

TRN/AVI/5#6

AIR/34/3

~~Volume 1~~

SECRETARIAT

L A D E

ARCHIVE

File Opened

Closed

[illegible]

①

Res
— There is a letter from 1/12 for
Filing in this I think.

②

5/12

CS.

A letter from P.M. yes, but I can't remember seeing
one from H.M. It may still be at G.H.

Reg
4/12/72

③

DES } 16/2
AS } 18/2
Rose } 19/2

Pl note R 25 x 11. Rose should
ensure that our official visitors do
the necessary confirmation with Lade, and
offer to help as necessary. Meners
Stewart, Frost and Bell look like being
our next departures.

④

15/2

YE 16/2
18/5

R 31. I have discussed with F.S.
We can see no difficulty over the suggestion.

⑤

18/5

Res. ~~PT~~

Pl attach file on which we were
dealing with overseas parcel mail.

24/5

P&T/31/2

Res. ~~1/5~~

(6)

R36 is mostly filed. M put
on a Geneva file or on my PF

(7)

Res. ~~1/5~~

M attach Correspondence re Mail File.

(8)

FS

To see rec'd pp re
LANE payments.

(9)

J.E.

Seen 1/4.

I have discussed with Vice Director de la Bohia,

who has been informed of the position by the N.E.A., and he is
now awaiting further instructions from his L.A.D.E. superior before
arranging the transfer via London.

8/6

10

C.S.

Please see the attached letter from the FCO about duty free privileges to which the Argentine officials are entitled: from para 2 it appears that both Vice Comodoro de la Colina and Senor Sassi are entitled to duty free privileges.

2. You may like to let the *RSC* look at this letter in case he has any comments.



19th November, 1973

E.G. Lewis

VE ¹¹ Pl see attached by Ag *RSC*

DR
21.11.73

1. Import duty on goods imported into the Colony is payable only on three items -

1. matches;
2. spirits, wines, malted liquors & beer
3. tobacco

see Customs Order Vol. II of the Laws page 141.

"Personal effects" therefore do not attract duty at all except for matches, spirits etc. and tobacco which an Argentinian may bring in as part of his personal effects. I agree with Mr. Burrows that these three items should be imported duty free as personal effects.

I also agree with Mr. Burrows that LADE may only import wines and tobacco duty free as 'provisions', if they are for use solely on the aircraft.

2. To regularize the position, I suggest that the Governor in Council issues an Order under Customs Ordinance Cap. 16 section 8 remitting in whole import customs duty on matches, spirits etc. and tobacco imported

- (a) by LADE solely for use in their aircraft and not for personal use or re-sale in the Colony.
- (b) by LADE or YPF Argentinian personnel as personal effects subject to the condition that the items must not be re-sold in the Colony.

To ensure no difficulties of interpretation arise, I suggest FIG consults LADE and YPF on the wording of the Order and once it is agreed it may then be gazetted.

3. A difficulty arises concerning the import of arms and ammunition which I have already minuted on in the YPF Agreement Secretariat file. Arms and ammunition are prohibited imports under Customs Ordinance Cap. 16 section 36 (c) except with the written permission of the Chief Secretary. Some LADE or YPF Argentinians will no doubt wish to import their personal firearms and ammunition for use while they are stationed in the Colony. If they are imported, no customs duty is payable. Does FIG want each Argentinian to apply personally to the Chief Secretary or will FIG accept applications from LADE or YPF in respect of their employees or does the Governor wish to revoke this prohibition in so far as LADE and YPF personnel are concerned by proclamation under section 35? Further, is the Chief Police Officer to issue arms licences without question and free of charge to Argentinians who are permitted to import firearms? - see Firearms Ordinance 1965 No. 12 of 1965 page 228 of 1965 Gazettes - section 2 and 4. Once FIG decides how it wishes to proceed in this matter, I may be able to advise further.

4. I have also previously minuted about vehicles which the Argentinians may import as personal effects and their liability to take out a vehicle licence, driving licence and third party insurance under the Road Traffic Ordinance Cap. 60. I assume this question is under consideration by FIG.

[Signature]

J.P.J.

Ag. R.S.S.
21.11.73

(13)

11/11/73 Please refer to min from 2 and find up draft Burrows for me to see

22/11/73

(14)

YE

RCS draft order and
minute attached.

24th
27.11.73

Ag. C.S.

(15)

It is too early to make this Draft Order as the
YPF Agreement has not been signed by the contracting states
viz HMG and the Argentine.

2. Also I am aware of all the caveats listed by the
RCS in para 5 but there has to be an element of good faith
in our dealings with the Argentine Government. The Agreement
was signed between HMG and the Argentine for the operation of an
air service and for the construction of a temporary field, very
advantageous (speaking in strictly financial terms) to us and
the relatively small loss of revenue by granting these privileges
is nothing compared to the advantage obtained by the general
public from the operation of the air service with its attendant
benefits of rapid mail, communications and medical evacuation.

E.G. Lewis

29th November, 1973

E.G. Lewis

24th

24.11.73

file pl.

24.11.73

(16)

B/c 10 Jan 1974

[Signature]

(17)

F.S.

Payment for LADE passages

With reference to the attached. I had a meeting with Vice Comodoro de la Colina this morning. He had not received any instructions from the Air Force: he is going back for the necessary directions.

2. However, he thought the best solution would be for passengers to pay in Falkland Islands pounds and then for you to exchange into sterling at the current rate of exchange. I said this would present us with no insuperable problems.

3. In regard to the £13,000 in the Savings Bank, Vice-Comodoro said that some of this would be required if approval was given for the purchase of the house at Racecourse Road and he would seek instructions from his office about the balance.

E.G. Lewis

5th December, 1973

E.G. Lewis

(18)

A.S.

noted, thank you
at

6/12/73

Bu 10.1.74(16)

(19)

16/1/74 Pp 46-49.

*We will have to keep this in mind
when the G. P. 2. Agreement is signed*

10 Jan

Bu 1/3

~~YE~~ 8.11/15/11

R 52.

Draft verb at Face

✓
15/1

C S

LADE File

(20)

MEETING WITH VICE COMODORO DE LA COLINA

1. Vice Comodoro de la Colina saw me on 9 January, and the following came up for discussion:-

(a) The purchase by the Air Force of the house he is at present occupying in Race Course Road: I told him that this purchase had been approved in principle and that a letter would issue shortly.

Action on
ESRO
File

(b) Towards the end of March an Air Force Technician (NCO (of the rank probably equivalent to TOP Sergeant) will arrive, and he will be responsible for wireless communications and air traffic control work as far as LADE is concerned. What the Vice Comodoro would like is to rent a house for this NCO, preferably from Government.

I told
him none
available

(c) LADE has about £14,000 in the bank, of which £9,000 will be required to purchase the house in Race Course Road, and the balance of £5,000 he would like changed into sterling or Pesos. I said I had already mentioned this to the Financial Secretary, and he could approach him on this matter.

E G Lewis
10 January 1974.

(21)

Type

Make 5 copies of R54

(22)

Res

Copy d- Face for Notice Board

(23)

DCS

R56. Has he come?

