief Secretary,
The Secretariat,
Falkland Islands Government Offices,
Stanley.



Dear Sir,

Re: Falkland Islands Airport

We refer to our meetings at which we received your approval to the erection of accommodation units at the previous E.S.R.O. Hostel, situated between ~~Allenby~~ and Brandon Road, and in the grounds of Stanley House.

MOODY STREET

We enclose a sketch of the unit in the Hostel grounds, showing main drainage connection. At present we are uncertain of our need to erect a building at Stanley House, but will advise you further in due course. We have, however, obtained approval from The Falkland Islands Company for the erection of a unit on the tennis court. This building would be removed at the end of our contract.

The buildings to be erected are manufactured by Coseley Buildings Ltd., of Wolverhampton and comply with the United Kingdom Building Regulations in respect of fire resistance, sanitary facilities, etc., and provide a high standard of accommodation.

Yours faithfully,

J. W. CORLETT, B.Sc., C.Eng., M.I.C.E.
Project Manager

file 14

AIR/13/4

November 18th, 1974


Chief Secretary

Superintendent of Public
Works.

cc: Registrar.

NEW AIRPORT

Will you please discuss with me the alignment of the access road to the New Airport with a view to ascertaining if the land crossed is Crown Land and how possession is obtained if a deviation may be necessary involving the crossing of the post Plots.


(A.J.P. Monk)
CHIEF SECRETARY

Q 367/43

8 November 1974

D G F Hall, Esq.,
 West Indian & Atlantic Dept
 Foreign & Commonwealth Office
 King Charles Street
 LONDON E W 1

Dear

FAIRLAND ISLANDS PERMANENT AIRFIELD

Thank you for your letter HMF 21/1 of 29 October 1974 concerning our fees.

2 I take it that your para 2 gives your formal agreement to the payment of our fees to 31 July '74, and amounting to £5,038; we shall now claim the reimbursement of this amount.

3 On the basis of your paras 2 and 3, my calculation of the total fee up to completion of the work as now agreed is:-

(a)	For initial payment	£150
(b)	0.4% on first £250,000	1,000
(c)	0.2% on next £250,000	500
(d)	0.1% on balance i.e. £2.7 million (assuming a contract price of £3.2 million)	2,700
(e)	Add for desk study	800
(f)	Add for additional duties already undertaken	1,642

£6,792

Thus there was a balance of £1,754 available from 1 August '74 with which to see the job through. This represents an average cost of £85 per month (less if the contract is not completed on time), which allows less than one man day per month. Clearly this must restrict our work to purely routine matters with no original thinking, trouble shooting, discussion of problems and the like.

4 We will adhere to our original basis of charges for our fees if you so wish, but I must reiterate what I said in para 8 of my letter of 24 July - namely that without an increase in fees we cannot fulfil the general supervisory role required of us by the O D M Project Committee's specific recommendation when they approved the finance for the project.

D G F Hall, Esq., West Indian & Atlantic Dept.
F & C O

8 November 1974

5 If you require us to fill the general supervisory role, (but excluding a site visit) as well as the normal routine work our fee, based on the time input required, will be £5,580. This represents an increase over the fees already agreed of £3,826. We would propose payment of this fee quarterly on a pro rata basis.

6 I hope you will now be able to authorise an additional expenditure of up to £3,846 on a direct cost basis so that we can undertake the additional role envisaged by the Projects Committee.

7 A copy of this letter goes to the recipients of yours.

Yours sincerely,

(K L HARDAKER)

GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

P664 Wt. P2809 5/61 RWS 843

SENT

17

Number

Office of Origin

Words

Handed in at

Date

21 November 1974

To ETAT PRIORITE

PRODROME LONDON SW1

211700Z

From Falklands

Tel No 405 of 21 November

Routine to FCO

PERMANENT AIRFIELD

1. Your letter Ref HWF 21/1 of 29 October addressed to Crown Agents, and their reply of 8 November.

2. We presume the general supervisory role to be exercised by Crown Agents does not prevent us from dealing direct with Resident Engineer of Rendel Palmer & Tritton on any matters which may be of concern to us. In particular, we will wish to keep a close check on the phasing and progress of the construction.

LEWIS

AIR/13/4 VOL 2

10 December 1974

Mr W D Maidman
Rendel, Palmer & Tritton
STANLEY

Dear Mr Maidman

CAPE PEMBROKE AIRFIELD

Would you please let me have some idea of the phasing of the work for the construction of the main airfield when convenient to you. Also, would you let me have information on what Johnston Construction Ltd intends to do about labour.

Does the company, for example, envisage engaging labour from the mainland, or are they now thinking of employing local labour entirely? As you know, at this particular time of the year we do not want to draw off labour from the farms, and the Sheep Owners' Association were given an undertaking that we would not do this.

Yours ever

Reply (29)

E G Lewis

air 13/4

A. D. / 3/12/74

*Edward
15* 19 *3-12*

X

NR DE27 ATS128 MOX034X LHC278%XLH010 TX919307

FKLX BY GBLH 054

LONDONLH 54/52 3 0225

ETATPRIORITE

GOVERNOR

FALKLANDISLANDS



FM FCO 021800Z UNCLASSIFIED TO ROUTINE PORT STANLEY TELNO 305

OF 2 DEC YRTEL NO405 PERMANENT AIRFIELD PARAGRAPH 2.

YOU ARE RIGHT RENDELL PALMER AND TRITTON ARE PAID

TO EXERCISE SUPERVISORY CONTROL ON SPOT AND WE HOPE YOU WILL

MAINTAIN THROUGH THEM CLOSE WATCH ON PROGRESS OF PROJECT

CALLAGHAN

COLL 021800Z 305 2 NO405 2.

New Airport file.
B/L BDC's
11th December, 1974.

20

FILE NOTE NEW AIRPORT

Discussion C.S. Maidman, F.S. present for most of meeting.

1. PROGRAMME

Maidman reports that he has not yet had a final programme from his head office, neither has Corlett.

The last programme he saw was the fourth draft but this was not agreed. Johnsons keep raising questions on the programme which lead in turn to further queries.

I emphasised our need to have some timetable as urgently as possible and looked to him to ensure that Government got this.

2. LABOUR

Maidman still does not know when and from where Johnsons will get their labour.

On my suggestion he will write to Johnsons pointing out that they must have been aware sometime ago that it took approximately ~~42~~ 50 days to get a white card and asking when the labour will be available.

I also asked Maidman to get in touch with Bloomer-Reeve to obtain the name of the Central Labour Contracting Agency in the Argentine that provides labour for the numerous airstrips in Patagonia; if necessary he will point out to Johnsons once again that labour can be got easily from this source and that nothing is to be gained in terms of the contract by recruiting out-rate labour.

3. THE CONTRACT DOCUMENTS AND ARTIFICIAL OBSTRUCTIONS

Clause 12 of the contract document allows the Contractor to enter a claim if he encounters artificial obstructions, provided that he notifies the Engineers representative forthwith. There are apparently some mortar or smoke bombs still on the airfield site which could be considered as artificial obstructions within the terms of the Contract. Johnsons have not made a formal claim yet although Maidman has received a slip of paper from the Quarry Manager from this effect (although probably Johnsons did not keep a copy). It may be that Johnsons are waiting until their equipment is here when they can enter a claim for delay caused from obstructions.

Throughout this discussion Maidman continually intimated that Johnsons may be what he called a "Claims Contractor" a contractor in other words who enters a low bid and then hopes to make a profit out of claims arising from loopholes in the Contract. To guard against this contingency I have asked Major Cook to make as sure as he can that the site is free from explosive devices.

The same consideration may apply to the access road
which goes across the existing Hookers Point Air Strip.
I shall see Bloomer-Reeve about this.


C.S.

Ref: AIR/13/4

19 December

74

W. Maidman, Esq.,
Resident Engineer,
Rendel Palmer and Tritton,
Stanley.

Sir,

CAPE PEMBROKE AIR FIELD - LABOUR


Will you please ascertain from Johnston Construction Ltd. and confirm to me that the Contractors are conforming to the contract and not paying labour at a rate above that normally paid to similar labour by other concerns.

2. We spoke about this the other day. Since then I have learned that PWD has been affected and I am very concerned about this as it will hold up our road and other programmes. I have also learned that at least one case has occurred where people have applied to Johnstons from Camp. At this time of the year if this movement continued it could be serious for the important wool crop.

I am,

Sir,

Your obedient servant,


A.J.P. Monk
Chief Secretary

The Hon. R.M. Pitaluga,
Gibraltar Station,
Salvador.

*Not seen by me. He will
read this letter as confidential to
him only. 3/12 Return not now
reading as J. Card*

I have had a list of nine Government employees who have left employment during the past few months. They include two who have gone direct to Johnstons and four who have gone to employers who have close connections with Johnstons. In addition I have heard that FIC are about to lose one of their Camp employees.

2. I have already put the marker down quite clearly in discussion with Corlett about his need to ensure that existing employers' labour is disturbed as little as possible. I have also drawn to his attention repeatedly the requirement to bring in as much labour as possible from the Argentine. However, yesterday I wrote to Maidman, who is Resident Engineer, asking him to obtain confirmation from Johnstons of their rates of pay, and to confirm from Johnstons that they are not paying remuneration above that paid by other concerns. This is a requirement of the contract. In this connection it is more than likely that the numerous escape elements are being used, such as bonuses, paying top rate for everything, even possibly (but without confirmation) paying a day's overtime for nominal duties.

3. I mention all this to you because the time may be approaching when we have to take strong action to prevent Johnstons denuding Stanley, and possibly the Camp, of labour. Our road programme is already well behind, and PWD are almost brought to a standstill. Advertisements bring forth no employees at all. While I do not wish to interfere with the normal labour supply and demand mechanism, where we are dealing with scarce labour in a small community we shall, I think, have to give careful consideration whether the normal practices might not have to be examined carefully to see if the extraordinary circumstances require extraordinary action. One thing I have in mind is that if any employee who formerly worked for Government and is in a Government house we should reclaim the house. This certainly drastic action may, in fact, be the only way to bring home to Johnstons the true position, as I suspect that they may attempt to save money on the contract by utilising persons already housed rather than having to construct accommodation for them as they would normally have to do under the contract.

En. R.M. Pitaluga

20 December 1974

4. I do not wish to be alarmist about this, and I don't intend to take any hasty action. It might be worth while, however, if you and your colleagues could give this matter your attention as well so that between us we are prepared to take concerted action, if need be, in the best interests of the Colony.

Yours sincerely



A.J.P. Monk
Chief Secretary

• Ian Clarke - M.V. Forrest.

Gerold Halliday - Camp.

Terry Belts - Police.

Robert Bensten - Camp.

Tony Summers - Willie Bowles.

X James Lee - " " (finished
app)

Charlie Coutts - Self employed
(For Johnston's Y.P. Fete
- His own lorries)

X Ian McPhee - Johnston's (finished
app)
after Xmas

Len Middleton - F.I.C. Sweet Store

Henry Stewart - ~~McPhee~~
Johnston's.

The a/p have left P.W.D. since
Johnston's arrived.

18-12-74

[Signature]

Engineer for the Works:

Please reply to:

Rendel Palmer & Tritton

Consulting & Designing Engineers

Southwark Bridge House

61 Southwark Street, London, SE1 1SA

Tel: 01-928 8999

Cables: Rendels London SE1

Telex: No. 919553

Code: Rendconsult-Ldn

ENGINEER'S REPRESENTATIVE

P.O. Box 212

Port Stanley

Falkland Islands

Your Ref: AIR/13/4 Vol 2

19 December 1974

Our Ref: 1/8-2

FALKLAND ISLANDS AIRPORT

H.E. The Governor,
Government House,
Stanley.

18
Your Excellency,

I thank you for your letter of 10 December 1974 concerning the programme and supply of labour for the new airfield.

I trust that my discussions with yourself on 18 December answered your queries satisfactorily, and also hope you accepted the reasons for my being unable to provide you with a written progress report.

Yours faithfully,
for RENDEL PALMER & TRITTON

W. Maidman

W. Maidman

Engineer's Representative



GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDSSENT

WA. 45 21 585968/704663 500 pads 9/69 Grp.782

26

Number

Office of Origin

Words

Handed in at

Date

23rd December 1974

To

BEAT PRIORITE (IMMEDIATE) PRODRONE LONDON 341

HC/AC

231720Z

From Falklands

Tel No 468 of 23rd December

To FCO

30
YOURTEL 331 DECEMBER 19TH 1974 PERMANENT AIRFIELD STOP ACCEPT
FUNDING PAYMENT PROPOSALS OUTLINED PARA 7 LOCK'S LETTER ALSO NO
OBJECTION PAYMENT £5038 CROWN AGENTS AND HAVE AUTHORISATION
PAYMENT ACCORDINGLY.

HEVTS

Time



VD 399
ZCZC ATS560 C MOW974X LHE521 XLH326 TX263564
FKLX BY GBLH 105
LONDONLH 105/98 19 1409

ETA: RIORITE
GOVERNOR
FALKLAND ISLANDS



FM F.C.O. 191050Z UNCLASSIFIED
TO ROUTINE PORT STANLEY TELEGRAM NUMBER 331 OF 19 DECEMBER
1974 PERMANENT AIRFIELD
1 PLEASE ADVISE SOON WHETHER YOU CAN ACCEPT FUNDING/PAYMENT
PROPOSALS OUTLINED IN PARA 7 OF LOCK'S LETTER ENCLOSED WITH
OURS OF 22 NOVEMBER TO ROWLANDS THESE COULD EASE
SIGNIFICANTLY PROBLEMS

COL 191050Z 331 19 1974 1 7 22


LHE521 XLH326 TX263564 GOVERNOR PAGE2/48

ALL ROUND PROVIDED FUNDS ARE TRANSFERRED PROMPTLY ON ADVICE
OF ACTUAL COMMITMENT ESTIMATES ARE CURRENTLY TAKING 10 WEEKS TO EMERG
2 CROWN AGENTS HAVE SUBMITTED BILL FOR THEIR FEES UP TO 31 JULY 1974
(POUNDS STERLING 5,038) WHICH ARE AGREED HERE IF NO OBJECTION PLEASE
AUTHORISE PAYMENT
CALLAGHAN

COL 10 2 31 1974 (5,038)

Reply at (3)

To F.S.

 (15.10pm)

NNNNA 19.12.74



JOHNSTON CONSTRUCTION LTD

Civil Engineering and Building Contractors

Registered Office:

Johnston House, Hatchlands Road, Redhill, Surrey RH1 1BG

Telephone: Reigate 42466 (20 Lines)

Cables: Johnston, Redhill (Telex)

Telex: London 27641

From: P.O. Box 136,
Stanley,
Falkland Islands.

22nd December, 1974

The Chief Secretary,
The Secretariat,
Stanley,
Falkland Islands.

Dear Sir,

Re: Falkland Islands Airport

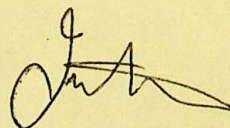
On Saturday, 21st December, our Argentine Labour Contractor, Mr. Richard Pentreath, arrived in Stanley with seven workmen and informed us of the difficulties which we were not previously aware of that he has had in obtaining "White Card" Certificado Provisorio from the Argentine Government for Argentinian labour.

We understand that all cards now being issued are only valid for a period of 60 days. This has, therefore, created a situation where cards already issued, have expired before they can be used and any Argentinian, having worked on the Falkland Islands for a period, could not go home on leave and return to work without again applying for a new "White Card".

Many key personnel have not received or been unable to obtain a "White Card" including Mr. Pentreath's partner Eduardo Héctor Mujica. The Argentine Government, at present, require at least 60 days to process an application and some cards have expired by the time they have been received.

We trust that through your good offices some priority can be given to correct the situation and enable us to obtain the Argentinian labour force which is necessary for the construction of the airport.

Yours faithfully,



J. W. Corlett
Project Manager

EMPRESA COMODORO S.C.C.

7 line now
3 on 30th - 45 days Sergio Montiel (Cook)
Cook / Interpreter & foreman
Julio Sosa Duplont
Catering unavailable?
F 37-466
Llaneros Gndout
Policia

20+ end of Jan.

GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

34
28

Number

Office of Origin

Words

Handed in at

Date

24th December 1974

To

LTF PRODRONE BUENOS AIRES

15524

LABOUR FOR JOHNSON'S CONSTRUCTION LIMITED NEW AIRPORT
JOHNSONS WHO HAVE BEEN RECRUITING THROUGH A MR RICHARD
PENTREATH OF EMPRESA COMODORO SCC HAVING DIFFICULTY BECAUSE
WHITE CARDS HAVE EXPIRED. PARTICULARLY AFFECTED ARE DUPLATT,
JULIA SOSA AND SERGIO MONTIEL RESPECTIVELY FOREMAN, INTERPRETER
AND COOK WHO ARE PROVISIONALLY BOOKED FOR LADE FLIGHT ON
30TH DECEMBER.
GRATEFUL FOR ANY ASSISTANCE TO EXPEDITE. PENTREATH SAYS HE HAS
ALREADY BEEN ON TOUCH WITH BLANCO.
GRATEFUL ALSO IF MFA CAN BE ASKED TO GRANT AUTOMATIC RENEWAL
OF WHITE CARDS TO MEN RETURNING TEMPORARILY TO ARGENTINA FOR
HOLIDAY. THIS NOT IMMEDIATE PROBLEM BUT WILL ARISE IN FUTURE.

CHIEF SECRETARY

Time

AIR 13/4

35
29

John R. Rowlands,
Stanley.

19th December 1974.

The Honourable,
Chief Secretary,
Stanley.

Dear Sir,

I have noted during my negotiations with the Johnston Construction Co. Ltd., on wages and working conditions that certain local factions are attempting to bring pressure on this company regarding these matters. I have every reason to believe, that the Govt. Administration, are among these factions, and I must ask you at this point to refrain further harassment of this Company on these matters, because in turn this causes embarrassment to me during any dealings I have with them.

I would like to make the following points clear to you, I have been a contractor in these Islands for the past 15 years and during this time, I have gained a fair knowledge of employing labour and I feel any outside interference is unessential and unwelcome.

Yours faithfully

John R. Rowlands

John R. Rowlands.

Building & Civil Engineering Contractor



36
(30)**JOHNSTON CONSTRUCTION LTD****Civil Engineering and Building Contractors****Registered Office:**

Johnston House, Hatchlands Road, Redhill, Surrey RH1 1BG

Telephone: Reigate 42466 (20 Lines)

Cables: Johnston, Redhill (Telex)

Telex: London 27641

From: P.O. Box 136,
Stanley,
Falkland Islands.

31st December, 1974

T. Peck, Esq.,
Chief Of Police,
Stanley,
Falkland Islands.

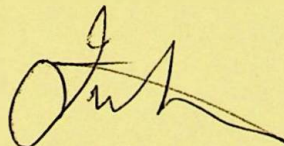
Dear Sir,

Falkland Islands Airport

Mr. Raymond Cannell and Mr. John Gunn who, we understand, are recent visitors to the Falkland Islands, have approached us asking for employment.

We are prepared to offer both men employment in the airport construction and would be pleased if you could arrange to issue the necessary work permit.

Yours faithfully,



J. W. Corlett
Project Manager

Engineer for the Works:

Please reply to:

Rendel Palmer & Tritton

Consulting & Designing Engineers

Southwark Bridge House

61 Southwark Street, London, SE1 1SA

Tel: 01-928 8999

Cables: Rendels London SE1

Telex: No. 919553

Code: Rendconsult-Ldn

ENGINEER'S REPRESENTATIVE

P.O. Box 212

Port Stanley

Falkland Islands

28th December, 1974

Your Ref:

Our Ref: 1/8-6

FALKLAND ISLANDS AIRPORT

The Hon The Chief Secretary,
The Secretariat,
Stanley.

Dear Sir,

Realignment of Access Road

I refer to earlier discussions with yourself on this topic and enclose herewith for your information a copy of Site Drawing No. FIA/S/102 which shows my proposals for realigning the access road. No prints of this drawing are available as no printing facilities currently exist on the island. I therefore suggest you use this tracing as an overlay to Drawing No. FIA/C/B1 and B2.

I must emphasize that this drawing is very preliminary and is subject to amendment and approval by the Engineer.

I would be pleased if you could clarify the legal position concerning title, digging of peat and any other relevant matter.

Yours faithfully,
for Rendel Palmer & Tritton

W Maidman

(W Maidman)

Engineers Representative

ENCL:



Engineer for the Works:

Please reply to:

Rendel Palmer & Tritton

Consulting & Designing Engineers

Southwark Bridge House

61 Southwark Street, London, SE1 1SA

Tel: 01-928 8999

Cables: Rendels London SE1

Telex: No. 919553

Code: Rendconsult-Ldn

ENGINEER'S REPRESENTATIVE

P.O. Box 212

Port Stanley

Falkland Islands

28th December, 1974

Your Ref: AIR/13/4

Our Ref: 1/8-5

FALKLAND ISLANDS AIRPORT

The Hon TheChief Secretary,
The Secretariat,
Stanley.

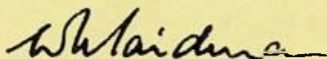
Dear Sir,

Labour

Thank you for your letter of 19th December, 1974. The matter noted in your paragraph 1 is receiving attention.

With regard to your second paragraph, I regret I am not in a position to comment as the matter is outside my terms of reference but I have passed on to the Contractor the views you have expressed.

Yours faithfully,
for Rendel Palmer & Tritton



(W Maidman)
Engineers Representative



CHARTRES SHEEP FARMING CO. LTD.,

CHARTRES

FALKLAND ISLANDS

31st December 1974

The Chief Secretary,
Secretariat,
Stanley.

Dear Sir,

It was my understanding, perhaps not correctly, that the airfield contract was awarded to Johnson Construction with the condition that they brought all their labour with them. The story has now reached here that one Henry Stewart has left employment with Govt. and is working with Johnsons at £200 per month. As a consequence I have now lost one employee - Michael Johnson - who has expressed his intention of going to work for Johnsons.

Of the above, the only fact that I can vouch for is that one of my employees is departing but the situation is worrying for all in the farming industry as you will no doubt appreciate. Would you please advise me whether in fact ~~the~~ Johnsons are obliged to provide all their labour and if so I would be grateful if you could assure me that the terms are being enforced.

Yours faithfully,

W. R. Luxton

W.R. Luxton.



REF. AIR/13/4

2nd January,

75

J.W. Corlett, Esq.,
Project Manager,
Johnstons Construction Ltd.,
P.O. Box 136,
Stanley.

Dear Sir,

Falkland Islands Airport

Thank you for your two letters dated 22nd December, 1974. I have telegraphed to Buenos Aires asking if they can help in expediting the flights of your foreman, cook and interpreter, so far I have had no reply, this may be due to the long holiday in Buenos Aires at this time of year.

I have also asked them to clarify the situation about the re-issue of cards to those of your employees who returned to the Argentine for holidays.

As regards the military explosive devices on the airport site, it is gratifying to learn that you consider that work can proceed despite the possible presence of these. I trust that the several traverses of the area by your own men and the marines have removed the possibility of any harmful objects remaining. I am continuing to look into this matter however, and if you need further guidance or assistance please do not hesitate to contact me. As regards the last paragraph of my letter of 17th December, you may recall that when you visited my office on the 13th December, I 'phoned Major Cook and proposed that Monday the 16th December might be a convenient date, as your men were fully engaged on that day we left it that you would contact Major Cook at the earliest possible time and I had assumed that this would take place on Tuesday the 17th, this in turn proved impracticable; I am glad however, that the investigation was able to take place on the 20th December. I merely commented then and now to avoid any misunderstanding and to inform you that my office and the marines would be most anxious to co-operate with you and your staff in any possible examination required.

I trust that all is now going smoothly and your team and you are able to take full advantage of the present reasonably fine weather.

With regards,

Yours sincerely,

A.J.P. Monk.
Chief Secretary.

Rendel Palmer & Tritton

Consulting & Designing Engineers



THE QUEEN'S AWARD
TO INDUSTRY 1973

Southwark Bridge House

61 Southwark Street, London, SE1 1SA

Tel: 01-928 8999

Cables: Rendels London SE 1

Telex: No. 919563

Code: Rendconsult-Ldn

Partners:

F. Irwin-Childa, F.I.C.E.
B.G.R. Holloway, F.I.C.E., F.I.Struct.E.
P.A. Cox, F.I.C.E.
J.C. Munro, F.I.C.E.
K.E. Alnacow, F.I.C.E., M.I.Struct.E.
D.M.S. Fairweather, F.I.Mech.E.
R. Downham, F.R.I.N.A., M.I.Mar.E.
J.A.N. Dennis, F.I.C.E.
F.A. Fisher, F.I.C.E.
B.J. Luxton, F.I.C.E.

Associates:

E.F. Foster, F.I.C.E., F.A.S.C.E.
L.W. Hinch, F.I.C.E.
J.A. Holland, F.I.C.E.
C.A. Paterson, F.I.C.E.
J.R. Sweetapple, F.I.C.E.

Specialist Associates:

S.W. Pratt, F.I.E.E.
R.W. Galsford, Ph.D., M.I.Mech.E.
J.G. Ody
D.W. Mason, C.I.C.E.
W.K. Cross, M.I.C.E.

Consultants:

H. Scrutton, F.I.C.E., F.I.Struct.E., F.Inst.Pet., F.I.Arb.
J.E.G. Palmer, C.B.E., F.I.C.E., F.A.S.C.E.
P.G. Fookes, Ph.D., M.I.M.M., F.G.S.
D.G. Cameron, F.I.C.E., F.I.Arb.
H.R. Boyce, F.I.C.E.

Your Ref:

Our Ref: 971/2/4.2/OR.4394
EBK/SGK

13th December, 1974.


Excellency,

FALKLAND ISLANDS AIRPORT

We understand from the Engineer's Representative that you require to be supplied with a copy of the Programme of Works for the above project. Accordingly we have pleasure in forwarding herewith a copy of the current programme comprising Drawing No. HO 1001/4B (programme network) and Drawing No. HO 1001/5B (programme bar chart).

The Contractor has advised us that his programme is some four weeks behind schedule and has been requested to submit a revised programme for our approval. When the latter has been received and approved we will forward to you a copy of the revised programme.

Yours faithfully,
for RENDEL, PALMER & TRITTON


E. B. KELBIE

His Excellency, The Governor,
Government House,
Port Stanley,
Falkland Islands.

Rendel Palmer & Tritton,
Southwark Bridge House,
Southwark Street,
London SE1 1SA

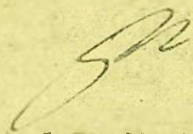
Dear Sirs,

Falkland Islands Airport

I refer to your letter 971/2/4.2/OR.4394 RBK SGK of 13 December 1974 addressed to H.E. the Governor. I thank you for the network plan and bar chart.

2. We are of course somewhat disturbed that the Contract should already be some four weeks behind schedule and I hope that everything possible will be done to ensure that every effort is made by the Contractor and your representative here to see that this lost time is retrieved if at all possible.

Yours faithfully,


A.J.P. Monk
Chief Secretary

cc Engineer's Representative RPT
D.G.F. Hall, Esq., M.B.E. FCO

(not on original or 1st copy)

D.G.F. Hall

Grateful you inform Crown Agents.

CS

J. R. Rowlands, Esq.,
Stanley.

Dear Sir,

Labour for the New Airfield

Thank you for your letter of the 19 December in which you tell me about the difficulties you have encountered during your negotiations with the Johnston Construction Co. Ltd. on wages and working conditions.

2. I am sure you must be aware that with a severely limited amount of labour available in the Islands, particularly during this time with Camp activity at its height and when normally the Public Works programme is in full swing, there are bound to be difficulties in obtaining labour by all those concerned.

3. The difficulties to which you refer are those to be expected at this time of the year.

4. You may be interested to learn that, in fact, Government has already lost several of its employees and its road programme has been brought to a complete halt. It is obvious, therefore, that contrary to what you may suppose there has in fact been a considerable drain from Government labour.

5. You will, I am sure, appreciate that at this time it is most important that everybody concerned makes every effort to make the best use of all available resources of labour. It is most important that the airport programme goes ahead according to plan. It is equally important that the Camp is not denuded of labour vital to get the wool clip in and exported. I should welcome further discussions about this matter with you and any other interested parties to see what can be done in this connection. I assume from your letter that you are acting as a recruiting agency for Johnstons and it would be helpful if you would kindly let me know how much labour you have been successful in obtaining and what your future requirements are.

Yours faithfully,



A.J.P. Monk
Chief Secretary

Ref: AIN/13/4 Vol.2

7 January

74

Engineer's Representative,
Rondel Palmer & Tritton,
P.O. Box 212,
Stanley.

Dear Sir,

Re-alignment of Access Road

Thank you for your letter 1/2-6 of 28 December. I am sending to the Registrar, Supreme Court and the Superintendent of Public Works the site drawing attached to your letter for verification of the legal position concerning the title of the land and the digging of post, although I am reliably informed that, so far as can be ascertained at present, there is no objection to you or the Contractors traversing the route proposed.

2. By copy of this letter RSC and SPW are asked to confirm the above in writing as soon as possible.

Yours faithfully,

See (69)

A.J.P. Monk
Chief Secretary

cc RSC
SPW

- Reply at 66

49
43

Engineer's Representative,
Rendel Plamer & Tritton,
P.O. Box 212,
Stanley.

Dear Sir,


Falkland Islands Airport - Labour

Thank you for your letter 1/8-5 of 28 December 1974.

2. As you are doubtless aware Government receives - and may expect to continue to receive - complaints from both sides concerning the availability of labour. I have made the point to all that progress on the airport is vital and that every effort must be made to obtain the essential labour for this. At the same time I have been at pains to try to ensure that, so far as is possible, this is not at the expense of the Camp farms which, particularly at this time of the year, make great demands on available labour.

3. If the Contractors continue to encounter problems over labour I should be grateful if you will please alert me as soon as possible to see what action might be taken. It may be necessary, for instance, to get all employers together to see what can be done. For the same reason I have, as you are aware, been in touch with the Contractors in the hope that they will make up any deficiency as quickly as possible with imported labour.

Yours faithfully,


A.J.P. Monk
Chief Secretary

7 January

50
44
75

The Hon. W. R. Luxton,
Chartres.

Dear Sir,

Falkland Islands Airport - Labour


Thank you for your letter of the 31st December 1974. The fact is that Government has already lost some of its employees and I have had a report of at least one Camp worker transferring.

2. The only relevant clause in the Contract refers to a requirement that Johnstons should not pay more than the going rate for labour. I must confess I had been under the impression that Johnstons were required to bring in the bulk of their labour. There is a reference to this in a discussion held with the Contractors in August last year. It is not absolutely clear, however, and its purport was not in fact included in the final Contract.

3. It is obviously impossible, and undesirable, that Government should direct labour except in the most exceptional circumstances, and I would hope that the excess of demand over supply of labour could best be sorted out by mutual negotiation. I have made this point very clear to Johnstons, Rendel Palmer & Tritton, and also to an agency that is recruiting for Johnstons. I shall keep this matter under continual review and, if necessary, propose a round table conference as the best way of sorting out problems.

4. I hope you won't mind if I copy this reply to Robin Pitaluga who, I note, is keeping a watching brief for this on behalf of the SOA.

Yours faithfully,


A.J.P. Monk
Chief Secretary

cc R. Pitaluga

Ref: AIR/13/2 Vol. 2

57
45

7 January

75

The Project Manager,
Johnston Construction Co.
P.O. Box 136
Stanley.

Sir,

Mr R Cannell and Mr J Gunn

Authority is given for you to employ the above two visitors during the time that the ir application for an employment permit is being considered.