18/4

5/2

(24)

CS ✓
June (23) Senor Sosa has
arrived.

Wm
18/1/74

25

✓

Wm
17.11

26

CS

(62) It is a pity that there is a flight
on Battle Day and that the hindlad
Explorer arrives chooses to arrive also as
it puts the Postmaster in a fix as
opening as he & several of his staff
are due to turn out on Parade.

Wm
4.12.

27.

DCS

Th. n. *Wm*. Does P.O. usually open for
sale of stamps on Sundays if ships or etc are in?

28

Wm
10/12

CS

There have been occasions in the past
when the P.O. opened on Sundays for sale
of stamps for ships.

Wm
10/12

40

Y.E.

We spoke yesterday about ambiguous LADE announcements.

There was one last night that I asked to be held until I could look at it today. The typescript is the original LADE notice.

When I read the notice I thought the first para referred to Monday's flight because of the coup d'etat. I had Mr Browning our best Spanish speaker to LADE office, who have agreed with considerable reluctance to the manuscript changes. Further than that Sr Sassi is not prepared to go. He says it is perfect English with the translation to English by Miss Volpi.

To save an international incident over an announcement it might be wise if you had the time to have a word with Vice Comodoro Carnelli. We are not trying to suppress their announcements; just to make them understandable!

June
25/3

1

41

25/3/76

ACS

Two of the and a completely
revised. Announcement has issued.
(broadcast several times).

F.C.O. & Embassy B's are
fully in the picture.

26/3

DCS

At face are two LADE accounts in respect of Customs handling and transport dues. These charges are similar to what Rev. Smith complains about in (81).

The US\$ 1 Dollar charge is for transport from BA International Airport to Aeroparque. The 1,686 pesos is a Customs charge for handling and storage only and not for examination. At no time have I found parcels tampered with. The only thing of issue as far as I can see is the unrealistic exchange rate used by LADE.

Dr.
7.6.76

CS

We spoke about Padre Smith's letter and thought the best way to tackle this was to write to the Embassy.

Draft ofc pl

7/6/76

7/6/76

May agree that I should first discuss with V.C. Cannelli? I am not certain that you

have seen these pp.

7/6/76

Any letter to the Embassy should be copied to LADE

C.S.

You - please proceed (1) Proposed V.C. Cannelli may be able to sort it out by RTI under B.A. 7/1/76

46.
CS *gjm*

DCS

LADE PARCEL CHARGES

Your minutes above.

2. HE the Governor has discussed these charges on Padre and Mrs Smith's parcel with Vice Comodoro Carnelli who is making further enquiries. We are also in touch with our people in BA and will let you know the outcome.

G Slater

29 June 1976

G J A Slater

47

R. blw 2 weeks.

SM 30/6
48

45

46 Presumably there are no developments since your minute?

SM 3/7

49

CS

An aide-memoire has gone to MFA in B.A. We await a reply to that, & from V.C. Carnelli and it will undoubtedly take time.

G Slater 22/7

50

CS

Mr Sassi of LADE has complained very strongly about the non payment of accounts (folios 87, 89 + 90) which are delaying his balance sheets. Please what do you advise.

Er 3/8/76

51DM

Why have they not been paid yet?

8 4/8

52CS

Ref 51 DCS instructed they be held untill the question of Customs Charges had been cleared

Er 11.8.76

53DCS

52 You have now completed enquiries into these bills yet?

8 11/8

54CS

The Ales appear to be similar to Padre Smith's charge which he has complained about and which we have just taken up with MFA (102). 42 refers to the Ales in detail.

55

DM 12/8

H E

LADE PAYMENT OF STANLEY RATES ON HOUSES OCCUPIED BY LADE OFFICIALS

124 from FS is drawn to your attention please.

2. I believe it would be appropriate to exempt LADE from payment of Stanley rates. If authority for this is not given in para 3 of the Joint Statement of 1971 I think a "just and generous" interpretation of para (4) of the Exchange of Notes on 24 October 1972, Treaty Series No 5 (73) does provide authority.

3. The interpretation, or application, of these Agreements is decided by the special Consultative Committee established under the Communications Agreement of 1971. Para 1 of the Joint Statement refers and so does para 6 of the Agreement of 24 October 1972. The special Consultative Committee is established in Buenos Aires in accordance with para 1 of the Joint Statement, but in accordance with the same paragraph, there are local representatives in Port Stanley. These are the Vicecomodoro and myself.

CS
CS
6.1.77

PS It would probably, too, be invidious to demand rates now three years after LADE has commenced operations. It would be appropriate, however, to ask LADE to inform FIG of the number of its personnel to establish a base for rates' exemption in the future. If the port war is to be reviewed the time to do this will be when the agreement is terminated by proper notice i.e. w. the E of N.

I attach my copies of the agreements.

CS
6.1

56

C.S.

Agreed
1 Rev. 11/1.

OM

With reference to (128) I doubt if there are any bills outstanding that are still affected by these charges. If any occur in the future you might draw on (128) to explain the situation.

C. S.
13.5.77

58

~~76~~
137
to remind.

5/12/9

59

59

CS - 58

Argentine Air Fares - (133)

An aide memoire was submitted through the Special Consultative Committee on 6/9/77. We put a reminder in my diary for 3 weeks' time.

D1579

60

CS-

Do you wish to reply to Mr. Milne's letter at 134 or should this file now be PA'd.

8/19/9

61

Discussed with C.S. Manager FIC informed that CS had discussed with Vice Comodoro Carnelli before (140) received. FIC told we would take up through the Embassy.

DET 30/9

62

~~HE~~ 5/10

(139) with (140). There is no objection to this being pursued by Mr. Service?
DET 4/10

DCS - June 62.

The Embassy have all the facts, including (140) which was copied across last Thursday. But I suggest we sit on this for the moment - we do not want to encourage the HC to involve us constantly in what appears to be a vendetta with the Argentines on this point.

5/10

5/10

20/10

As you know, a Major Fernandez, a senior official of LADE and a senior Argentine Air Force officer, flew in and out yesterday on the regular Albatross service. Major Fernandez' task was to approve any arrangements made by Vice-Comodoro Ferrari regarding housing and office accommodation for the LADE agent to be stationed here.

2. I fear it was not until a few minutes before the Albatross arrived that it occurred to me that the old PWD Carpenters' Shop recently used by R.P.T. might serve as temporary office accommodation for LADE while Ferrari, after his arrival here in March, looked around for more permanent and suitable office accommodation. SPW does not anticipate requiring the building until the main airfield construction project gets going: that, we expect, is unlikely to be earlier than September and will probably be later than that. Six months occupancy of the building by LADE should therefore be quite feasible. I informed Fernandez/Ferrari that the old Carpenters' Shop building would be provided rent free as it was to be a temporary office only but that maintenance, alterations, furnishings, etc. would be LADE's financial responsibility. They accepted this offer which was made in accordance with clause 6 of the Joint Statement of Buenos Aires of 1.7.71.