2. By copy of this letter the Immigration Officer is asked to refer the case of these two men to the Immigration Advisory Board with a view to obtaining a definitive decision as soon as possible.

Yours faithfully,



A.J.P. Monk
Chief Secretary

CC Chief Police Officer

- see 67

ARR 13/4

Darwin Harbour.

30th. December 1974. 46

Stanley Manager,
Falkland Islands Co. Ltd.,
Stanley.

Dear Sir,

I understand that a suggestion has come from Johnson Construction Ltd., to the effect that some camp people move into Stanley during the winter and take up temporary employment on airfield construction. On the surface and to the uninitiated the suggestion appears reasonable, but it seems to me, knowing the situation as I do, that it would be inevitable a certain percentage of farm employees would not return to the farms in the spring and would only look for work in the camp when there is no further work for them in Stanley. I believe that the majority of people would not want to work in Stanley, but to lose even a few men from the farms would prove to be very embarrassing for us. There is a desperate shortage of labour in the camp as a whole, we have three navvys at Goose Green and none at all at Walker Creek, I think that it would be true to say that almost everyone is doing a dual job and the loss of one man puts a further load on the remainder. This makes our considerable work schedule difficult to complete as planned.

The industry has from time to time imported men at great expense from the U.K. to work on the farms and it would be a pity to lose these men even for a short period, and even more so to lose Falkland Islanders who have irreplaceable expertise. We have already lost two men during this season, one from North Arm and one from Goose Green and although I understand that Johnson Construction gave an assurance U.K. that men would not be employed from the farms, both these men have I understand been employed either directly by Johnsons or by a contractor who is employed by them. These men will possibly return to the camp when the airfield is completed and with the labour situation as it is they know perfectly well that they will not be refused work. I have little doubt that the men who do go to work on the airfield will earn more money than the farming industry can afford to pay, so the temptation is there as it was with the C.D.C. freezing works at Ajax Bay.

There seems to be a belief in some circles that there is very little or nothing to do in the camp during the winter, this may well be true on some small farms. However on the farms under my aegis the men are fully employed at all times and we find it difficult to get through the scheduled work before the 'season' recommences. There is no possible doubt that the most economical way to run a sheep station is to employ a very small resident work force and to rely on seasonal labour during the busy shearing months. In normal circumstances in other countries where seasonal labour is available, this system works well. In the Falklands however where we have a one industry economy, on the whole this system is impossible to implement particularly on the larger farms.

I do have some sympathy for the young men who would want to experience an exciting change of work but in the circumstances I would be grateful if you would make it clear to the people concerned that the syphoning off of labour from the sheep farms can do nothing but harm to the industry and the Colony as a whole.



Yours faithfully,

B. Mordue

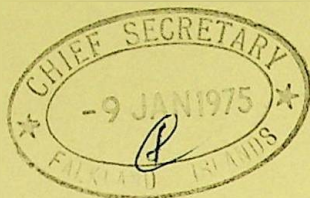
General Manager.

c.c. Chief Executive Johnson Construction Ltd.

Chief Secretary.
Chairman S.O.A.

(47)

JOHNSTON CONSTRUCTION LTD



Civil Engineering and Building Contractors

Registered Office:

Johnston House, Hatchlands Road, Redhill, Surrey RH1 1BG

Telephone: Reigate 42466 (20 Lines)

Cables: Johnston, Redhill (Telex)

Telex: London 27641

P.O. Box 136,
Stanley,
Falkland Islands.

8th January, 1975.

The Chief Secretary,
The Secretariat,
Stanley.

Dear Sir,

Falkland Islands Airport

We thank you for your letter of the 2nd January which we received on the 7th January.

As previously advised, military explosive devices are beyond our knowledge and ability and we, therefore, look to the experts, authorities and the Engineer for instructions.

As a result of investigations and traversing of the area by the Marines we understood that a Clearance Certificate was about to be issued.

Yours faithfully,

J. W. Corlett
Project Manager

THE "ACCEPTED TENDER SUM"
(Paragraph 1 of covering letter refers)

Tender Sum incorporating pavement
Alternative No.8 (from page 36 of the
Priced Schedules of Omissions and
Additions described in Item 9 of
Appendix 'B' hereto)

Deduct: Total of Bill No.10 - Pavement
Alternative No.8 (from page 34 of the
aforesaid Priced Schedules)

Add: Total of Bill No.10 - Pavement
Alternative No.2 (from page 34 of the
aforesaid Priced Schedules)

Add: Sum stated on page 36 of the
aforesaid Priced Schedules for
provision of Bond as required by
paragraph 1 of Appendix 'C'
hereto.

Accepted Tender Sum =

£	np
3,188,683	53
340,678	90
2,848,004	63
388,006	20
3,236,010	83
5,000	00
£ 3,241,010	83

DOCUMENTS INCORPORATED IN THE CONTRACT
(Paragraph 1 of covering letter refers)

<u>Item</u>	<u>Description of Documents</u>								
1	The completed Tender Form signed by R.R. Beaumont, Managing Director of Johnston Construction Limited, on 7th November 1973.								
2	The Conditions of Contract referred to in paragraph 1 of Item 1 above.								
3	The Specification referred to in paragraph 1 of Item 1 above.								
4	The Drawings listed in Appendix 'A' to Item 3 above.								
5	The Priced Bills of Quantities referred to in paragraph 1 of Item 1 above.								
6	The Circular Letters Nos 1 - 6 referred to in paragraph 2 of Item 1 above.								
7	The undermentioned letters from Rendel, Palmer & Tritton to Johnston Construction Limited:-								
	<table><tr><th><u>Reference</u></th><th><u>Date</u></th></tr><tr><td>(a) 971/1/OR.4512</td><td>13th March, 1974</td></tr><tr><td>(b) 971/1/OR.4499</td><td>11th March, 1974</td></tr><tr><td>(c) 971/1/OR.4520 (Circular Letter No.7)</td><td>19th March, 1974</td></tr></table>	<u>Reference</u>	<u>Date</u>	(a) 971/1/OR.4512	13th March, 1974	(b) 971/1/OR.4499	11th March, 1974	(c) 971/1/OR.4520 (Circular Letter No.7)	19th March, 1974
<u>Reference</u>	<u>Date</u>								
(a) 971/1/OR.4512	13th March, 1974								
(b) 971/1/OR.4499	11th March, 1974								
(c) 971/1/OR.4520 (Circular Letter No.7)	19th March, 1974								
8	The "Memorandum of Modifications of the Tender Documents (PARTS I and II)" which accompanied Item No.7(b) above.								

Cont'd

- 9 The priced "Schedules of Omissions from and Additions to the Priced Bills of Quantities submitted with the tender of Johnston Construction Limited dated 7th November 1973" signed by M.W. King, a Director of Johnston Construction Limited, on 5th April 1974.

* * * * *

THE AGREED TERMS AND CONDITIONS
OF ACCEPTANCE OF TENDER

1. Performance Bond to be Furnished

The Contractor shall obtain the guarantee of an Insurance Company or Bank approved in either case by the Employer to be jointly and severally bound with the Contractor for the due performance of the Contract under the terms of a Bond in the form annexed to the Conditions of Contract and the completed Bond shall be delivered to the Crown Agents within 28 days of the acceptance of the Contractor's tender."

2. Agreed Amendments of PART II of the Memorandum of Modifications

PART II of the Memorandum of Modifications referred to in Item 8 of Appendix 'B' shall be amended as set out in Annexure I hereto.

3. Appendix 'C' (Variation of Price - Materials and Fuels)

The completed Appendix 'C' (Variation of Price - Materials and Fuels referred to in sub-clause (4) of Clause 83 in Item 2 above shall be that attached as Annexure II hereto.

4. Bill No.1 - General Measurement Preambles and Preliminaries

Page 10 of BILL No.1 in the Priced Bills referred to in Item 5 of Appendix 'B' shall be deleted and Page 10 attached as Annexure III hereto substituted therefor.

5. Provision of Rollers

- (a) Clause 440 (Rolling) in PART I of the Memorandum of Modifications referred to in Item 8 of Appendix 'B' hereto shall be deleted and the following substituted:

"40. Rolling

Rolling of chippings shall commence immediately after the application of the chippings and shall be carried out by means of a smooth tread pneumatic tyred roller loaded to not less than 6 tonnes."

(b) In Appendix 'B' (Plant to be Used) to the Priced Bills referred to in Item 5 of Appendix 'B' hereto the entries

"1 No 5 - 10 Ton Roller	Marshall
1 No Rubber tyred roller	Barber Greene"

shall be deleted and the following entries substituted therefor:-

"1 No 8-10 Ton self-propelled smooth roll three-wheeled roller	Marshall
1 No 8-10 Ton self-propelled tandem roller	of approved manufacture
1 No self-propelled smooth tread pneumatic tyred roller	Barber Greene

6. Provision of Spares for Constructional Plant

The following shall be incorporated as Clause 145 of the Specification referred to in Item 3 of Appendix 'B' hereto

"145. Provision of Spares for Constructional Plant

The Contractor shall be deemed to have allowed in his Tender for the supply to Site of spares for Constructional Plant on a scale of provisioning equivalent to 15 per centum of the "as new" capital value of the Plant listed by him in Appendix 'B' (Plant to be Used) to the Priced Bills of Quantities and to have allowed in addition for the supply to Site of adequate number of spare tyres for any rubber-tyred scrapers so listed.

7. Balancing Item Inserted in Bill No. 10

- (a) The balancing item "L.S. £39,300 Deduct" inserted in BILL No.10 at page 27 of the Priced Schedules of Omissions and Additions described in Item 9 of Appendix 'B' hereto is a fixed Lump Sum which shall not be adjusted for any increase or decrease in the scheduled quantities of paving work resulting from authorised variations or otherwise.
- (b) The aforesaid Lump Sum shall be recovered by instalments pro rata to the value of the measured items of paving included in the payment certificates from time to time.

* * * * *

FALKLAND ISLANDS AIRPORT

ANNEXURE I

TO

APPENDIX 'C'

TO

LETTER OF ACCEPTANCE OF TENDER

(Paragraph 2 of Appendix 'C' refers)

Agreed Amendments
of
PART II
of
Memorandum of Modifications
of
Tender Documents

VOLUME I
CONDITIONS OF CONTRACT

CLAUSE 12

- (i) Add "... or conditions..." after the word "conditions" in line 4.
- (ii) Clause 12 as amended by (i) above is redesignated as sub-clause (1) of Clause 12 and the following added as sub-clause (2) of this Clause.

Sufficiency
of Tender

"(2) Without prejudice to the generality of the provisions of sub-clause (1) of this Clause the Contractor's tender for the Works and the rates and prices stated in the priced Bills of Quantities are deemed to allow for the availability of the under-mentioned materials in the qualities and quantities necessary for use in their natural state or after processing as the case may be for the purposes of the construction and completion of the Works in accordance with the Contract within the limits defined hereunder:-

Limitation of
Sufficiency of
Tender -
Availability
of Local
Materials

Filling

Filling additional to that available from the excavations for the permanent work won from approved sources outwith the Site at a distance not exceeding 1.5 Kilometres measured along the shortest practicable haulage route from the point on the boundary of the Site nearest to the particular approved source

CLAUSE 12 (Cont'd)Aggregates for Concrete and Pavements
and Surfacing

Rock from approved sources within a radius of 1.5 Kilometres from Airport Grid Reference 10,625,00/, 0.00N (i.e. the centre of the runway) and sands and gravels from approved sources within a radius of 2.75 Kilometres from the said point of reference.

If the whole of the above-described materials necessary for the purposes of the construction and completion of the Works in accordance with the Contract is not in the event available within the limits defined above this shall be deemed to be the consequence of encountering unfavourable physical conditions which could not in the opinion of the Engineer have been reasonably foreseen by an experienced contractor and the provisions of sub-clause (1) of this Clause shall apply in respect of the additional expense incurred by the Contractor in winning the deficit from approved sources outwith the said limits".

CLAUSE 26

The following is added after the amendment of CLAUSE 12.

Giving of
Notices and
Payment of Fees

CLAUSE 26

The full point after the word fees in the final line is deleted and the following added to this Clause:-

Giving of
Notices and
Payment of Fees

".... and also all rates and taxes paid by the Contractor in respect of the Site or any part thereof or anything constructed or erected thereon or on any part thereof or any temporary structures situate elsewhere but used exclusively for the purposes of the Works or any structures used temporarily and exclusively for the purpose of the Works".

CLAUSE 53

Sub-clause (12) is deleted in its entirety.

Employer may
Purchase
Constructional
Plant Etc.

CLAUSE 82

- (i) Delete sub-clause 82(1) in its entirety and substitute the following:-

Extension of
Time - Delayed
Delivery and
Adverse Weather
Conditions.

"82(1) The expression "other special circumstances of any kind whatsoever" in Clause 44 hereof shall be deemed to include (but not by way of limitation) the following special circumstances:

Extension of
Time:-
Delayed
Deliveries,
Restraints of
Governments
and Adverse
Weather
Conditions

- (a) delay in delivery to the Falkland Islands within the times necessary for compliance with the Contractual Programme defined in Clause 14 hereof or any revision thereof approved by the Engineer of any

CLAUSE 82 (Cont.'d)

workpeople Constructional Plant
Temporary Works materials for
the temporary and permanent works
fuels or other thing of any kind
required for the construction and
completion of the Works PROVIDED
ALWAYS THAT such delay shall have
arisen from a cause outwith the
direct control of the Contractor
including (but not by way of
limitation) restraints of any de
jure or de facto government
strikes or other concerted acts of
workpeople (other than workpeople
employed by the Contractor or by
his contractor for the supply of
workpeople) lockouts suspension
or diversion of shipping and land or
air transport fires explosions or
unforeseeable operations of the
forces of nature.

- (b) failure of the Contractor to procure
and retain workpeople in the numbers
and at and for the times necessary for
compliance with the Contractual
Programme arising from the restraints
of any de jure or de facto government.

CLAUSE 82 (Cont'd)

- (c) adverse weather conditions or conditions the consequence thereof which in the opinion of the Engineer could not have reasonably been foreseen by an experienced contractor in his estimation of the weather conditions likely to be encountered in the execution of the Works made on the basis of the meteorological data enclosed with Circular Letter No.2 dated 24th September 1973.

The expression "other special circumstances of any kind whatsoever" in Clause 44 hereof shall not be deemed to include the consequences of failure on the part of the Contractor or of his contractor for the supply of workpeople to pay rates of wages and allowances and incentive payments necessary to procure and retain workpeople in the numbers and at and for the times necessary for compliance with the Contractual Programme nor of any default on the part of either or both of them in making timely payments to workpeople".

- (ii) In line 10 of sub-clause (2) add "..and (c) .." after "
..(b) .."

CLAUSE 83 (1)

- (i) Sub-paragraph (b) of sub-clause 83(1) is deleted and the following substituted as sub-paragraphs (b) and (c) of this sub-clause 83(1):- Definitions

CLAUSE 83 (1) (Cont'd)

"(b) "Workpeople" means persons (including persons chargeable to the work in overheads) performing skilled or unskilled manual labour on the Site or elsewhere in the Falkland Islands in or in connection with the construction completion and maintenance of the Works who have been recruited in the Argentine Republic directly by the Contractor or indirectly through the agency of a contractor for the supply of labour

(c) "Manual labour" shall include work performed by chainmen and cooks, orderlies and other personnel associated with the operation and maintenance of camp facilities for workpeople"

CLAUSE 83(2)

Variation of
Price - Labour

Sub-Clause 83(2) is deleted in its entirety and the following substituted therefor:-

(2) (a) The average labour rate on which the Tender and the rates and prices in the Priced Bills of Quantities are based is £1.57 (one pound and fifty-seven pence sterling) per working hour which rate is derived as set out in Appendix 'A' to these Conditions of Contract.

Variation of
Price - Labour

CLAUSE 83(2) (Cont'd)

(b) The basic average labour rate designated above shall be deemed to vary with any variations of the wage rate(s) payable to skilled and/or unskilled workpeople officially published in the Argentine Republic subsequent to the Operative Date in accordance with the following algebraic expression derived from the calculation of the basic average labour rate set out in the aforesaid Appendix 'A'

$$R = K (0.6 x + y)$$

Where R = average labour rate in £ sterling/hour

x = officially published wage rate for skilled workpeople in pesos/hour

y = officially published wage rate for unskilled workpeople in pesos/hour

K = A constant = 0.1302 based upon assumed values of x = 8.58 and y = 6.90 at the Operative Date.

The assumed values of 'x' and 'y' shall be checked by the Engineer prior to any determination of adjustment of the Contract Price in accordance with the provisions of this Clause 83(2) and if the officially published rates actually current at the Operative Date vary from the assumed values above stated the value of "K" shall be recalculated on the basis of the actual rates current at the Operative Date and any adjustment of the Contract Price as aforesaid shall be determined using the algebraic expression incorporating the recalculated value of "K".

CLAUSE 83(2) (Cont'd)

(c) If, after the Operative Date, the officially published wage rate(s) payable to skilled and/or unskilled workpeople in the Argentine Republic shall differ from that/or those current at the Operative Date and/or if the average labour rate actually paid by the Contractor in respect of his workpeople shall differ from that designated in sub-paragraph (a) above then and in either case the Contract Price shall be adjusted in respect of such differences in accordance with the following algebraic expression:-

$$£ A = \frac{H}{2} (R + Q - 3.14)$$

Where "A" = adjustment of Contract Price in £ sterling.

"H" = total of hours actually worked by workpeople and by any workpeople recruited from the United Kingdom and/or the Falkland Islands who may be employed by the Contractor over period in respect of which adjustment of Contract Price is determined.

"R" = average labour rate per hour in £ sterling derived from the algebraic expression set out in sub-paragraph (b) above, where "x" and "y" are the officially published rates current during period in respect of which adjustment of the Contract Price is determined.

"Q" = average labour rate per hour in £ sterling derived from the expression $Q = \frac{T}{S}$, where "T" is the total actual cost paid by the Contractor in respect of wages, statutory payments and benefits, pay premium, overtime and labour contractor's administration payable to or in respect of workpeople for the total hours "S" actually worked by workpeople during the period in respect of which adjustment of

CLAUSE 83(2) (Cont'd)

the Contract Price is determined PROVIDED ALWAYS THAT the value of 'Q' shall not be less than £1.57 per hour

(d) The Contract Price shall also be adjusted for any variation between the economy class return air fare between Commodoro Rivadavia in the Argentine Republic and Port Stanley in the Falkland Islands charged to and paid by the Contractor in respect of workpeople and the corresponding air fare of £31.49 (thirty one pounds and forty-nine pence sterling) on which the Tender is based.

(e) Submissions in respect of adjustment of the Contract Price in accordance with the provisions of sub-paragraphs (e) and (d) above accompanied by the supporting documentary evidence described in sub-clause (6)(d) of this Clause shall be made by the Contractor with each monthly statement submitted pursuant to Clause 60(4) hereof.

(f) Adjustment of the Contract Price in accordance with the provisions of sub-paragraph (c) above shall cease upon the occurrence of whichever shall be the earlier of the following events:-

(i) when the total value of work executed (exclusive of the value of work ordered by the Engineer pursuant to Clauses 59(1)(b) and 58(2) hereof and of any adjustment of the Contract Price in accordance with this Clause 83) as certified by the Engineer in accordance with Clause 60 hereof amounts to £3,225,000 (Three million two hundred and twenty five thousand pounds sterling)

CLAUSE 83(2) (Cont'd)

- (ii) the expiry of the period of 700 (seven hundred) days from the date of the Engineer's written order to commence the Works.

- (g) If the limitation specified in sub-clause (f) above shall become effective the Contract Price shall be adjusted thereafter in accordance with the algebraic expression:-

$$A = H \sqrt{P} - 1.5 \sqrt{P}$$

- where (i) the terms "A" and "H" have the same meanings as are respectively assigned to them in sub-paragraph (c) above.
- (ii) "P" = average labour rate per hour in £ sterling derived from the expression $P = \frac{U}{H}$, where "U" is the total actual cost paid by the Contractor in respect of wages, statutory payments and benefits, pay premium, overtime and labour contractor's administration payable to or in respect of workpeople and of wages, statutory payments and benefits, pay premium and overtime payable to or in respect of workpeople recruited in the United Kingdom and/or the Falkland Islands during the period in respect of which adjustment of the Contract Price is determined.

- (h) In the event that during the period of the Contract the value of "Q" (as defined in sub-paragraph (c) above) shall become such that the Contractor shall be of the opinion that workpeople recruited from the United Kingdom and/or the Falkland Islands can be employed at an average labour rate lower than the value of "Q" current at that time he shall first seek the approval of the Engineer to his proposed arrangements for the termination of employment of that part of his workforce which was recruited in the Argentine Republic and its replacement by workpeople recruited in the United Kingdom and/or the Falkland Islands and if such replacement shall be effected the Engineer and the Contractor shall agree such modification of the provisions of sub-paragraphs (c) (or (g) as the case may be) and (d) above as may be necessary to permit of adjustment of the Contract Price subsequent to such

CLAUSE 83(2) (Cont'd)

replacement in a manner equitable to the Employer and the Contractor and if the Engineer and the Contractor shall fail to so agree the Contract Price shall be adjusted in such manner as the Engineer may consider reasonable and proper in the circumstances."

CLAUSE 83(4)

- (i) In lines 7 and 8 the words "...c.i.f. Port Stanley"... are deleted and the words "...to Port Stanley..." substituted therefor.
- (ii) The asterisks in lines 6 and 21 are deleted as also is the footnote at the bottom of page (9).

Variation of
Price -
Materials and
Fuels

CLAUSE 83(5)

Lines 5 - 11 (inclusive) are deleted and the following substituted therefor:-

Variation of
Price -
Currency
Fluctuations

"..make payment therefor in the currency of the Argentine Republic and if at the time when such payment is made in accordance with the said terms the rate of exchange between sterling and the Argentine peso varies from the Financial Exchange Rate of £1 = 23.90 pesos the consequential increase or decrease in"

VOLUME II

The amendment under "Page 2" is deleted

APPENDIX "C"

Pages (13) and (14) are deleted in their entirety.

* * * * *

DERIVATION OF AVERAGE LABOUR RATE PER HOUR
(Clause 83(2) of Conditions of Contract refers)

- (a) Officially published basic wage rates assumed as applicable in the Argentine Republic at the Operative Date

Skilled workpeople = 8.58 pesos/hour

Unskilled " = 6.90 pesos/hour

- (b) Ratio of Skilled:Unskilled workpeople to be employed = 3:5

$$\therefore \text{Average basic wage rate} \\ = \frac{3 \times 8.58 + 5 \times 6.90}{8} = 7.53 \text{ pesos/hour}$$

- (c) Add: 95% to average basic wage rate as allowance for all statutory payments and benefits payable to or in respect of workpeople = 7.15 pesos/hour

$$\therefore \text{Average inclusive wage rate} = 14.68 \text{ pesos/hour}$$

- (d) Multiply average inclusive wage rate by a factor of 2.553 to allow for pay premium, overtime and labour contractor's administration
 $2.553 \times 14.68 \text{ pesos/hour} = \text{Average labour rate}$
= 37.48 pesos/hour

- (e) Converting from Argentine Pesos to Sterling at the Financial Exchange Rate current at the Operative Date i.e. £1 sterling = 23.90 pesos

$$\therefore \text{Average Labour Rate} = \underline{\underline{£1.57 \text{ per hour}}}$$

FALKLAND ISLANDS AIRPORT

ANNEXURE II

TO

APPENDIX 'C'

LETTER OF ACCEPTANCE OF TENDER

(Paragraph 3 of Appendix 'C' refers)

DESIGNATED ITEMS	UNIT	RULING MARKET PRICES		SOURCES OF RULING MARKET PRICES
		Price £ Sterling	Price Basis	
<u>BITUMEN</u>				
60-80 pen bitumen (BITALCO)	Tonne	45.87	C & F Mar del Plata/ Port Stanley	YPF Buenos Aires
Cut back grade 50 secs (ASFALIQ)	Tonne	55.33	C & F Mar del Plata/ Port Stanley	" " "
<u>ROAD TARS</u>	Tonne	62.50	C & F UK Port/Port Stanley	NCB England
<u>CEMENT</u>				
Normal Portland Cement	Tonne	25.55	C & F Mar del Plata/ Port Stanley	Loma Negra-Buenos Aires
<u>MS. REINFORCEMENT</u>				
25 mm Dia and over	Tonne	106.67	C & F UK Port/Port Stanley	GKN(South Wales) England
20 mm Dia	"	107.22	" "	" " "
16 mm "	"	107.62	" "	" " "
12 mm "	"	112.22	" "	" " "
10 mm "	"	113.67	" "	" " "
8 mm "	"	115.82	" "	" " "
<u>FUELS</u>				
Gas Oil	Imp. Gallon	0.464	C & F Mar del Plata/ Port Stanley	YPF - Buenos Aires
<u>PREFABRICATED BUILDINGS</u>				

~~EXHIBIT~~ As FOB quotation (Ref WDW/GE/K.9107/12/8) dated 23.10.73 by Coseley Buildings Ltd of Wolverhampton
England. Shipping £22.75/m³ or £25.50/tonne U.K. Port/Port Stanley by The Falkland Islands Trading
Company.

FALKLAND ISLANDS AIRPORT

ANNEXURE III

TO

APPENDIX 'C'

TO

LETTER OF ACCEPTANCE OF TENDER

(Paragraph 4 of Appendix 'C' refers)

BILL No.1
GENERAL MEASUREMENT
PREAMBLES &
PRELIMINARIES

CLAUSE	DESCRIPTION	QUANTITY	UNIT	RATE £	£
	<u>PRELIMINARIES (Cont'd.)</u>				
1/24	The Contractor shall set out below and fully describe (inserting the relevant Conditions of Contract or Specification clause number or other reference) and price any work or obligation or anything contained in the Conditions of Contract or Specification or shown on the Drawings not included by him in his rates elsewhere and for which he considers a separate charge is required. He shall state against each item the times at which and in what proportion payment of the sums affixed to such items is to be made. The sums inserted in the Bills shall be considered to be fixed lump sums covering the whole of the Works and as such shall not be subject to adjustment. If the Contractor does not make an allowance in the space provided below then the rates inserted in the Bills hereafter shall be deemed to cover all his obligations under the Contract.				
<u>Item</u>					
1/25	Provide for:				
	(a) Supervision, attendance, office and accommodation expenses.			273,860	-
	(b) Labour camp running costs etc.			60,000	-
	(c) Head Office overheads including airfares, service charges etc.			45,000	-
	(d) Temporary Works including access roads, electricity and water supply etc.			36,400	-
	(e) Inflation and general increased costs not covered by V.O.P. Clauses.			30,000	-
	(f) Insurance (Employers liability).			10,000	-
	(g) Insurance (C.A.R. & P.L. etc).			36,000	-
	(h) Contractor's Offices			57,000	-
	(i) Contractor's Staff Housing.			175,000	-
	(j) Labour Camp			109,110	-
	(k) Sundry Tools and Equipment			20,136	-
<u>Clause</u>					
1/26	The sum of £852,506 shall be paid by instalments of £53,281.62 per month commencing with month 6 of the Contractual Programme.				
BILL No.1 - GENERAL MEASUREMENT PREAMBLES & PRELIMINARIES carried to STATEMENT				£ 852,506	-

- 10 -

35-41 LOWER MARSH

LONDON SE1 7RY

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.

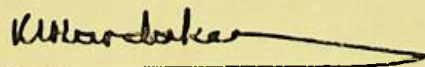
2 The Engineer for the purposes of the Contract will be the Engineer named in Clause 1(1) (c) of the Conditions of Contract viz; Messrs Rendel, Palmer & Tritton.

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

Rendel Palmer & Tritton

Consulting & Designing Engineers



THE QUEEN'S AWARD
TO INDUSTRY 1973

Southwark Bridge House

61 Southwark Street, London, SE1 1SA

Tel: 01-928 8999

Cables: Rendels London SE1

Telex: No. 919553

Code: Rendconsult-Ldn

Partners:
F. Irwin-Childs, F.I.C.E.
B.G.R. Holloway, F.I.C.E., F.I.Struct.E.
P.A. Cox, F.I.C.E.
J.C. Munro, F.I.C.E.
K.E. Ainscow, F.I.C.E., M.I.Struct.E.
D.M.S. Fairweather, F.I.Mech.E.
R. Downham, F.R.I.N.A., M.I.Mar.E.
J.A.N. Dennis, F.I.C.E.
F.A. Fisher, F.I.C.E.
B.J. Luxton, F.I.C.E.

Associates:
E.F. Foster, F.I.C.E., F.A.S.C.E.
L.W. Hinch, F.I.C.E.
J.A. Holland, F.I.C.E.
C.A. Paterson, F.I.C.E.
J.R. Sweetapple, F.I.C.E.

Specialist Associates:
S.W. Pratt, F.I.E.E.
R.W. Galsford, Ph.D., M.I.Mech.E.
J.G. Ody
D.W. Masson, C.I.C.E.
W.K. Cross, M.I.C.E.

Consultants:
H. Scrutton, F.I.C.E., F.I.Struct.E., F.Inst.Pet., F.I.Arb.
J.E.G. Palmer, C.B.E., F.I.C.E., F.A.S.C.E.
P.G. Fookes, Ph.D., M.I.M.M., F.G.S.
D.G. Cameron, F.I.C.E., F.I.Arb.
H.R. Bayce, F.I.C.E.

Your Ref:

Our Ref: 971/2/OR.4361
EBK/SGK

18th November, 1974.

Excellency,

FALKLAND ISLANDS AIRPORT

In accordance with instructions received from the Crown Agents we have pleasure in forwarding herewith one set of the completed Contract Documents (Volumes I - III) for the above project, together with a copy of the Letter of Acceptance. - 53A

The Contract Drawings, comprising the following folios of engineering drawings, have not been included herewith:

- Folio of Drawings (1974);
- Folio of Reinforcement Bending Schedules (1974);
- Folio of Runway Earthwork Cross-Sections;
- Folio of Road Earthwork Cross-Sections;
- Folio of Borehole Logs.

We should, however, be pleased to provide a set of Contract Drawings for your retention if you so require.

Yours faithfully,
for RENDEL, PALMER & TRITTON

E. B. Kelbie
E. B. KELBIE

His Excellency, The Governor,
Government House,
Port Stanley,
Falkland Islands.

noted by Mrs Booth

Mrs Booth
Kindly arrange meeting w. Max max after Leg Co

I asked Kelby if I could have a set of drawings so that we can see what is required. On my return from Camp I will contact Kelby who will bring along his complete folio of drawings for me to select those I require.

8. Access road

I told Kelby that RSC and SPW had now agreed in writing that the new permanent access road could be routed as they suggested without compensation. It was Crown land and the peat bogs are governed by the Peat Ordinance.

9. Explosive devices

I told Kelby that he would receive a qualified clearance certificate within the next day or so. He welcomed this as it would give him something tangible to present to the Contractors to forestall them from claiming that delay was beyond their control. Kelby agreed with me that the recent letter from Corlett where he implied that he might require a clearance certificate but also said that he was able to proceed satisfactorily did not make sense. It was still necessary, however, for the clearance certificate to be presented. Kelby said that the situation might have been different if the Contractor had asked for a suspension order under section 12 of the basic Conditions of Agreement, but of course he hadn't.

10. General Programme

Kelby will send from his Head Office a revised critical path network plan and a bar chart as soon as this has been agreed with the Contractor.