3. LADE have accepted Johnston's (ESRO) offer of the loan of an ESRO house in Racecourse Road as a temporary measure, again expected to last for some 6 months. LADE will be expected to pay rent, fire insurance, etc. Technically this may not be entirely within the spirit of the Joint Statement as ESRO is a quasi-government organisation but as Ferrari told me LADE would prefer to rent both living and office accommodation in the private market I do not think LADE will jib at paying rent to ESRO. And the arrangement gets us off what could have been an awkward hook. We were prepared, in the last resort, to make government housing available to LADE - perhaps Cable Cottage: but I would prefer not to and evidently LADE, for reasons unexpressed but which one can easily deduce, did not want to either.

4. LADE, for reasons connected with radio reception, would in due course prefer to have an office "up the hill" in Stanley and Fernandez mentioned the possibility

- (a) of LADE buying a house in Stanley;
- (b) " " renting a plot of ground in Stanley and importing a prefabricated house-cum-office of the kind they use in Ushuaia.

I said both proposals raised problems which could best be resolved in discussion in the Consultative Committee or during the 3rd Round of Communications Talks.

5. Both Ferrari and Fernandez expressed appreciation of the help and co-operation they had received from us and from others during their visits as well as expressing satisfaction with the temporary arrangements made for housing and office accommodation for Ferrari. They agree that these 6-month tenures should provide adequate time in which to firm up arrangements of a more long-term nature.

6. Ferrari expects to fly in to Stanley about 8th March. As the first regular flight (14th March) is already fairly heavily booked; as Ferrari is an ex-member of the Argentine Air Force; as LADE is run by that Air Force; and as Ferrari has a wife and 2 children it is to be expected that they will be brought in on a special flight.

*Spence copies of minute
at 6.0 p.m. to G.H. p.d. 27*

J.A.J. 27.1.72

Ba 2/3

2408
E
piece
DECODE.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched: 26.1.72 Time: 2115 Received: 27.1.72 Time: 0930

FM FCO 261710Z Unclassified to Priority Buenos Aires telno 52 of 26th January information Governor Falkland Islands. Falkland Islands Airfield.

S.W. Pratt of Rendel, Palmer and Tritton proposes to visit Buenos Aires to discuss with LADE Operations Staff on 14th and 15th February Telecommunications between Comodoro Rivadavia and Stanley, Navigation and Visual Aids, Meteorological information and Operations Procedures at Stanley.

2. Grateful for confirmation that LADE Staff will be available on these dates

DOUGLAS-HOME

Y.E. *g. y. 31/1*

Above telegram for your information. I shall be passing it to DCA to note and will also inform our telecommunications staff.

PL: HT

D.C.A. To note pp. 1-2.
J.A.J.
31.1.72
3/3

24.03/E

S.C.

L.A.D.E.

As you know, Vice-Comodoro Ferrari did not, on his recent visit here, succeed in finding a building suitable for permanent use as a L.A.D.E. office and we have consequently offered to loan him the old (P.W.D.) Carpenters Shop as a temporary measure only (though it is handily situated while the interim amphibious service is operating, being close to the Customs/Immigration Office and to the Air Service Office).

2. I had forgotten, but walking round Stanley yesterday it occurred to me that the old Speedwell Store building might make a suitable office for L.A.D.E. It is reasonably central; is the right shape; and has room at the back with development, for use as a carpark. Do you know, and if not can you ascertain, perhaps from R.S.C. to whom the building or the plot (including the vacant area behind, i.e. to the south of the building) belongs?

J.A.J.
21.2.72

R.S.C.

x/ above pl?

J.C.S.
22.2.72.

Col. Sec.,

The "Speedwell Store" is the property of Mr. Reginald John Davis, of Salvador. Mr. Nigel Pearson is the Manager of Mr. Davis' business (Falkland Store) in Stanley.

2. The area at the back of the store, according to the land records, is the property of the estate of Miss Grace N. Bessingham, deceased. This property now forms part of the estate of Miss B's sister Mrs Ida Marjorie Williams, deceased. The administration of this estate has not yet been completed by Mr. E. J. Rowe.

g.P.B.
23.ii.72.

S/C Noted.

Ba 10/3.

17/23/2

Ba 14/3

Ba 16/3

7

4/16/13
P. 6.

I showed this building (exterior only)
the vacant lot behind it to Portuguese Mayor
Lockella, making it clear that acquiring either
building and/or lot will be a matter for
private negotiation with LADE.

J
16/13

9/16 This file should be Bk in June for my
review to see. At same time p. 6 should
be brought into play as soon as the LADE
agent is posted here.

J
16/13

Bk 30.4.72.

(Kiv)

15th March 1972

Brigadier Mayor Cochella

We very much enjoyed the Brigadier's visit. As I indicated to you in another document we are not equipped with chauffeur-driven cars here and I personally field all our Argentine Armed Services visitors from Lieutenant to Brigadier Mayor.

2. Brigadier Mayor Cochella was shown the building in our Public Works Department complex previously refurbished for use by the Rendel, Palmer and Tritton team and which we have agreed can be used for a temporary period of six months by LADE as an office. It is conveniently situated next to the building which we use as a Customs and Immigration office in connection with the temporary amphibious air service and within a stone's throw of the Falkland Islands Government Air Service which houses Stanley Control. This means that while the temporary amphibious air service continues the LADE office will be located right on the spot.

3. I also indicated to Brigadier Mayor Cochella what I thought might be a suitable building for a future permanent office for the airline. This is a building located in the middle of the street which runs parallel to the marina and was formerly the Speedwell Store. That store has amalgamated with the Falkland Store and has lain empty for a considerable period now. It is privately owned and I made it clear to Brigadier Mayor Cochella that the LADE agent would need to negotiate for it in due course. There is a piece of unused ground at the back of the building which has potential for development as a car park, for storage space, etc.

4. Flying/

R. W. Whitney, Esq., O.B.E.,
British Embassy,
Buenos Aires.

9/c En file 2408/E

7/6/3

4. Flying on the second aircraft which came in on the same day as Brigadier Mayor Cochella was Mrs. Johnston, the wife of the Officer in Charge of RSRS/ESRO returning from installing her daughter in school at Cumbre. Johnston showed the Brigadier the ESRO house which he has agreed to loan for use by the LADE agent, again as a temporary measure for six months. Cochella was pleased with it and satisfied that it was located in the most suitable area, socially speaking, in Stanley.

5. It was after inspecting the house that, in private conversation with him, Brigadier Mayor Cochella said that it was now doubtful that Vice Comodoro Ferrari would be coming here as LADE agent. Both then and later over drinks at Government House we impressed on Brigadier Mayor Cochella the importance both to the Argentine as well as to us of ensuring that whoever was appointed as LADE agent in Stanley was of the same calibre as Ferrari. We would be interested if you could discover and let us know, perhaps in a personal note to the Governor, the reasons for Ferrari's withdrawal.

6. The visit was both successful and useful. Brigadier Mayor Cochella is a very pleasant person with an excellent fund of common sense and humour and the Governor gave him a personal invitation to make a further visit to the Islands when he would be glad to accommodate him at Government House and, provided the visit could be made at the right time of the year (currently before the end of April) show him some fishing and something of life in the camp.