AIR/13/4
NOTE

DISCUSSION WITH KELBY, ASHFIELD AND MAIDMAN OF RPT. 10/1/75

1. Housing

Kelby asked if Ashfield, who had a wife and 2 children, could be allocated a Government house even for a short period. I said that No. 8 Racecourse Road, where Maidman now is, would be required, but I would let him know if No. 6 Ross Road West would be available.

2. I was most surprised to learn from Kelby that under the terms of the contract the consultants are reimbursed for any rent or hotel expenses they incur prior to the erection of the bungalows by the Contractors. This seems to be an incredible oversight by the Crown Agents. Johnstons are under a "heads I win, tails you lose" basis and there thus seems to be no incentive for them to put the houses up quickly.

3. Equipment for bungalows

Kelby obtained authority from the Crown Agents before leaving UK to equip the bungalows with freezers, washing machines and carpet squares. SPW and/or Stores Officer should indicate to RPT what make of freezers and washing machines should be installed.

4. Labour

I inquired about the labour position, particularly imported labour. Kelby said the only reference is in Clause 82 of the Contract (which see). Again we seem to have been let down by whoever was responsible for drawing up the contract, as I read into Kelby's remarks that the provisions of the Clause are practically unenforceable as there are so many undefined descriptions in it.

5. Rate of pay of labour

Kelby said he was trying to obtain from Johnstons details of their rate of pay to ascertain if they were complying with the terms of the contract. Again, in this connection it is going to be very difficult to tie them down.

6. VOR

I inquired about VOR. Kelby said that there would be an NDB installed under the terms of the Contract. We should inquire from Bloomer Reeve if the Argentines are going to make the VOR available to the new airport. If so, we should know whether this would be free and we must look urgently at its site and the route of the cable, so that the Contract can be amended early if need be.

7. The Airport buildings

I said there had been some comment from interested departments that their allocated space in the terminal building was either inadequate or badly designed. If we are to alter the building it is again important that we notify this to the consultants through FCO and CA as early as possible to minimise the additional cost. Kelby made the point that the drawings had been submitted to the Client (FIG) at the feasibility stage.

55
(51)

CONFIDENTIAL

EXECUTIVE COUNCIL

INF 1/75

PERMANENT AIRFIELD

Honourable Members are asked to note that Johnston Construction Limited has sub-contracted certain work in connection with the Cape Pembroke Airfield to an Argentine registered company and that the labour employed by the Argentine company will not be subject to Falkland Islands tax nor will the employees of the Argentine company be required to contribute to the Old Age Pensions Fund.

Old Age Pension Order No. 2 of 1972 and Income Tax Ordinance No. 4 of 1972 refer to the exemption of the provision of the Old Age Pensions Ordinance and the non liability to Falkland Islands Income Tax.

The Secretariat,
Stanley.

15th January 1975.

Ref: AIR/13/4

58
(2) (53)

10th January, 1975.

The Hon Chief Secretary,
Secretariat,
Stanley.



Ref: AIR/13/4 Vol.2.

Dear Arthur,

FALKLAND ISLANDS AIRPORT - LABOUR

Many thanks for the copy of your letter of the 7th January to Bill Luxton.

What you have written virtually answers my letter to you of the 6th and I will go ahead with drafting my circular to our members,

If you are in a position to let me have a copy of the Johnson Contract for reference it will still be much appreciated. It is sickening that the labour clauses are not tighter when one considers how often it was stressed that they must be, during the build-up to this job.

However if we meet the problem by discussion and negotiation as suggested in your para 3, it should be possible to avoid any sort of confrontation in which labour might decide to show very clearly that it will work where it wants to!

Yours sincerely,

B. P. Teluga

Chairman

c.c. The Hon. W.R. Luxton

6th January, 1975. (54)

The Hon. Chief Secretary,
Secretariat,
Stanley.

Your Ref. AIR/13/7.



Dear Mr. Monk,

Thank you for your letter of the 20th December regarding the labour problems involved in the construction of the main air-field. Since writing it, you will have received a copy of Mr. Hardcastle's letter of the 30th December on the same subject.

I had an informal discuss with Corlett on Friday last in which he told me that it is in 'off-season' labour from the camp that they are particularly interested, and he quoted a figure of 20 men as being desirable. He seemed somewhat shaken when informed that the 'off season' is from the 1st May to 30th September. He also stated that if men leave camp employment and come to Stanley, he will employ them if they have not taken up work anywhere else.

For the 'off season scheme' he proposes hiring the men from the farm and not directly, so that the farm still has a hold on the employee and can dictate when he must return. The farm would continue paying wages and normal benefits, and Johnson's would repay these to the farm plus some unspecified additional money to make the scheme attractive to employees. Accommodation would not be provided unless absolutely essential. This is the obvious money saver because with imported people they have to face heavy passage and accommodation costs.

I advised him that I could do no more than circulate our members for their views because I have heard it rumoured that one or two would welcome such an arrangement which might relieve them of a financial burden for the winter months now that wool prices have fallen so badly. The F.I.C. Director Mr. W.W. Blake, was definitely in favour.

Corlett informed me also that he is delighted to pick up these various 'drop-outs' who seem to be dropping into the islands without entry or work permits and being allowed to stay. As a councillor who has spent many hours around tables discussing our immigration policy I should be interested to know why we seem to have opened the doors to all and sundry - not least the 'fugitive' who turned up last week and promptly became a burden, if only temporarily, on the Government - but I digress.

I will advise you of the result of my circular to managers but before producing it, I would be most grateful for a copy of the Johnson Contract so that our Association is fully informed of what it is up against. In order to make their collective or individual decisions, our members must be made aware of all possible factors. I believe that extremely difficult labour times are ahead for Government and the industry while these people are here, but since they are here as a partial result of our insistent demands, and it would make no difference which construction company had won the contract, we must endeavour to protect ourselves as much as possible while at the same time giving them all reasonable co-operation.

Yours sincerely,

R. Pilcheg

Chairman

62
55

Chief Secretary's Office,
Secretariat,
Stanley.

REF: AIR/13/4 ✓

16 January 1975

Dear

PROGRESS REPORT - NEW AIRPORT

In the hope that you will find it of some interest I propose to issue occasional progress reports on this vital matter.

2. The main issue in recent weeks has been the possibility of a delay caused, firstly, by the existence of unexploded explosive devices on the site, and secondly, the need to re-align the access road from Stanley to avoid the Hooker's Point airstrip.

3. Either of these matters could have caused a claim to be submitted by the Contractors that delays were caused by circumstances beyond their control which might, if they were acceptable to the Consultant Engineers, have led to some compensatory payment from the contingency element of the Contract.

4. We have therefore been very concerned to ensure that we give the Contractors as little excuse as possible on this point. There has been considerable correspondence between me, them and the Consultants, on these matters as well as with the Ministry of Overseas Development. The situation now is that Major Cook has issued a qualified clearance certificate for the site; that I have a written undertaking from Johnstons that they can proceed; and that I have asked the Consultants to tell me urgently if we should proceed to get out a Ministry of Defence expert with equipment to give an unqualified clearance certificate.

5. As regards the re-alignment of the access road I have notified the Contractors and Engineers that their proposed deviation is acceptable to us on grounds of land tenure and they are going ahead with this.

6. Thus, there seems to be no ground at present for the Contractors to claim (known as a 'suspension claim') and I am maintaining very close liaison with the Consultants to ensure that this possibility is kept to a minimum. I don't think we can be too careful in this matter as the Consultants have indicated to me that Johnstons may be, what is known in the business as a 'claims orientated' contractor. In other words, contractors who make their profits out of loopholes in a Contract. I have no indication yet of this apart from the Consultant's word but it is worth watching.

7. The other important matter has been labour, and I have already written to Bill Luxton and Robin Fitaluga about this. I have had complaints from John Rowlands that 'certain factions' have been interfering in his recruitment of labour for Johnstons, and I have had contrary reports on the other side that some organisations are suffering as a result of the draining-off of labour to Johnstons. The matter does not yet seem to be so serious as to require Government to intervene, although the Public Works road programme has not managed to get started.

/8. If necessary

16 January 1975 (55)

8. If necessary I propose to call a conference of all interested parties to discuss the situation. Under the terms of the Contract Johnstons must not pay to the Falkland Islands workers wages higher than those now ruling. As regards Argentine labour the rate of pay is calculated on the official basic wage rates assumed as applicable in the Argentine Republic. On the face of it therefore, the Contractor has nothing to gain by concentrating on local labour. Of course it is virtually impossible to tie down in a Contract provisions for the employment of labour which do not include loopholes by which the Contractor can benefit.

9. Johnstons have employed a man called FORTBATH of Comodoro to recruit their labour and he does not appear to have made a particularly good job of it. It is possible that Johnstons may attempt to invoke Clause 44 of the main Contract, as amended by Clause 82 part II of the Contract, which enables them to claim for delays arising from impediments placed in their way for the recruitment of labour. I have made the point strongly to the Consultant Engineers - who are the arbitrators in this matter - that Johnstons knew months ago about the requirements for vetting over in Argentina and of the time it normally takes to recruit men, so that I would think their chances of succeeding in this connection are minimal.


10. I have inspected all the drawings for the airport and buildings and have ordered two sets of those of most use to us. I shall circulate one set to Councillors. The importance in this connection is that we should take a fairly close look at the terminal building plans to see that they fulfil our requirements. It is important that if they are inadequate we notify the Consultants as soon as possible so that a Variation can be made to the Contract as early as possible thus reducing the additional cost.

11. Another important matter is housing for the Consultants. Johnstons have fallen behind on this and I have tried to help out by providing the Consultants with an unoccupied Government house for which they will pay rent. The houses should have been constructed by the end of January but I believe they will not be up for at least another two months.

12. Lastly and generally the Contractors are four weeks behind their programme and a new programme is now in process of negotiation with the Consultants in London.

13. For the information of Councillors I am circulating my (only) copy of the Contract documents. Perhaps you will be kind enough to pass this on in the order shown below. Councillors may also like to inspect the programme which is displayed on the wall of the Conference Room at the Secretariat.

Yours sincerely,


A.C.B. Monk
Chief Secretary

The Hon. E. Howlands
Major the Hon. R.V. Goss, OBE, ED.
The Hon. W. E. Bowles
The Hon. S. Miller, JP
The Hon. L. G. Blake JP
The Hon. R. F. Pitaluga
The Hon. A. B. Monk, JP
The Hon. M. C. Luxton

REF: AIR/13/4

17 January

75

The Hon. R. M. Pitaluga,
Gibraltar Station,
Salvador.

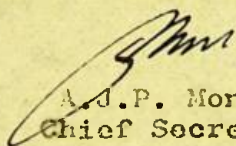
Dear

Falkland Islands Airport - Labour

Thank you for your letter of 10 January. By now you have probably received my Progress Report on the new airport which I hope will help to clear up some of the questions in your mind.

2. You will note from the last paragraph of the Progress Report that I am circulating the Contract documents (I have only one copy) so that you should receive it shortly. If you don't, perhaps you will be kind enough to let me know.

Yours sincerely,


A.J.P. Monk
Chief Secretary

NOTE FOR FILE



THE PERMANENT AIRFIELD

1. Mr D G F Hall, WIAD and I visited the Falkland Islands in December 1974.

2. On 14 December we met Mr W Maidman, Randel, Palmer and Tritton's (Consulting Engineers) representative, and Mr J W Corlett, Johnston Construction Ltd's project manager.

the contract itself

3. They were at pains to make clear that they could not discuss the contract with us in any official or formal way since ~~this~~ specified precisely how communications between the contractors, the consultants and the client should be conducted. Mr Maidman said that discussion between the contractor and the client was strictly unethical. We explained that the purpose of our visit was to educate ourselves about the local scene and problems; discussion continued on the understanding that it was on an entirely unofficial, and personal basis.

4. Mr Maidman said that when his firm asked the FCO for the co-ordinates of the present temporary airfield they were given inaccurate information. The co-ordinates given were those of the originally-planned site but the airfield had in fact been constructed about 250 yards further to the northwest. It now lay across the access track to the site of the permanent airfield. Johnston Construction had continued to move trucks and land rovers to the site, but the Argentine airforce (AAF) would not give permission to move heavy equipment across the airstrip. In his view, Johnston Construction would be entitled to cease work until the problem was resolved, and costs would fall on the client. There were two possible solutions:

- (a) a new access road to be made around the present airstrip;
- (b) agreement with the AAF to take equipment across the strip.

5. He had suggested a possible new route to his Head Office who would consider the question, and decide whether to make a recommendation to the client.

6. He was satisfied that it was practical to cross the airstrip with heavy equipment since it was possible to protect it against damage, but the AAF would presumably have to be persuaded ~~that~~ this was a political problem for the Colonial Government. He had advised the Chief Secretary of the problem.

/7. A second



7. A second serious difficulty had arisen. Johnston Construction Ltd had discovered old ammunition on the site of the permanent airfield. They had ascertained that the site had been used at one time as a firing range. Mortar bombs had been used there, and it was possible that there were unexploded missiles present. In the view of the engineers, the contractors would be justified in declining to do any further work on the site until a clearance certificate had been given, and the costs of delay would fall on the client. Johnston Construction had, in fact, continued to work the site, but it was doubtful whether the project manager was justified in accepting such a responsibility. The Chief Secretary had been advised.

A handwritten signature in cursive script, appearing to read "Stanley Relton".

30 December 1974

Stanley Relton
Latin America Dept

Distribution

LAD
WIAD
Chancery, Buenos Aires
Secretariat, Port Stanley
Defence Dept

No. SC/1/75

MEMORANDUM

It is requested that, in any reference to this memorandum the above number and date should be quoted.

8th January, 19 75

To: Chief Secretary,

STANLEY

From: Registrar, Supreme Court,

Stanley, Falkland Islands.

SUBJECT :-

Re-alignment of Access Road

4.8
With reference to your letter AIR/14/4 Vol. 2 of the 7th January addressed to the Engineer's Representative, Rendel Palmer & Tritton, Stanley, I hereby confirm that the proposed new alignment of the road in question is over Crown Land.

2. The Crown has the right to resume any peat bank or part thereof at any time and without compensation, where the public interest requires. (rule 13 of the Peat Bank Rules).

J.P. Bennett

REGISTRAR



REF: AIR/13/4

23rd January

75

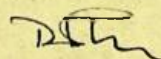
Dear Sir,

Realignment of Access Road

Please refer to my letter AIR/13/4/II of 7th January.

I confirm that there is no objection to the contractor traversing the route proposed.

Yours faithfully,



(D R Morrison)
for CHIEF SECRETARY

Engineer's Representative
Rendal Palmer and Tritton
Consulting and Designing Engineers
Box 212
Stanley

CPEJ

Confidential

70
62

NOTE FOR FILE

- No:

AIR | |

DISCUSSIONS ON 22 JANUARY 1975

1. I gave Lieut Cdr White a copy of the recent telegram from the FCO about MOD, prior to his inspection of the site to-day with Sgt Neale. He will do all he can and report back to me as soon as possible.

2. Discussion with Messrs King & Corlett

King said the main purpose of his call was to make his number, although we did talk in general terms about progress. King made the point that the correct channel for discussion with the client was through the Engineers' Representative, and we both agreed that this was the proper course. However, he was prepared to say that he was having problems with labour because instead of it taking 6 weeks to issue a white card, it had taken them about double that amount of time and they had discovered that the white cards were valid for 60 days only. I told King that we had asked Buenos Aires to look into the matter on our behalf and do everything possible to facilitate the recruitment of labour. Corlett said that he had been in touch with Bloomer-Reeve, who had told him that he (Bloomer-Reeve) could re-validate the cards so that the Argentine labour could go and come as they pleased. Johnstons expect 10 more Argentines on next Monday's flight.

3. As regards the question of explosive devices at the site, King said that they were quite prepared to carry on and work without a clearance certificate so far as possible and they were making every endeavour to co-operate to the full. It was certainly not their intention to drag their feet. He did however say that he envisaged the situation where a certificate would be required and thought that despite the cost this was absolutely necessary. For instance, he said, if a device did go off and injure a worker or damage some plant, it would be virtually impossible to get the workers back on the site.

NOTE: In view of this we have no course but to advise FCO that MOD must supply a certificate.

4. Discussion with Sgt Major J E Jackson RM on the FCO telegram.

I asked if it might be possible for some of the new NP 8901 personnel to be trained up in the use of detecting devices and bring them out with them. He (Sgt Major) thought this was not possible in the time available, especially as the people conversant with this type of work were highly trained Sappers. He did make the useful suggestion, however, that instead of 10 men for one week, it might be better to have 5 men for two weeks. This would have the double advantage of easing the load on the 'plane if they flew out with NP 8901, and also reduce the number of trained men that the Sappers would have to spare for the job.

AMK
A J P Monk
ACTING GOVERNOR

22 January 1975

RENDEL, PALMER & TRITTON



ENGINEER'S REPRESENTATIVE,

P.O. BOX 212,

STANLEY,

FALKLAND ISLANDS.

250
(63)

Ref: 971/1/8-19

7th February 1975

The Secretariat,
Stanley,
Falkland Islands.

For the attention of the Chief Secretary

Dear Sir,

FALKLAND ISLANDS AIRPORT

Contract Drawings

I confirm having delivered to you by hand on Tuesday, 3rd February, 1975, one copy each of the following drawings:

FIA/C/A1-A3 inclusive

FIA/C/C1-C7 inclusive

FIA/C/C13

FIA/C/P1

FIA/C/G1

FIA/C/H1

As I understand from Mr. Monk, you require a further set of the above drawings which I will deliver to you during the beginning of next week.

Yours faithfully,
for RENDEL PALMER & TRITTON

B. G. Ashfield

B. G. Ashfield
ENGINEER'S REPRESENTATIVE

CONFIDENTIAL

From FCO

Immediate to Stanley

Tel No 55 of 5 Feb

Your Tel No 44

Herewith repeat of BA Tel No 63 to FCO

contained in my Tel No 43 to you

CONFIDENTIAL

From BA

Routine to FCO

Tel No 63 of 29 Jan

Info Stanley

FALKLAND ISLANDS: PERMANENT AIRFIELD

84
64
B.S.
No. 55. All the points
listed in Para 3 will require
confirmation here also and
Enco. will have to be kept
fully in the picture. Decisions
will not be taken in London
c. B.A. over J.I. heads
all 7/2

1. Kelbie from Rendel, Palmer and Tritton has called on us to explain that he wished to follow up a letter written to LADE about future communications arrangements for the permanent airfield by calling on the Argentine Air Force.

2. We explained to Kelbie that while it was a reasonable assumption that LADE would continue to operate a regular air service to the permanent airfield, both Governments had yet to reach agreement. We then took him to see De la Colina explaining that these technical questions about radio frequencies, etc were being put to the Air Force by the consultants on a strictly hypothetical basis, ie that it might be agreed by the British and Argentine Governments that LADE should continue to run a regular service once the permanent airfield had been completed. When the answers arrive they will be sent to Hall for Kelbie.

3. Since we understand that decisions about communications and radio equipment must be made now (to give time for ordering etc) and will be based on an estimated service by planes of a certain size, capacity and regularity, you may now wish to consider the following points:-

- i. Will the Argentine Government continue to operate a regular service once the permanent airfield is completed?
- ii. Will such a service need a fresh agreement to replace the 1972 Air Service Agreement or can this be amended as necessary by the Special Consultative Committee?
- iii. Will such a future service have the same regularity and same capacity planes?
(De la Colina says the F27s will run for another 2-3 years and are then due to be phased out and replaced by F28s which can just land on a strip 1200 metres long with a reduced passenger load).
- iv. Who will run the permanent airfield and its communications?

FILE NOTE

FOR THE INFORMATION OF EXECUTIVE COUNCILLORSPERMANENT AIRFIELD

Since the Chief Secretary's report dated 16th January the main developments have been as follows:

1. Government has arranged with the Ministry of Defence for Capt. Warr to carry out a preliminary reconnaissance and report back to MOD. As a result of Capt. Warr's report 6 trained bomb disposal sappers supervised by Capt. Warr will cover the complete site as soon as possible. Capt. Warr, in his initial survey, unearthed 70 devices, none of which were dangerous.
2. The Consultants are looking into the operation and management of the airport once the permanent airfield is completed. This raises such questions as whether LADE will continue to operate a regular service; whether this service, if operated, will have the same regularity and the same capacity: and who will be responsible for running the permanent airfield and its communications. These are all matters on which Executive Council must decide and will be dealt with in papers to be submitted to Council during the next few months.
3. Labour: The problem of labour seems to have become decidedly less acute, and PWD have in fact managed to recruit some workers to start the road programme.
4. Plans for the airport have now been received and one set is in circulation amongst Councillors. The important point, as previously mentioned, is that Heads of departments concerned should submit recommendations for any alteration to the terminal building. Meetings have been arranged accordingly and a report is expected shortly.
5. The revised programme has still not yet been received.



Foreign and Commonwealth Office
London SW1A 2AL

Telephone 01-



H C Lock Esq
Dept Q4
Crown Agents for
Overseas Government and Administration
35-41 Lower Marsh
LONDON SE1

Your reference

Our reference HWF 21/3

Date 28 January 1975

FALKLAND ISLANDS

Permanent Airfield

1. As discussed on the telephone I am writing about the requirement to realign the access road to the permanent airfield. You will remember that I still have to let the Governor know that the route notified to Messrs Rendel Palmer and Tritton by Mr Maidman on 18 December (drawing number FIA/S/2) has been approved.
2. You will realise that the Foreign and Commonwealth Office is most concerned about the necessity to realign the road. We were not aware of the position until I visited the Falkland Islands just before Christmas.
3. On 1 February 1973 your Arthur Small asked me to provide Messrs Rendel Palmer and Tritton with the exact position of the temporary airfield (then in situ and fully operational). I telegraphed the Governor and a copy of his reply giving the relevant co-ordinates was passed to Arthur Small. (Port Stanley telegram no 32 of 5 February 1974 refers.)
4. You will realise that we in the Foreign and Commonwealth Office are at a loss to know why the access road was sited across the temporary airfield at all, especially as the consultants knew the airfield's precise position before they completed their plans.
5. I should be grateful if you would ask Messrs Rendel Palmer and Tritton for an explanation of this unfortunate occurrence, so that we can consider our attitude in the event of additional fees and/or contract costs being claimed.

A J P Monk Esq
FALKLAND ISLANDS

B M U Bennell Esq, ODM
W W Todd Esq ODM

D G F Hall
West Indian and
Atlantic Department

desp'd 29. Jan 75 thw.

31st January 1975

Chief Secretary

Senior Medical Officer
Customs
Immigration

92B
(68)

Expenditure

There has been some comment on the lack of space in the terminal building. If you consider the space inadequate please submit by 6th February your suggestions for improvements which could be made within the overall framework of the building.



(J. J. Morrison)
for Director

CPW

To me JWC 10/2

JOHNSTON CONSTRUCTION LTD 70



Civil Engineering and Building Contractors

Registered Office:

Johnston House, Hatchlands Road, Redhill, Surrey RH1 1BG

Telephone: Reigate 42466 (20 Lines)

Cables: Johnston, Redhill (Telex)

Telex: London 27641

7th February, 1975

From: P.O. Box 136,
Stanley,
Falkland Islands.

The Chief Secretary,
The Secretariat,
Falkland Islands Government,
Stanley.

Dear Sir,

Falkland Islands Airport

Over the past two months we have experienced difficulties in obtaining definite seat bookings from LADE to fly in our Argentinian work force.

We understand we have generally been operating on the basis that our Argentinian Labour Contractor takes workmen to Comodoro Rivadavia Airport, on the day of a flight, and takes whatever seats that are made available.

We believe LADE have been giving some priority to providing seats for our workmen and men have been arriving although without prior notice and in a rather haphazard manner.

We understand, however, that passengers always have priority over air freight and we are now very concerned that delays will occur to our work due to non-receipt of urgently required machinery spare parts which have been air freighted from U.K.

We trust that through your good offices, a request could be made to the appropriate authorities for a priority to be placed on Johnston air freight from U.K. through Argentina to Stanley and for the transportation of Argentinian workmen to the Falkland Islands.

Yours faithfully,

J. W. Corlett
Project Manager



B/V

Foreign and Commonwealth Office
London SW1A 2AL

Telephone 01-



H C Lock Esq
Crown Agents
Q Department
35-41 Lower Marsh
LONDON SE1

Your reference

Our reference HWF 21/2

Date 31 January 1975

**FALKLAND ISLANDS PERMANENT AIRFIELD:
CROWN AGENTS' FEES AND EXPENSES**

1. Please refer to your letter Q4A/367/43/1 of 16 January (and Mr Hardaker's letter of 8 November) in which you raised again the question of the level of the Crown Agents' fees on this project.
2. We have re-examined the problem here, and have decided that we must abide by the line given in David Hall's letter to Hardaker of 29 October: that the scale of fees originally agreed should stand, and for the reasons given in that letter.
3. I think the problem has become unnecessarily complicated because of the welter of figures which threatens to engulf us. Some of these figures are unsupported, and bear little or no relation to the basics: there have been instances of ambiguities in letters on both sides. May I try to set out the figures as simply as possible? There are three main aspects of the work to be covered:-

A. Preliminary Desk Study

Fee agreed, and paid (2.8.73) £ 800

B. Crown Agents' fees proper (based on contract price of £3.2m)*

1.	Initial payment (paid 22.5.73)	£ 150	
2.	0.4% on 1st £250,000	1,000	
3.	0.2% on 2nd £250,000	500	
4.	0.1% on balance (£2.7m)	2,700	£4,350

*Note: if the eventual cost exceeds £3.2m then the fee will rise at 0.1% of the excess over that figure.

C. Additional work beyond the terms of B (to date)

Renegotiation of contract (paid 17.1.75) £1,642

/We



We have paid A, B(1), and, on 17 January 1975, £2,446 out of B(2)-(4), which with C and an extra £950 (double payment of A and B(1)), made up your invoice for £5,038. This means that out of the agreed fees (on a contract price of £3.2m) you have a balance due of £1,754 (c.f. para 7 of Mr Hardaker's letter of 24 July). On the payment schedule proposed by you in para 5 of your letter under reference we should pay you on 30 September 1975 and 31 March 1976 £789.30, and £175.40 after the issue of the Certificate of Substantive Completion.

4. The hard work on the routine servicing of the project - all being reasonably well - should be over until the final account is in hand. Mr Hardaker anticipated in July that the sum of £1,754 would be sufficient for you to perform the limited duties set out in the letter of 24 November 1972. We are ready to pay for extra work beyond those duties, and any claim in this respect should be accompanied by a detailed supporting statement.

5. To clarify this still further, the normal duties of the Crown Agents in this project we see as:-

- (a) examination of contract documents prepared by consultant (done);
- (b) scrutiny of tenders submitted, taking into account consultants' advice on "best" tenders (done);
- (c) signing contract Agreement on behalf of the Falkland Islands Government (done);
- (d) scrutiny of interim certificates and making appropriate payments (current);
- (e) scrutiny of final certificate and making appropriate final payment, and settlement of account including disputed items (prospective).

(The certificates at (d) and (e) are prepared by the consultants as part of their fee.)

6. May I take this opportunity of confirming what I told you at our meeting on 9 January, that the Falkland Islands Government have agreed to the "streamlined" method of payment suggested by you in paragraph 7 of your letter to David Hall of 5 November 1974.

cc: Mr M Todd
Deputy Engineering Adviser
ODM

Chief Secretary
FALKLAND ISLANDS ✓

M E Hunt (Miss)
West Indian and
Atlantic Department

REF: AIR/13/4

12th February

94
71
75

Vicecomodoro C. Bloomer Reeve,
LADE Office,
Stanley.

Dear Sir,

FALKLAND ISLANDS PERMANENT AIRPORT

The Project Manager of Johnston Construction Ltd. has asked me if I will enquire if LADE can help by giving some priority space on the flights between Comodoro and Stanley to bring their workmen from Argentina. I have asked for specific instances, and they should be letting me have this information which will be copied to you.

2. Mr. Corlett makes a similar point about air freight. It would be of great assistance if you could give some indication of what delays we can expect in air freight, and if some priority might be given to spare parts for Johnston's machinery.

Yours faithfully,

A.J.P. Monk
Chief Secretary

c.c. Rendel Plamer & Tritton

Ref: AIR/13/4

12th February

75

The Project Manager,
Johnston Construction Ltd.,
P.O. Box 136,
Stanley.

Dear Sir,

Thank you for your letter of the 7th February about the difficulties you are having in obtaining seat bookings on LADE. I have written to the LADE office asking them to do what they can to help both with this matter and with the bringing over of your air freight.

2. It would help me if you would let me have specific instances of delay and perhaps you will be good enough to copy this additional information to the LADE office.

Yours faithfully,

A.J.P. Monk
Chief Secretary

cc Rendel Palmer & Tritton

MEMORANDUM

Reference

Date ... 13th February, 1975. (28) (74)

From Collector of Customs



To Chief Secretary

Please refer to your memorandum of 31st January, 1975, regarding the Permanent Aerodrome.

I am concerned about the layout of the terminal building at the permanent aerodrome and I feel that a discussion between yourself and the parties concerned i.e. Immigration, Medical and Customs, would be beneficial. Perhaps one of the staff of Rendell Palmer & Tritton could be present to advise whether any alterations or improvements we make are feasible within the overall framework of the building.

ACG
1 spoke to AC 2 weeks ago and he told me he was going to travel w. AGO & did not submit a report. I agreed that he could go ahead. I don't agree w. it at this stage. Let us find out what we want first.
JR

R. Balliday
Collector of Customs

6. A suggestion has been made to me that we need something more secure than hiring men out (rather than paying them off for a period), to attract them back to the farms in the spring, and the answer might be for the farms to retain 50% of the 'unspecified additional money' (see para 4) unless the man concerned returns when required when it would be repaid to him in full.
7. The purpose of this circular is to acquaint all members with the problem and the proposals for overcoming some of the difficulties and to invite comments, queries and suggestions. Please also state if you agree to a team consisting of say, a representative of Government, Mr. Milne, Major Goss, Our Secretary and myself negotiating a draft agreement with Johnstons. This could be circulated for approval before signing but we will need to move quickly, as time is slipping by and I expect to be in Argentina for a fortnight during March. Please send your comments to the Secretary as soon as possible.

R.M. Pitaluga

CHAIRMAN

Circulation List

The Chief Secretary,
The Stanley Manager, F.I.C. Ltd.
W.W. Blake Esq., F.I.C. Ltd., London.
All directors & Members of S.O.A. Ltd.
The General Secretary, F.I.G.E.U.
The Secretary, F.I.S.O.A. Ltd.

Annexure:

Mr. Hardcastle's letter of the 30th December 1974.

S T A N L E Y

30th January, 1975.