7. Brigadier Mayor Cochella also impressed me as being very quick on the uptake and I have the impression that he appreciates all the problems involved in our tenuous temporary air service arrangements.

J. A. Jones
Colonial Secretary

By 13.4.72
(KIV)

Ag. c.s.

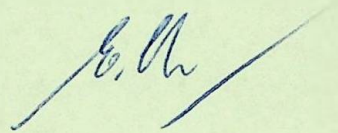
Any further action on this just now, please?

§

14.4.72

Colonial Secretary

1. See the attached papers about the appointment of the LADE agent, Vice Comodoro De La Colina.
2. You should inform all Members of Council of this appointment and attach to your notification a copy of his curriculum vitae.
3. As he is arriving on the Albatross of 25 April you should arrange to have him met and, I suggest, temporarily accommodated at the Upland Goose until he can take over the house being provided by ESRO.



EGL

18 April 1972

ROUTINE

CONFIDENTIAL 151455Z

Addressed to Buenos Aires telno 106 of 15 April

LADE AGENT IN PORT STANLEY

Your letter of 10 April. Vice Comodoro De La Colina acceptable to me.



E. G.
B/W 14/4

BRITISH EMBASSY,
BUENOS AIRES.

10 April 1972

H E Mr E G Lewis OBE
Government House
Port Stanley

Dear Toby

LADE AGENT IN PORT STANLEY

1. The Argentines have now informed us that they have selected Vice Comodoro (Wing Commander) De La Colina to be the LADE agent in Port Stanley. I enclose his curriculum vitae, from which you will see that he is still a serving officer. He plans to go to Stanley on the Albatross flight on 25 April. I should be grateful if you would confirm by telegram whether this is acceptable to you. I am sure you will agree that the sooner we get him installed there the better.

2. Jones met de La Colina at a lunch given by the Argentine Air Force for him last week and was quite impressed. I understand that at the moment his English is not completely fluent but that it is adequate. No doubt it will improve with practice. I shall arrange to see de La Colina during the course of the next few days and we shall be inviting him to our Queen's Birthday Party on 21 April.

3. His present plan is to fly unaccompanied on 25 April and to arrange for his wife and two small children to join him in Port Stanley later on.

Yours ever
Michael

Michael Hadow

Encs

copy to:

J M Hunter Esq MC
Latin America Dept.



VICECOMODORO CESAR A. DE LA COLINA

1. Born in the City of La Rioja on 14 September 1928. He entered the Military Aviation School in February 1948 and graduated in December 1951 with the rank of Sub-Lieutenant and the certificate of Military Pilot. He was appointed to No 1 Fighter Group at that time with the IV Wing with headquarters in the city of Mendoza.
2. In January 1953 he was appointed to Interceptor Fighter Group 3 equipped with Gloster Meteor IV aircraft up to 1959 when, together with other Air Force Officers he was selected for transfer to the USA for the purpose of completing a series of courses and training in the operation of Sabre F-86F aircraft.
3. In 1961 he was transferred to the IV Air Brigade as Flight Commander of Fighter-Bomber Group 1 taking part in the "Cruz del Sud" (Southern Cross) Acrobatic Squadron.
4. In 1964 he completed the Basic Course at the Command and General Staff School, afterwards being appointed to the Air Force General Staff.
5. In 1967 was transferred to the IV Air Brigade as Squadron Leader of Fighter-Bomber Group 1, Chief of Security and Chief of the Operations Department respectively.
6. In December 1971 was transferred to the General Staff of the Air Force Command.
7. He is married to Lilia Matilde Protto and has two children Julio and Mercedes of 7 and 5 years of age respectively.

16
J.G. Bell Sr, Thank you. You did well
in company with O.C. 8901 + 8902
+ Gordon Johnston, I met Comodoro Colina this morn 26/4
on arrival this morning.

2. The Johnston's had them for lunch + they
moved straight into the bungalow on Racecourse Road.
I have arranged for the Comodoro to call at my
office tomorrow morning + I will take him down to
look over the temporary office at the Dockyard. I wd.
also like him to meet Dea as soon as possible
+ Sloogie has also indicated an interest in meeting
him.

3. It is unfortunate that they decided to bring
a dog with them without making advance arrangements.
They had apparently been told Van Ba that the Quarantine
period was 40 days, but when told it was 180 days
they immediately arranged for the animal to be returned
by the same flight. I hope this has not had
an adverse effect on their first impressions.

25.4.72

Bu 4.5.72.

(KIV)

No.

MEMORANDUM

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

3 May 19 72

From: OIC P&T

To: The Col. Secretary,

Stanley.

Stanley, Falkland Islands.

SUBJECT:- LADE: Communications licence for

Lade representative has requested a licence to permit communications by radiotelephone to Argentina. He does not know details of frequency etc. as the equipment is to arrive by Argentine vessel soon.

Although it is unusual to permit foreign governments to operate communications systems I imagine that this case is covered by the Agreement between the U.K. and Argentina.

The question of to what extent the licence goes may well need further consideration e.g. would members of LADE or the construction staff be permitted to send telegrams or have telephone calls to Argentina or for that matter receive or send telegrams?

R. Thompson
OIC

Ag. C.S.

Submitted pl.

4.5.72

JG. - Page 17.

It has not been the practice for many years to issue such a licence to foreign applicants but there is very much a special case & I recommend that permission be granted.

Section 3(2) of the Wireless Telegraphy Ordinance (Cap. 78) give the Governor in Council power to fix conditions. You may wish to consider, as a special case, allowing personal messages to be passed by bona fide airfield workers who engaged in such employment.

10.5.72

10.1/10.1/

Is this the nature of the report? Is there anything in connection with the building of the field or for point message in both? Is it an air force unit?

10.1/10.1/ 11 May

JG.

When I spoke to you yesterday, I had not seen this file. It was attached to the T/Airfield file.

2. I saw De la Cobia this morning & put several questions to him & gathered the following information -

3. The equipment he has is the property of the Argentine Airforce & operates on the following fixed frequencies:

Channel 1	4760 kc
2	6975 "
3	11605 "
4	15076 "

4. The equipment will be used to pass traffic in connection with LADE operations, the construction of the airfield + for passing secure messages. They propose to operate between 12.00 and 20.00 hrs daily.

5. The Comodoro has asked that the licence be granted to himself and his wife, since there will be many occasions when it will be necessary to operate the set while he is not immediately available.

6d / SW, I will inform the main of it
main

B. L. L. M.
20 May

19.5.72

P.M.

Re-arrange an early issue in both names

20.5.72

C.S.

License issued (for operation by her or Mrs de la Colina)

✓ See P. 7.

C.S. - This file for inf. - pl. No immediate action on it I think.

13.7.72

1. SW

22.5.72

By 15.7.72 (KVR)

PA ✓



TRANSLATION

MINISTRY OF FOREIGN AFFAIRS & WORSHIP

Buenos Aires, 9 November 1972

In confirmation of what has been mentioned verbally, the Embassy is informed that the State Air Lines have designated Sr Héctor Mario Sassi, currently chief of the bookings and reservations division, to go to Port Stanley and collaborate with Vice Comodoro de la Colina in the operation of its agency in the Falkland Islands.

Sr Sassi was born in Buenos Aires on 10 January 1922 and is married. He entered the company in 1944 and since then has held various posts until his present appointment. Sr Sassi will shortly travel to the Falkland Islands.



BRITISH EMBASSY

BUENOS AIRES

22 November 1972

T H Layng Esq
Colonial Secretary
PORT STANLEY

Dear Tom,

LADE ASSISTANT IN PORT STANLEY

1. When I saw off the Delegations for the Opening Ceremony and the Talks at the Aeroparque on 14 November, Izaguirre handed me an Aide Memoire on the appointment of Sr Hector Sassi to be de la Colina's assistant.

2. You will note that the Aide Memoire is dated 9 November although it was not handed to us till a week later. This, of course, is an appointment which is covered under the terms of the Air Services Agreement, and I understand that Sassi has already travelled to the Islands.

3. Nevertheless, I am sending you a copy of the Aide Memoire with a translation for your records.

4. I spoke to Izaguirre today and he told me that Sassi's wife is still in Argentina but hopes to travel down when an opportunity arises.

Yours ever
W. D. Lavers
R D Lavers

No.

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

MEMORANDUM

28

4 December 19 72

From: OIC P&T



To: The Chief Secretary,
Stanley.

Stanley, Falkland Islands.

SUBJECT —

LADE communications with Argentina

I note that at the LADE office an aerial has been erected presumably for communications with Argentina.

The licence held by LADE is for use in connexion with the construction of the temporary aerodrome. As the aerodrome has been completed the licence is invalid and LADE if operating are breaking the law.

As the Chief Secretary is the licensing authority, I should be grateful if you would advise if a further licence is to be issued and if so what the conditions will be. It is unusual for foreign Governments to be permitted to operate communications systems in another territory.

I suggest that the licence (if issued) should state clearly that it is for communications in connexion with LADE operations only and not for private use.

The question also arises whether LADE should pay a fee for the loss of revenue the same as the FIC pay for their network.

Although no official complaint has been made I have heard that LADE transmissions caused interference to radio listeners during Saturday afternoon the 2nd December.

A handwritten signature in blue ink, appearing to read "T. J. Blain".

OIC

AIR/34/3 C

23
11th December 1972

: Chief Secretary

: Officer in Charge,
Posts & Telecommunications Dept

22
LADE Communications

Your memorandum of 4th December refers.

2. Under the Air Services Agreement, LADE is permitted to operate a radio station free of 'all rates, duties, imports or other taxes'.
.... A copy is enclosed for your retention.

(T. H. Layng)
CHIEF SECRETARY

HRT.

RESTRICTED



BRITISH EMBASSY

BUENOS AIRES

9 May 1973

T H Layng Esq
Chief Secretary
PORT STANLEY

Dear Tom,

AIR SERVICE TO FALKLAND ISLANDS

1. LADE have just issued a statement giving details of cargo and passengers carried by the F27 on the Air Service during the first four months of this year, which are as follows. ^{There} have been twenty flights either way since the ~~21st~~ ^{20th} ~~22nd~~ ^{21st} of May. Of the 400 passenger seats offered either way, 206 have been taken up on the Comodoro-Stanley leg and 333 on the return run. Of the total available cargo space of 60,000 kilos, 9,720 kilos have been utilised on outward flights to Stanley together with 2,607 kilos of mail, and 1,259 kilos of cargo together with 657 kilos of mail on the return flight to Comodoro.
2. LADE have also pointed out that when there has been a heavy demand for seats i.e. when the children have been returning to school in Argentina and at the end of the shearing season, they have put on additional flights. For the moment LADE considers the air service to be fulfilling its needs, and they add that they do not at present consider extending it unless, that is, there is a firm increased demand.
3. LADE would appear to be killing two birds with this particular statement; firstly they are setting the record straight in time for the handover and secondly they are making it clear, despite earlier rumours, that they do not contemplate instituting a regular second weekly plane for the foreseeable future.

Yrs ever

H G D Evans

H G D Evans

Copied to:-

D G F Hall Esq MVO
West Indian & Atlantic Department
FCO
London SW1

R J S Muir Esq
Latin America Department
FCO

RESTRICTED

H of C

H E

PAYMENT FOR TICKETS ON THE AIR SERVICE

1. I was asked to go to the MFA yesterday to see Counsellor Blanco and Vice Comodoro Degan Lob (operations chief of LADE) to discuss the question of payments made in Stanley in Falkland Island pounds for passages on the Air Service. It was agreed at the last round of Talks, that LADE would be able to exchange FI pounds received in payment for tickets for pounds sterling at par at the Falkland Islands Treasury on an ad hoc basis. The FIG however only have a limited amount of sterling notes (£15,000 a year delivered once a year on HMS Endurance and they have simply run out). LADE have been offered sterling drafts on London instead and this was the point at issue.

2. Besides Counsellor Blanco who came on from another meeting with the Air Force - one hopes on Antarctic matters) I was faced by Comodoro Degano, the Head of LADE, Comodoro Santos, from the financial section of the Air Force, Vice Comodoro Degan Lob and a fourth officer, whose name I don't know (I think he is a pilot). I explained the position to them and said that when the supply of sterling notes is exhausted instead of pound notes, LADE would receive sterling drafts on London made payable to its account. Comodoro Degano seemed dissatisfied, he said that LADE's acceptance of FI pounds was a special arrangement - it was unique for an airline to be paid in non-convertible currency. I pointed out that the currency was convertible and that the only difference was the time element. Instead of taking instant delivery of pound notes, LADE would have to wait a couple of weeks for its sterling. This point was promptly picked up and I was asked what the time factor would be. I expressed ignorance of banking operations of this kind but said I would find out. Degano then said that if the transaction could be carried out within a thirty day period, it would be acceptable but one had to bear in mind that LADE had a great many commitments to meet. Comodoro Santos then suggested that the payment be made not to LADE's account in Buenos Aires or in London but to the account of the Argentine Air Force mission, in London, who would then credit LADE with the equivalent amount in pesos. They would also like to be assured that HMG would meet any of the charges arising from such a transaction. Comodoro Degano agreed, and I said I would pass this suggestion on for consideration and let them know the answer through the MFA as soon as possible.