To: All Farm Managers

LABOUR AND THE NEW AIRPORT

1. 20th December. The Chief Secretary wrote expressing concern that Johnston Construction Company appeared to be attracting labour from existing employers including the camp. He stated that it is a requirement of the contract that they do not pay remuneration above the rates of local employers, but this restriction can be overcome by using bonus schemes and overtime. There is nothing in the contract which requires Johnstons to import all their labour requirements so we must face the fact that we have competition of at least Ajax Bay proportions.
2. 30th December. Mr. Hardcastle wrote enclosing a copy of a letter he had addressed to Mr. Milne and copied to Johnstons and the C.S. He had heard a suggestion that Johnstons hoped to attract camp labour to Stanley during the winter. Mr. Hardcastle has kindly agreed to his letter being attached to this circular. He is firmly opposed to the idea.
3. 1st January 1975. At the informal meeting, Mr. Hardcastle's letter was read and the matter briefly discussed. Mr. W.W. Blake of the Falkland Islands Co. Ltd., was in favour of some scheme being worked out because of the obvious economies which would result for those farms which could spare labour. Since Johnstons had asked for a meeting with me, it was agreed to leave the matter at that point.
4. 3rd January. I met with Mr. J.R. Corlett for an hour during which we discussed labour problems and the scheme his company has in mind. He stated that they are interested in employing up to 20 men from camp during the 'off-season' and I advised him that the official 'Off-season' is 1st April to 30th September but that circumstances vary and some farms if interested in the scheme may be able to release men sooner. He proposes hiring the men from the farms and not directly so that the farms still have control over the coming and going of men. Farms would continue paying wages and all usual benefits and Johnstons would repay these to the farms concerned plus some unspecified additional money to make the scheme attractive. Accommodation will not be provided unless absolutely essential. The saving to Johnstons would be considerable because passages and housing must be a large slice of their working costs. Mr. Corlett mentioned that if men leave the camp employment and move into Stanley he will employ them if they have not taken up work elsewhere. I advised him that few farmers have full gangs anymore and that most find the winters too short for all their maintenance and building programmes.
5. It seems to me that whether we like it or not, we are faced with a proposal to which we cannot say a flat NO. In a letter to the Chief Secretary dated 10th January I wrote "However, if we meet the problem by discussion and negotiation as suggested in your para 3, it should be possible to avoid any sort of confrontation in which labour might decide to show very clearly that it will work where it wants to!"

/over

17th February, 1975. 75

The Hon. Chief Secretary,
Secretariat,
Stanley.



Ref: AIR/13/4 Vol.2.

Dear *Arthur*,

FALKLAND ISLANDS AIRPORT - LABOUR

Following our exchange of letters up to mine of the 10th January, I drafted a circular on the labour problem and sent this to our Secretary Mr. W.H. Goss to arrange with the F.I.C. the production and circulation. This circular, along with Mr. Hardcastle's letter of the 30th December to Mr. Milne, was to be circulated to all concerned, excluding Johnstons.

By now, you will have received your copy and will be as shocked as I was to discover that the whole S.O.A. file on the subject had been copied and circulated as a result of some misunderstanding. Fortunately, the collection of letters are not exactly 'red hot' but it does include your letter of the 20th December which you asked me not to publicize in any way, and also the progress report which obviously is not intended for wide circulation. I am at a complete loss to understand how this could have happened, and I can only offer my most profound apologies and sincere regret for this incident. Fortunately I succeeded in preventing all but the correct two papers going to London, but the rest were in the post before I received mine Thursday evening.

I very much hope that this will not cause you any embarrassment and would assure you that we are taking immediate steps to ensure that there is no repetition. I will keep you informed of progress on the object of the exercise.

Yours sincerely,

A handwritten signature in dark ink, appearing to be 'B. J.', written over a large, faint red circular stamp.

CHAIRMAN

Reply at
(100)

REF: AIR/13/4 Vol.2

20th February

75

The Hon. R. M. Pitaluga,
Chairman.
Sheep Owners' Association,
Stanley.

Dear

FALKLAND ISLANDS AIRPORT

Thank you for your letter of the 17th February.

2. I have in fact received my copy of the circular and there was attached to it only the letter from Brook Hardcastle. I wonder if the copies of the other letters addressed to me have gone astray or if they were held back. Perhaps you will be kind enough to investigate and let me know.

3. As you rightly implied this could be a most serious slip-up, and I think for the information of us all it is essential that the occurrence is fully investigated to ascertain the following:-

- i) Who made the copies?
- ii) On whose authority were they made?
- iii) To whom were the copies sent?
- iv) Were all spare copies destroyed?
- v) Were the duplicating skins destroyed?

4. I think you will agree that it is imperative that we do all we can to ensure that these papers do not get into the wrong hands. It is difficult to advise you in this connection as I don't know what your distribution network is, and there is also the danger that any advice to destroy or ignore might only highlight the matter.

5. Perhaps you will be kind enough to let me have your further report as soon as possible, and I am glad to know that you have already taken steps to ensure that this occurrence cannot be repeated.

Yours sincerely,

A.J.P. Monk
A.J.P. Monk
Chief Secretary

P.S. I have rung H. Milne & W. Goss. They have destroyed any spare copies & Goss is attempting to retrieve copies sent around Stanley at least. I think this is essential if the basis of personal communication is to be personal.

CONFIDENTIAL

Signed A.M.

Oh, please make a dreadful type *Adm*

SAN CARLOS SHEEP FARMING CO., LIMITED

Directors:
S. MILLER (Chairman)
Mrs. C. LUXTON
Mrs. E. M. SLAUGHTER
G. C. R. BONNER
R. M. PITALUGA

Secretary:
B. O. BARNES

Registered Office:
CROZIER PLACE,
PORT STANLEY

Telegraphic Address:
"JAYBEE PORT-STANLEY"

SAN CARLOS,
STANLEY

FALKLAND ISLANDS
16th February 1975

The Secretary,
Falkland Islands Sheep-owners Association,
Stanley.

Dear Bill,

I am in receipt of the SOA circular dated 30th January concerning Labour and the new Airport; also of the copies of various letters on this and other subjects.

With regards to Johnstons and our Camp Labour.

The first thing that must be said by me that concerns this, is that any attempt by SOA and/or Government, to coerce labour by economic or Legislative means to work for us or anyone else is repugnant to me as an individual and would be opposed by me both in my capacity as a Farm Manager and in my Capacity as an Elected Legislative Council member. Apart from that it is very apparant to me that any attempt to do so would result in a serious deterioration of our relations with the GEU, which compared with those pertaining in other Countries between Employers and Labour, are excellent. Such a deterioration would of course creat serious problems for us in the future; and of course for Government which seem to be worse affected than do we.

We have to recognise, in my view, the following facts: Any Construction ~~XXXX~~ firm with a contract of that magnitude would for a while seriously disrupt our economy vis-a-vis labour; the labour employment clauses are not and, probably never could be, watertight insofar as Camp labour is concerned; some of the younger members of the Camp labour force are not going to be prevented from going to Stanley and joining Johnstons; Some labour is not going to come back to Camp for the next season.

I do not believe any Agreement such as suggested in Para. 4 of the SOA circular could be made binding on the labour or Johnstons

Johnston/

●● since any attempt to conclude an agreement with ~~JOHNSTONS~~ Johnstons whereby a part of the 'unspecified' extra bonuses to be paid to labour would be withheld unless they returned to Camp would be much resented by labour and could be easily got round by them, since they could easily leave their Farm Employment and proceed to Stanley for engagement.

Having said all that and, I must at this Stage apologise for the very poor typing, due in part to the typewriter carriage not gripping the paper for some reason; there are some factors in our favour.

Since we are in for hard times financially due to very low Wool prices I do not agree with either Mr Brook Hardcastle or W.R. Luxton that we cannot for a while do with less labour. To say that large gangs are necessary in the winter is not altogether true: they are only necessary if planned programs of improvements and maintenance are carried out. These programs in very many cases can be deferred for a year at least without disastrous effects and this could well be the year to do so with money short. A lot of Fencing programs are being done using subsidised fencing and I am sure if Government had representations from SOA, the time for the completion of this work could be put back to 1977. There is no doubt in my mind that the Industry could and should shed quite a bit of labour this winter and since the labour can find other lucrative employment this could be relatively painless for all concerned.

I do admit that once labour goes to Johnstons whether through a general Agreement or just by drift it will be hard to attract them back for the next season; for one reason, at about the time we want them back we will cut off the very large Basic Wage Adjustment payments (1st Oct'r). Maybe if we all had less labour throughout the winter we could afford to be more generous next season; always provided the Wool market is more bouyant!

Regardless of whether labour goes to Johnstons under an organised Agreement or by 'drift' I believe we have reached a turning point in the history of our labour employment policy. I think we are seeing the end of the 'year-round Employment of large gangs' policy. We are approaching the Era of only small permanent gangs, and what better time to do it when

we cannot afford to keep them anyway. The transition period will be painful and the 'howls of anguish' from the traditionalists, loud and heartrending, but I am convinced the economic facts of life sparked off by Johnstons will not be gainsaid and the adaptable Managers will survive to see greater profitability for their firms.

Yours faithfully,
 For and on behalf of
 SAN CARLOS S. F. CO. LTD.
 (A.B. Monk)

Incidentally I think ~~Mr W. Biske~~ ^{Manager} is to be congratulated on taking such a realistic and logical view.

C.C. A.J. Monk. Ch. Secretary.

S T A N L E Y

22nd February, 1975. (78)

The Hon. Chief Secretary,
Secretariat,
Stanley.



Your Ref: AIR/13/4. Vol.2.

Dear *Arthur*

FALKLAND ISLANDS AIRPORT - LABOUR

Many thanks for your letter of the 20th February.

Our secretary has written advising me of the steps he has taken to recover the letters which were circulated in error and he has already recovered those which went out to Stanley members. We expect the co-operation of camp members in recovering theirs. Presumably, yours had not been posted by the time I discovered the error.

The copies were made by Mr. Milne's secretary on the authority of Mr. Goss who advises me he has been to see you. He arranged the production on my behalf. The copies were distributed according to the list at the foot of my circular and I will ask our secretary to provide you with a breakdown of the list and an indication of those recovered. All spare copies have been or are being destroyed and I have asked Mr. Goss to obtain and destroy the skins, if this has not yet been done.

I hope to call on you on Monday the 24th to clarify any further queries you may have.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'R.M. Pitaluga', written in a cursive style.

R.M. Pitaluga
CHAIRMAN

"Salvador House"

Gibraltar Station

Port San Salvador

Falkland Islands

22nd February, 1975.

The Hon. Chief Secretary,
Secretariat,
Stanley.

Dear Arthur

*Reply at 95.
although further info
coming from...*
JOHNSTONS CONTRACT



LABOUR CLAUSE 34.

Para 2. I have the impression this has been flouted on one or two occasions but hope I am wrong. *Entry permits*

Para 3. Not exactly a satisfactory ruling and certainly not one that should become too widely known in the present climate. *Hungarian & Chilean labour not to be recruited*

Para 7. I have heard complaints that this is being freely abused, especially at Stanley. Might be worth some quiet checking. *liquor shops*

Para 15. Is Government carrying out a regular inspection of these records? I feel it would be useful to do so. *wage sheets*

CLAUSE 42 (2)

Can anything be done under this one to make them keep Hooker's Point road in reasonable condition? Since they have overgraded it, it is rapidly ~~becoming~~ approaching a state at the bend on the flat, when it may become impassable following heavy rain.

AIRFIELD DRAWINGS

No. FIA/C/A1. Will the site boundary be fenced eventually? I consider that it should be, but perhaps not quite as extensively as the area shown in the drawing.

No. FIA/C/A2. What are the contract requirements for stabilising the sand in the area surrounding the airfield? One of the greatest hazards to an aircraft at Hookers Point is the amount of sand blowing across the strip in dry weather.

No. FIA/C/C1. My immediate criticism is that the public area is too small. If my calculations are correct it is little if any bigger than the combined areas at Hookers Point, and that building is barely adequate for even a temporary set-up. I hope something can be done about this before the construction commences. There appears to be no area set aside for a refreshment bar, or is it the intention that such facilities be housed in a separate and perhaps private building? I hope not, surely it is far better to combine as much as possible in

/over.....

The Hon. Chief Secretary

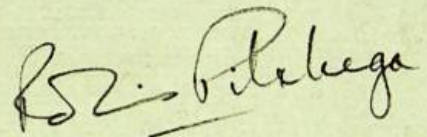
22nd February, 1975.

one building, even when working to our small scale. I think that the access to the observation area should be from the outside of the building so that mere spectators need not be passing through the passenger service area.

Office space seems excessive for an occasionally used airport but if this has been planned to cater for possible future expansion, then it is strange that the same thoughts did not apply to the Public Area.

For the rest, it all looks pretty good but one cannot help feeling that a 'British Built' airfield 1200 metres long still keeps us 99% dependent on Argentina for our air communications.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'R.M. Pitaluga', with a stylized, cursive script.

R.M. Pitaluga

AIR/

25th February 1975

105
80

Chief Secretary

Postmaster

Will you please advise Ashfield, of Rendel, Palmer & Tritton, of the following:-

i Where is the present NDB located? This is the one operating on 630/640 KHZ.

ii. Would it be economical or practicable to retain this NDB for future use by the new permanent airfield?

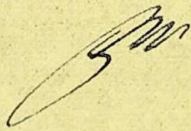
iii What is the NDB type?

iv What is its condition and power range?

v Could the frequency be changed to 200/300 KHZ?

vi Would a new aerial be required if equipment was transferred to transmitting station?

2. My understanding of the situation is that the NDB is used only for ship to shore working, has a very limited range, and the aerials are in need of repair. I believe this matter was referred to in our recent discussion with Cable & Wireless. I would think, therefore, that the NDB could not be moved, but I should be grateful if you will give this your urgent attention and let Ashfield know today.



A.J.P. Monk
Chief Secretary

Ref: AIR/13/4

26th February 75

J. Corlett, Esq.,
Johnston Construction Ltd.,
P.O. Box 136,
Stanley.

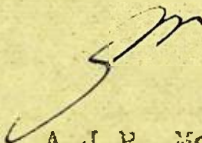
Dear

Straying of Horses

The Agricultural Officer tells me that horses which are normally restricted to the west side of the access road to the airfield have escaped on to the pastures on the seashore which are normally reserved for the winter grazing of the cattle. He believes that this is because a fence which contains the area has been broken to allow transit of your plant and equipment.

Perhaps you will be kind enough to look into this and, if it is possible, to restrict movement of the horses by re-closing the fence after its use. Could you please issue instructions to this effect.

Yours ever,



A.J.P. Monk
Chief Secretary

AIR/13/4

(107)

(82)

5.

4. (13) PERMANENT AIRFIELD

The application for £1,000,000 additional provision under Development Head 'B' Expenditure to be met from UK Funds item 5 Permanent Airfield was withdrawn by the Financial Secretary.

Engineer for the Works:

Please reply to:

Rendel Palmer & Tritton

Consulting & Designing Engineers

Southwark Bridge House

61 Southwark Street, London, SE1 1SA

Tel: 01-928 8999

Cables: Rendels London SE1

Telex: No. 919553

Code: Rendconsult-Ldn

ENGINEER'S REPRESENTATIVE

P.O. Box 212

Port Stanley

Falkland Islands



23rd February 1975

Your Ref:

Our Ref: 971/1/8-25

FALKLAND ISLANDS AIRPORT

The Secretariat,
Stanley.

For the attention of the Chief Secretary

Dear Sir,

Engineer's Representative's Site Offices

I wish to inform you that on 24th February 1975 Rendel, Palmer & Tritton will be vacating the temporary office at Cable & Wireless transmitting station for permanent offices on the airport site.

Urgent communications may be made either via my home number, 50, where my wife will be pleased to take a message; or through Johnston Construction via their intercommunication system.

Our postal box number remains as above.

Yours faithfully,

B.G. Ashfield

ENGINEER'S REPRESENTATIVE

SHEEP OWNERS ASSOCIATION LIMITED.

STANLEY.

5 Ross Road East,
Stanley.

27th. Feb. 1975.

The Hon. Chief Secretary,
Secretariat,
Stanley.

Dear Sir,

Firstly, please accept my sincere apology for the embarrassing position this incident has put you in.

Assurance has been given by both Mr. H. Milne and Miss Rosemarie Allen, that all spare copies and skins have been destroyed.

All copies distributed to persons in Stanley have been recovered, to date, four copies returned from camp Members.

Enclosed please find a list of persons who would have received a copy and recovered.

Yours faithfully,

W. H. Goss

W. H. Goss
Secretary.

SHEEP OWNERS ASSOCIATION LIMITED.

STANLEY.

Distribution List of S.O.A. Circulars.

<u>Name</u>	<u>Address</u>	<u>Copy</u>
J. Felton	Fitzroy	
K. J. McPhee.....	Green Patch	
E. Hardcastle.....	Darwin Harbour	
R. Lee	Goose Green	
T. Blake	North Arm	
T. Clifton.....	Speedwell Is.	
J. Robertson.....	Fox Bay West	(Recovered)
P. Robertson.....	Port Stephens	
S. Miller.....	Roy Cove	
* R. McGill.....	Carcass Is.	
P. Goss?		
W. Luxton.....	Chartres	
G. Evans.....	Bebble Island	
T. Pole Evans.....	Saunders Is.	
R. Ferguson.....	Weddell Is.	
R. H. Hills.....	Stanley	(Recovered)
L. G. Blake.....	Hill Cove	
W. McBeth.....	Sedge Is.	
T. Clifton.....	Sea Lion Is.	
R. Napier.....	West Point Is.	
R. Cockwell.....	Fox Bay East . . .	(Returned)
R. Turner.....	Rincon Grande	
R. M. Pitaluga.....	San Salvador.....	(2 Returned)
A. Miller.....	Port San Carlos...	(Recovered)
L. Grant.....	Port Louis	
A. B. Monk.....	San Carlos	
O. Smith.....	Johnson Harbour	
D. Barton.....	Teal Inlet	
D. Pole Evans.....	Port Howard	
W. Clement.....	Stanley.....	(Recovered)
C. H. Robertson.....	Stanley.....	(Recovered)
S. Miller.....	Stanley.....	(Recovered)
W. H. Goss.....	Stanley.....	(Recovered)
K. Luxton.....	Stanley.....	(Recovered)
E. M. Goss.....	North Arm	

* L. Butler?..... Stanley..... (Recovered)

* L. Butler and P. Goss are not Members of S.O.A., there is doubt if P. Goss received a copy.

REF: air/13/4

4th March

75

B.G. Ashfield, Esq.,
Engineer's Representative,
Rendel Palmer & Tritton,
P.O. Box 212.
Stanley.

Sir,

Labour for New Airfield

A day or so ago Mr Corlett complained to the Financial Secretary that because of the changed rate in purchasing pesos his Argentine labour might want to return to Argentina.

2. Will you please let me know if this contingency is covered by Clause 83(5) of the Contract. In any event it may be that the change in the exchange rate ought to have no effect on the payment of labour which is based in sterling. If the labour are paid in sterling they presumably will be no worse off.

Yours faithfully,

A.J.P. Monk
Chief Secretary

Reply at 93

Conf.

RESTRICTED



BRITISH EMBASSY

BUENOS AIRES

5 March 1975

91

A P Monk Esq
Chief Secretary
Port Stanley

Dear Arthur,

PERMANENT AIRFIELD

1. I mentioned to you while I was in Stanley that I had discussed with Mr King, Director of Johnston Construction, the problem of delays to Johnston's supplies in Comodoro Rivadavia.

2. This is just to confirm that you had yourself discussed this with Johnston's Project Manager in Stanley and that no problems of this kind had yet arisen. We agreed that if they do the best course would be to seek assistance in Stanley from Bloomer-Reeve. If Johnstons have any particularly urgent supplies on the way Bloomer-Reeve could perhaps be warned beforehand and asked to ensure that they are given priority in Comodoro. Consequential delay to other supplies would have to be accepted on the grounds that the construction of the airfield must take priority, which the Islanders presumably will accept.

Yours sincerely,

Howard

H J S Pearce

RESTRICTED



Foreign and Commonwealth Office
London SW1

Telephone 01-

H C Lock Esq
Department Q4
Crown Agents
35-41 Lower Marsh
London SE1

6.5.7
All right
Your reference

Our reference

Date 3 March 1975

Spoken: live asked
RPT by letter 11/3
I DES
P. Spake
FALKLAND ISLANDS AIRFIELD ACCESS ROAD

Thank you for your letter of 13 February which I apologise for not answering before.

I now appreciate that the co-ordinates of the temporary air strip which were passed to the Consultants in early 1973 were incorrect, but, as I assured you on the telephone these were received direct from the Falkland Islands Government.

I am glad, however, that no great harm has been done and that the extra cost will be minimal. I note that the Falkland Islands Government have formally confirmed approval of the road's new alignment.

I am copying this to the Governor.

D G F Hall
West Indian and
Atlantic Department

Engineer for the Works:

Please reply to:

Rendel Palmer & Tritton
Consulting & Designing Engineers

ENGINEER'S REPRESENTATIVE
P.O. Box 212
Port Stanley
Falkland Islands

Southwark Bridge House
61 Southwark Street, London, SE1 1SA

Tel: 01-928 8999

Cables: Rendels London SE1

Telex: No. 919553

Code: Rendconsult-Ldn

10th March 1975

Your Ref:

Our Ref: 971/1/8-31

FALKLAND ISLANDS AIRPORT

CONFIDENTIAL

The Secretariat,
Stanley.

Attention of the Chief Secretary

Dear Sir,

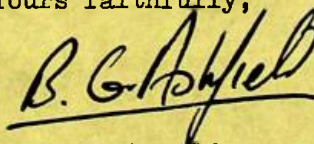
Labour for new Airfield

86 I acknowledge receipt of your letter dated 4th March 1975
ref air/13/4 Argentine labour for the New Airfield.

I must respectfully inform you that my terms of reference do not empower me to comment on the above subject and such matters I refer to the Engineer. The contents of your letter have been noted and I shall send a copy of this letter to the Engineer for his consideration.

On the short-term should this matter escalate, I should be obliged if you will refer Mr. Corlett back to my office where I can take the appropriate action through the provisions of the contract.

Yours faithfully,



B.G. Ashfield
ENGINEER'S REPRESENTATIVE

The Hon. R. M. Pitaluga,
Gibraltat Station,
Salvador.

Dear Sir,

Please refer to your letter of 22nd February 1975
regarding certain aspects of the aerodrome:

1. Persons who have entered the Falklands for the specific purpose of employment with Johnstons are covered by a guarantee that Johnstons will repatriate the employee to the country of engagement. There have been several cases of Johnstons taking on other persons who happened to be in the Falklands but Johnstons have sought permission.
2. There has been an improvement in matters at Stanley House. A Club licence is held by the firm.
3. We are asking the Engineer's Representative to provide us with the sight of wage sheets.
4. Johnstons have been working on the road and have made some surface repairs.
5. Some of your other points have had to be referred to the Engineer's Representative for advice.

Yours faithfully,

D. R. Morrison
for Chief Secretary

96

REF: AIR/13/4

18th March

75

The Engineer's Representative,
Rendel Palmer & Tritton,
P.O. Box 212,
Stanley.

Dear Sir,

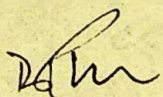
Questions have been asked of Government as to whether:

- a) the site boundary will be fenced and if so, where will the fence be erected; and
- b) what is planned to stabilise the sand in the area surrounding the aerodrome which will be blowing across the aerodrome in dry conditions and high winds.

I should be grateful if you would advise me on these points.

2. Would you also please advise me of the measurements of the public area of the terminal building which has been commented on as being unnecessarily small. Is there likely to be space for a refreshment bar in the terminal building? The comment has also been made that the access to the observation area should be from the outside of the building so that spectators do not have to pass through the passenger service area. Would you also comment on the allocation of office space which could be a bit on the large side for the airport.

Yours faithfully,



D. R. Morrison
for Chief Secretary

Ackd by B in vol 3
Saying matter referred to UK

file copy.

98

CONFIDENTIAL

EXECUTIVE COUNCIL

No. 10/75

Falkland Islands New Airport

The new airport is expected to be operational during 1976 and Government must now begin to examine its policy for control and management of the airport to provide a basis for detailed planning and estimating.

2. FIG must of course have overall control of the airfield but within this broad framework decisions must be made well in advance of the opening on certain major questions which are:

- i. which airline or airlines should use the airfield;
- ii who should operate the flight services (radio, radar, flight control, navigational aids, lights etc.) and
- iii who should manage the airport.

3. So that the necessary staff equipment and finance can be provided in time, and that the legal and administrative implications can be sorted out Government should aim to give early answers to these questions. Obviously it would be most satisfactory if we could attract a British Airline. On the other hand this seems to be an unrealistic proposition and the practical problems involved in it are obvious. It looks therefore as though Government may be forced to continue to rely on a service provided by LADE under the terms of paragraph 8 of the Communications Agreement of August 1971 and the Exchange of Notes, relating to the temporary airfield and the regular air service, of May and October 1972.

4. If LADE is to continue to provide a service, it could do so under the terms of these agreements, although that for the temporary airfield ought to be terminated by six months' advance notice to coincide with the opening of the new airfield.

5. If the LADE service is to be discontinued all the existing Agreements should be terminated by six months' notice at the appropriate time.

6. In considering this important policy matter Government should bear in mind that the specifications of the airport are that it should be capable of handling aircraft able, if necessary, to operate to points on the South American Continent, outside Argentine control. In view of the fact, however, that LADE operate the Stanley/Comodoro link at a loss, a considerable increase in traffic would have to be generated to make any other link attractive to another airline. A possible solution to this

CONFIDENTIAL

- 2 -

would be to continue the LADE service under the terms of the present Agreement which, again, could be terminated at six months' notice. Any variation in the terms of the Agreement, either as regards frequency of service or change in terminal points, would require an appropriate amendment to the Agreement within the terms of the Communications Agreement and the Joint Consultative Statements.

7. When considering responsibility for the operation of flight services, Government must bear in mind that provision and maintenance of these will be expensive in terms of equipment and staff. Government should therefore consider whether these services should be operated by an agency on its behalf. Again, for practical reasons, although by no means ideal, if LADE is to continue to provide the air service probably the cheapest and simplest arrangement would be that LADE should undertake this agency.

8. The management of the airport should almost certainly be retained as Government responsibility. This too will require additional staff and financial provision but this is an inescapable commitment.

9. The purpose of this paper is to draw attention only to the basic policy matters from which will flow decisions on detail during the next eighteen months or so. However decisions on these major policy matters are required soon and Council is asked to consider and advise:

- i whether LADE should be invited to continue to operate the air service between the Falkland Islands and mainland from the new airport; or
- ii if this should be deferred while efforts are made to interest other airlines in providing a service. (To date no other airline has displayed such interest and it seems very doubtful whether any will emerge.)
- iii whether Government should operate the flight services itself, or consider contracting them out to an agency, including possibly LADE;
- iv who should be responsible for the management of the airport.

The Secretariat
Stanley

Ref: AIR/13/6

12th March 1975

CFEJ

CONFIDENTIAL

(100)

JOHNSTON CONSTRUCTION LTD

Civil Engineering and Building Contractors



Registered Office:
Johnston House, Hatchlands Road, Redhill, Surrey RH1 1BG
Telephone: Reigate 42466 (20 Lines)
Cables: Johnston, Redhill (Telex)
Telex: London 27641

As from: P.O. Box 136,
Stanley,
Falkland Islands.

The Chief Secretary,
The Secretariat,
Falkland Islands Government,
Stanley.

13th March, 1975

Dear Sir,

Falkland Islands Airport

We refer to our meeting on the 5th March, 1975 in which we advised that our Argentine Labour Sub-contractor, Empresa Comodoro S.C.C., are still having difficulty in obtaining "white" cards from the Malvinas Department.

We understand the attached Workmen's White Card Applications were submitted to the Department during the period 16th September to 28th October, 1974 but, to date, White Cards have not been received.

The principals of Empresa Comodoro, Mr. Richard Pentreath, John Lowther and Eduardo Mujicca are similarly being prevented from visiting the Falklands due to lack of White Cards and this situation is causing considerable administrative difficulties.

We would have thought it should be possible for the Principals of Empresa Comodoro to be issued with documents to enable them to travel when required to the Falkland Islands and we trust that some assistance can be provided through your good offices.

Yours faithfully,

J. W. Corlett
Project Manager

Reply alt 101

WHITE CARDS NOT RECEIVED

YANEZ YANEZ, Marciano Ruben	C.I. N°	68.225	Policia: Chubut
ORMAZABAL DIAZ, Jorge A.	" "	29.610	" "
URIBE GALLARDO, Enrique	" "	33.871	" "
CARCAMO, Ruben Eduardo	D.N.I.	11.769.931	- - - - -
HENRIQUEZ, Hugo	C.I. N°	29.689	Policia: Chubut
MARTINEZ MOLINA, Jose	" "	42.053	" "
MARINO, Hector	" "	7.062.670	" Federal
PINTIHUEQUE, Vicente Francisco	L.E. "	7.821.320	- - - - -
LAZARTE, Edgardo Daniel	" "	12.310.390	- - - - -
OZAN, Julio Manuel	C.I. N°	8.406.057	Policia Federal
PEREZ, Humberto W.	" "	38.379	" Chubut
OYARZUN, Jose Enrique	" "	62.246	" Sta.Cruz
FRETES, Isidro	L.E. "	7.330.251	- - - - -
CARCAMO, Manuel Antonio	D.N.I.	12.040.464	- - - - -
SILVA, Eduardo	L.E. "	7.843.431	- - - - -
BARRIENTOS, Jose Rosaura	C.I. "	9.370.791	Policia Federal
ACUIPIL, Edelmiro	D.N.I.	12.041.238	- - - - -
LIEMPI, Serapio	L.E. "	7.393.154	- - - - -
ROCHA, Pablo Adolfo	L.E. "	7.615.131	- - - - -
NANCUPEL URIBE, Guido	C.I. "	62.482	Policia Chubut
FUENTEALBA, Blas Osvaldo	" "	78.284	" Sta.Cruz
PEREZ, Egon	L.E. "	7.325.044	- - - - -
VARGAS HARO, Benjamin Eladio	D.N.I.	92.033.752	- - - - -
REALE, Eduardo Geronimo	L.E. "	6.552.551	- - - - -
PAREDES CONTRERAS, Armando Ivan	D.N.I.	11.006.197	- - - - -
ANGULO, Claudio Lionel	D.N.I.	11.518.478	- - - - -
CARCAMO SOTO, Jose Humberto	D.N.I.	92.026.598	- - - - -
LIENCURA, Jose Juan	C.I. "	62.210	Policia Chubut
SAIRES, Auvergue Leonardo	L.E. "	6.433.468	- - - - -
GUZMAN, Francisco Rodolfo	C.I. "	27.095	Policia Chubut
BARROS, Sixto	" "	67.318	" Sta.Cruz
SOTO, German	" "	53.566	" Sta.Cruz
AZCONA, Vicente	D.N.I.	7.323.264	- - - - -
HERNANDEZ SANCHES, Jose Roberto	" "	12.445	Pol.Nac.Militar C.Riv.
MANSILLA SANTANA, Jose Ernesto	" "	92.037.291	- - - - -
RUIZ, Miguel Raul R.	C.I. "	6.620.604	Policia Federal
LAZO, Oscar Martin	" "	27.428	" Chubut
OLIVARES, Guillermo	" "	8.547.086	" Federal
MUJICA, Eduardo Hector	L.E. "	7.816.356	- - - - -
PENTREATH, Richard	" "	6.656.390	Policia Federal
SOSA, Julio	C.I. "	9.312.822	" "
PENTREATH, Celia			

The Project Manager,
Johnston Construction Ltd.,
P.O. Box 136,
Stanley.

Dear Sir,

Falkland Islands Airport

(100) Thank you for your letter of 13th March 1975 to which was attached a list of persons that it was agreed at our meeting on the 5th March you would kindly let me have because they were having difficulty in obtaining white cards. I shall send this list to the Embassy in Buenos Aires to enquire if anything can be done to speed up the white cards.

2. I note that the list does not indicate how long the applications have been outstanding. This would presumably be helpful and if you can let me have this information I shall be grateful.

3. I will also mention that Pentreath, Lowther and Mujicca are having difficulty coming here, although I believe Pentreath did recently make a short visit.

Yours faithfully,

A.J.P. Monk
Chief Secretary

cc Rendel, Palmer & Tritton