3. Degan Lob then asked the awkward question - when is HMG going to start work on the permanent air strip. I said I was wholly up to date on this, but understood

/that

RESTRICTED

that the contact was going out to tender now and that construction would begin before the end of the year. (In fact, I believe construction will not begin until January 1974 at the earliest. I was told the condition of the temporary air strip was very good and that they would be carrying out maintenance work on it in October - flying down a Hercules 630 with maintenance crew and materials. (This might mean that one of the weekly flights would have to be cancelled). I also enquired about the possibility of an occasional second weekly flight to the Islands. This depended on demand was the answer - when advance bookings were heavy they would certainly consider the possibility. Besides this, there would be second flights on occasions like the end of the sheep shearing season or when the schoolchildren were coming or going. The trouble was that when there were special second flights, it was difficult to get full capacity both ways. I said this might have something to do with the fact that the possibility of a second flight was not generally known until fairly late on, with earlier notice more people would take advantage. Would this be possible? I was told it would be borne in mind. There was some comment on the low number of passengers at present, only four on the last flight. I said that this was in part attributable to political difficulties - some visitors were discouraged when told that had to wait some five weeks for a travel card. Counsellor Blanco responded by saying that as regards Argentines, these were very carefully screened, since "they only wanted to send the best". In view of our imminent demarche on travel cards, I did not pursue the subject any further.

4. I attach a draft telegram.

M G D Evans

16 May 1973

c.c. D A

Mr T Bayne, Chief Secretary

RESTRICTED

CONFIDENTIAL 171650Z

From FCO

To Priority Buenos Aires Telegram No. 134 of 17th May and to
Priority Falkland Islands.

Yourtel No. 49 to Falkland Islands.

Payment for LADE passages

Subject to views of Governor Falkland Islands we suggest that you should not be forthcoming on this. You might tell LADE that if we credit the money to the Argentine Air Force in London we cannot guarantee to make the payment within thirty days. You might add that HMG would not be able to pay the costs of such a transaction.

2. This would provide us with a small bargaining counter for future use which could be dropped if the incoming Government is more cooperative over travel cards.

RESTRICTED 162015Z

From B.A.

To Priority Falkland Islands telno. 49 of 16th May, info F.C.O.

Payment for LADE passages

1. Miss Evans was yesterday asked to attend a meeting at the MFA with the Head of LADE and other LADE representatives to discuss the question of payment (for tickets on the air service) effected in Stanley in Falkland Islands pounds. LADE wished to know why the Falkland Islands Treasury would no longer exchange Falkland Islands pounds received in payment by its office for pounds sterling.
2. Miss Evans explained that the Falkland Islands Government had only a limited supply of sterling notes and that when this supply was exhausted, in return for its Falkland Island pounds, LADE would receive a sterling draft on London made payable to its account in Buenos Aires. The LADE representatives said this would be acceptable provided the payment could be made expeditiously, that is within a thirty day period and preferably if the amount in Sterling could be credited to the account of the Argentine Air Force mission in London rather than to LADE's account here and the latter would then repay LADE in Argentine pesos. LADE would also wish to be assured that HMG would pay the costs of such a transaction. Miss Evans said she would pass this suggestion on for consideration and let them know the answer through the MFA as soon as possible.
3. Grateful for your views.

CONFIDENTIAL 181500Z

To Priority FCO Telno 167 (DESKBY FCO 210900Z) info Priority Buenos Aires

Yourtel No. 134.

PAYMENT FOR LADE PASSAGES

1. LADE and Air Force have played it straight so far and I would prefer to keep them clear as far as possible of diplomatic manoeuvres the nuances of which they would not understand.
2. In any case in this instance I consider the bargaining counter would be of so little value as to be worthless at best and at worst possibly damaging to continued operation of the service.
3. We are content to ask Crown Agents to credit Argentine Air Force in London within 30 days and for this Government in usual way to pick up the costs of the transfer.

FCO please pass.

CONFIDENTIAL

From FCO 231750Z to Priority Falkland Islands.

Telegram No. 126 of 23rd May and to Buenos Aires.

Your telegram No. 167.

Payment for LADE passages

In view of your telegram under reference we agree that Argentines be told that Crown Agents will credit Argentine Air Force in London within 30 days.

1st June, 1973

Air Service to the Falklands

Please refer to your interesting letter of May 9th.

I think it is worth making the point that L.A.D.E.'s figures appear to be based on the number of seats paid for rather than the number of passengers carried. In fact on the 20 flights in January - April, 363 passengers were carried out of the Colony on the Fokkers to Commodore (not 333 as quoted by L.A.D.E.) and 245 were brought in (not 206). Our figures are taken from the actual lists of names of people checked in and out by the Immigration Officer, and are not, I think, open to dispute. The difference between the L.A.D.E. figures and ours is accounted for by the Air Force officials carried free of charge and the fact that children between 3 and 12 are only charged half fare - although they are allocated a seat.

The fact that so much inward cargo space has not been utilised is amazing - but substantially the company's own fault. Our local shops have been very irritated at being rationed to 300 kg each per flight, and also by the fact that L.A.D.E. has refused to carry any items subject to import duty - i.e. alcoholic drinks and wine. I am writing separately on the question of utilising this space capacity for seamail.

You have elsewhere made the point that one reason why only 245 arrival seats out of 400 have been occupied has been because of the Travel Card difficulties which the Argentine authorities have placed in the way of travellers. Another reason, of course, is that with outward bookings from Stanley being so heavy, visitors wishing to come here for a week from the Argentine have been unable to do so because of the difficulty of getting a return seat.

(T.H. LAING)

Miss M.G.D. Evans,
British Embassy,
Buenos Aires.

c.c. D.G.F. Hall, Esq., M.B.E.
West Indian & Atlantic Department,
F.C.O. London S.W.1.

c.c. R.J.S. Muir, Esq.,
Latin America Department,
F.C.O. London S.W.1.

RESTRICTED

H E

H E The Governor

H of C

FALKLAND ISLANDS

1. I called yesterday on Counsellor Blanco for another meeting of the Special Consultative Committee

Payment for LADE passages

2. I told him that it had now been agreed that the Argentine Air Force Mission in London could be credited within the thirty day period. HMG would also bear the costs of the operation. Blanco said he would let LADE know and inform us in due course of the bank to which payment was to be made and the number of the account. I also took the opportunity at Colonel Balcarce's lunch yesterday of letting Vice Comodoro Degan Lob know the news.

Bahia Buen Suceso

3. I asked for further details of the purpose of this vessel's call at Stanley, and was told that it undertakes a monthly trip to the southern ports. This time it will be calling at Stanley in order to collect a team of YPF workmen and their equipment. It is carrying 56 tourists and a cargo of dry goods (food) ordered through Houlder Brothers.

Export of Sheep Dog Pups

4. Mr Sydney Miller has written to the Governor to ask if there are any regulations which might apply to a sale of Falkland Island sheep dog pups to Patagonian farmers. Blanco said he would consult the appropriate authorities and let me know the answer.

5. I attach draft telegrams reporting on paragraphs 2 and 3.

M G D Evans

1 June 1973

*Ext read of
ent file.
copies made
Reg
J 8/6*

RESTRICTED 141530Z

Routine to FCO and information Buenos Aires

Telegram No. 184 14th June

De la Colina told me to-day fare on LADE flight Comodoro to Stanley is being increased fifty per cent in line with all Argentine internal fares.

FCO please pass

AIR | 34 | 3



BRITISH EMBASSY
BUENOS AIRES

4/10

15 June 1973

T H Layng Esq
FAIRLAND ISLANDS

Dear Tom,

FREIGHT ON AIR SERVICE

When I saw Comodoro Degan Lob earlier this week at a lunch for Jim Kerr, I mentioned the astonishing under-utilisation of the available freight capacity on the weekly flight to Stanley and that I understood the various stores were individually limited in the amount they could bring in each week. Jim Kerr added that this regulation was imposed and overseen by Sr Sassi. Degan Lob expressed total ignorance of the regulation, which clearly took him by surprise. I do not doubt that he will be following it up with LADE. I shall also enquire of the MFA what is the reason behind the limitation and if it can be changed.

Yours ever
M G D Evans

M G D Evans

PRESS RELEASE FROM GOVERNMENT HOUSE

5th November, 1973

The Director of LADE Brigadier Ali Ipres Corbat paid a quick visit to Stanley to-day. He was met on arrival by Vice-Comodoro de la Colina, by Mr D.R. Morrison Acting Chief Secretary, representing the Colony Government *and Mr J Peck C.P.O.* and Captain David Collins representing the Services.

Brigadier Corbat's visit was primarily to inspect the LADE Office. He was accompanied by his wife and made a courtesy call on His Excellency and Mrs Lewis with his party at 1 p.m. Brigadier Corbat Corbat and his party returned to B.A. on the return flight.

10th November, 1973

Vice Comodoro de la Colina has informed the Governor that the following LADE flights are planned for December:

Sunday 2nd - Special flight - children from Buenos Aires

Monday 3rd - Normal flight - Children from Uruguay

Thursday 4th - Special flight - Visiting Sportsmen

10th, 17th, 24th and 31st - normal Monday flight.

Peter ✓

for Diary of Events



W. J. B/M 19/11
Foreign and Commonwealth Office
London SW1

Telephone 01- 930 8440 15

Customs Officer has seen
46

Miss M G D Evans
BUENOS AIRES

Your reference

Our reference

Date

8 November 1973

Dear Glynn,

FALKLAND ISLANDS: SMUGGLING BY ARGENTINE OFFICIALS

1 You will already have seen from our telnos 433 commenting on the YPF agreement that we are advised that "personal effects" means anything which is for personal use or consumption.

2 Mr Burrows' advice on the question, which you may find helpful is given in extenso below.

Paragraph 4(a) and (b) of the Exchange of Notes for the provision of a regular air service dated 24 October 1972 entitles the agency of LADE to import, free of duty, various things including "provisions". There are two important qualifications to this right. First, the provisions must be imported for the purpose of the air services referred to in paragraph 2 of the agreement. This means, in my opinion, that although wines and tobacco may be imported free of duty they may only be imported under this provision if they are to be used on the aircraft. There is no entitlement to import these commodities for any other purpose. Secondly, by virtue of paragraph 5 of the agreement there are restrictions on the importation of food stuffs of animal origin.

Under the Exchange of Notes concerning the construction etc of the temporary aerodrome, of 2 May 1972 duties are not to be charged in the Falkland Islands in respect of personal effects brought in by personnel from the Argentine mainland who are occupied in the construction or maintenance or operation of the aerodrome. These provisions give no right to import goods, the importation of which is prohibited by local law. But if importation is allowed it must be free of duty. I see no justification for restricting the interpretation of these provisions in such a way as to exclude certain personal effects such as wines and tobacco. On the other hand, exemption from duty is only granted if the goods are for the personal use of the Argentine personnel. If so imported free of duty they must not, therefore, be resold.



- 2 -

One of the main reasons for granting privileges of this kind has been that the Argentines cannot accept the existence of any legitimate import duties, given their claim that the Islands are part of Argentina. Their resistance to these duties is therefore not simply a question of avoiding payment of money. //

The provisions of paragraph 13 (b) of the draft YPF Exchange of Notes are in similar terms to those in paragraph 7 (i)(b) of the 1972 agreement.

Yam even

Stanley

Stanley Relton
Latin America Department

cc: D G F Hall Esq WIAD
Mr Layng, Falkland Islands ✓

*Custom Officer
has seen
L*

47

THE CUSTOMS ORDINANCE CHAPTER 16.

ORDER

(under section 8 of the Ordinance)

No. of 1973

GOVERNOR

In exercise of the powers conferred by section 8 of the Customs Ordinance Chapter 16, the Governor in Council has made the following Order -

1. This Order may be cited as the Customs (Remission of import duties) Order, 1973.

2. The import duties of customs imposed by paragraph 2 of the Customs Order are hereby remitted in whole on articles listed therein which are imported into the Colony from the Argentine Republic

- (a) by LADE solely for use and consumption by passengers and crew on LADE aircraft flying between the Colony and the Argentine Republic;
- (b) by Argentinian nationals for their personal use and consumption who enter or have already entered the Colony for duty with or employment by LADE or YPF.

3. The condition to be fulfilled for the purposes of this Order is that articles imported in accordance with this Order shall be used and consumed solely for the purposes and on the conditions stated in section 2 (a) and (b) above and shall not be offered for re-sale in the Colony.

Made by the Governor in Council this day of
1973.

Clerk of the Executive Council

Attached is a draft Order.

1. You will note that there is no penalty clause for breach of the Order. I have deliberately omitted it as I do not know what FIG's intentions are in this respect. The general penalty is a £50 fine under sec. 179 of the Customs Ordinance Cap. 16.

2. I am unsure what the initials LADE and YPF stand for, but the full names should be put in the Order. We should also check whether 'Argentine Republic' or 'the Republic of the Argentine' or whatever, is the correct title.

3. 'duty with or employment by' is intended to cover Argentine Government or forces personnel sent here on duty e.g. the Vice Comodoro, and also civilian employees employed directly by LADE and YPF.

4. I must point out that Legco may also remit import duties by resolution under section 5 of the Ordinance. I chose Governor in Council as it is a quicker means of getting things done and I understand there is a degree of urgency about this. However, FIG may, on reflection, decide to let Legco remit the duties as the Order will certainly provoke lively protests from the British residents who have to pay duty on every bottle of spirits or carton of cigarettes they bring into the Colony, and it may be politic to have the matter aired in Legco.

5. We ought also to give some thought to the working of the Order in practice and I pose the following questions for consideration -

- (a) There is no limit on quantities in the Order, so an Argentinian may on first arrival bring with him literally crates of whisky and thousands of cigarettes saying that this is his supply for a 6 months stay. When this stock is exhausted and he is still here, he may then order more crates of whisky and more cigarettes to be flown in from a store in Comodoro for his personal use. Does FIG accept this situation or does it want to impose limitations?
- (b) If an Argentinian is due to return to the Argentine and has a personal stock of duty free goods in hand which he does not want to take back to the Argentine, how may he dispose of it locally, as re-sale is forbidden by the Order?
- (c) Similarly, if LADE have stocks of liquor and cigarettes which they want to dispose of locally being surplus to aircraft requirements, can they offer it for sale through the Government Tender Board or what, and will duty be payable by local purchasers?
- (d) What proof will FIG require from an Argentinian that he is a person entitled to bring in duty free goods under the Order? Will each person have to produce an individual letter of authority from LADE or YPF, or will LADE and YPF issue letters to FIG giving the names of persons entitled to benefit under the Order - those who are already here and those who will come in the future?
- (e) There is nothing in the Order forbidding an Argentinian from giving duty free goods as a gift to anyone he chooses. Does FIG want to attempt to stop this by amending the Order?
- (f) Where will LADE keep the duty free goods they import for use on their aircraft? Will they be kept in a customs warehouse and issued piecemeal by the customs on demand by LADE, or will LADE keep the goods in their own private warehouse and draw on them as they wish?

- (g) Will FIG require from LADE details of quantities, types of goods, country of origin, and value of goods imported duty free under the Order for use on their aircraft, each time LADE bring in duty free goods for this purpose? Is there any point in requiring details of this kind from LADE?
- (h) If for the sake of convenience and to obtain price reductions a number of Argentinians club together to import matches, liquor and tobacco in bulk for their personal use with the consignment addressed to one of their number, will FIG agree to this or will FIG demand that each Argentinian imports his own requirements personally in his own name?
- (i) The duty free concession is obviously open to abuse. If an Argentinian is caught contravening the Order, what action shall the Police or Customs take against the Argentinian and against a local resident who may be conspiring with him?
- (j) Looking ahead to next year, if the Argentinians start their own club as they may well do as their number grow, will that club too be entitled to bring in matches, liquor and tobacco duty free for sale on the club premises to club members some of whom maybe British residents employed by LADE or YPF or prominent local persons to whom the Argentinians wish to offer membership?



J. P. J.
Ag. R.C.S.

26.11.73

E.Y. 49
CYPHER/CAT A From Buenos Aires 301155Z

CONFIDENTIAL

To Priority Falkland Islands

Telegram No. 129 30th November

info FCO.

Payment for LADE passages.

1. Air Force are insistent that from 1st January 1974 all passages on the LADE flight must be paid for in "convertible currency" e.g. sterling or pesos but not Falkland Islands pounds. As a concession they would allow passengers to pay in F.I. pounds if the latter were exchanged by the F.I.G. for sterling or pesos on demand (without delay) at the official Argentine rate of exchange.
2. We have stressed that the arrangement will cause you practical difficulties since the money in circulation is the F.I. pound and there is a limited supply of sterling and pesos. Air Force say they are willing to listen to any proposals (neither sterling transfers to LADE's account nor sterling drafts are acceptable) but must still insist that the new arrangements take effect on 1st January.
3. As regards the "blocked" £13,000 F.I. pounds which LADE have accumulated during the last year of operations (since the collapse of the original arrangement to credit the Air Force Mission in London), the Air Force is willing exceptionally to agree that these be exchanged for a sterling credit to LADE's account and de la Colina will be given instructions to approach you to make the arrangements and supply the relevant details. We have said that you would bear the cost of the transfer.
4. Air Force say they appreciate the difficulties regarding the small supply of sterling and would for instance be prepared to take on the responsibility for transporting a supply of sterling notes onwards from Buenos Aires to Stanley.
5. Air Force are very firm on this and the only possible loophole might be if an arrangement could be offered whereby a sterling credit Buenos Aires for LADE's F.I. pounds could be effected within a very short space of time, e.g. 48 hours.

HOPSON

CONFIDENTIAL 051830Z

Telegram No. 182 of 5th December

Routine to Buenos Aires

information FCO

Payment for LADE passages.

Yourtel No. 129.

I have discussed with de la Colina who has not yet received instructions from his office but we see no insuperable difficulties in coming to a workable arrangement. Probably what will happen is that the passengers will pay in Falkland Islands pounds and we will exchange immediately at the Treasury.

FCO please pass

18th December

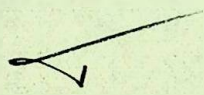
73

Dear Vice-Comodoro,

I understand that there have recently been some misunderstandings over bookings for LADE flights made by this office, and in particular over bookings for the regular courier who carries the diplomatic bag to and from Buenos Aires.

2. Our practice has been to book these flights for a three month period in a single letter, and then to re-confirm each individual seat 72 hours in advance - conforming to normal practice elsewhere. This means in effect that my office re-confirms each Friday morning, flights which have been booked for the following Monday.

3. Perhaps you would be good enough to let me know whether this arrangement is still acceptable to your office, or whether you now require earlier re-confirmation.



(T. H. Layng)

Vice-Comodoro de la Colina,
c/o LADE Office,
Stanley.

HRT.

52
RESTRICTED

DESKBY 141800Z

Fm FCO 141100Z

To Immediate Falkland Islands

Tel No 16 of 14 January.

MP's LETTER LADE AIR SERVICE

1. Writer refers to the increase in price of fares for the weekly Comodoro flight from Five Pounds single at inauguration "as promised by the Argentines", to [£]25 single now and claims that they are due to rise again soon.
2. Our understanding is that no undertakings were given that low initial fares would be maintained, but that they are still subsidised.
3. Grateful comments soonest.

RESTRICTED

RESTRICTED

53

IMMEDIATE to FCO
152000Z

Despatch 160900Z

From Falklands

Tel No 24 of 15 January

Your Tel No 16

MP's letter: LADE AIR SERVICE

1. Initial single fare Stanley to Comodoro was £9.60 (see para 1 (iii) of record of Stanley Talks). This now increased to £15.48. Local LADE agent knows of no further impending increase which would anyhow be unlikely in view of Peron's firm anti-inflation measures. We know nothing of any initial promise of a £5 fare.
2. There was no undertaking that fares would remain static and with the falling value of sterling, further increases in the future cannot be ruled out.
3. There is certainly a subsidy element in the fare as on all LADE routes.
4. As a matter of interest, the Falklands air service for a tourist charges £17.10 for the single journey from Stanley to New Island in the West Falklands and £10.50 for a resident. Even with these high fares the service runs at a loss.

RESTRICTED

AIR 34/3

54

Stanley, 25th january 1974.

The Chief Secretary
T. H. LAYNG
Stanley

Dear sir:

I have pleasure in detailing below the scheduled LADE flights to and from Stanley for 1974.

- 1°) Every monday of each month.
2°) Extra flights on the following dates:

- january	26th	Sat
- february	23rd	
- march	16th	and 12th (charter)
- april	23rd	Tues
- may	21st	
- june	18th	
- july	23rd	
- august	20th	
- september	24th	
- october	22nd	
- november	19th	
- december	21st	Sat

Your sincerely.

C. A. de la Colina

Vicecomodoro Cesar A. de la Colina

A letter!

Results of Blain's
visit aheads!

Medical Department,
Stanley.

28th January 1974

Vice Coma de la Colina,

L.A.D.E Office,

Port Stanley,

Dear Senor de la Colina,

I happened this morning at ten minutes to ten to find out by sheer chance that the weekly F 27 was due to arrive in Stanley at half past ten instead of its usual half past eleven. Further enquiries have made it clear that this amended time of arrival was known at least fourteen hours prior to the flight arriving. I should like to point out that failure to communicate alterations in the arrival time of flights may cause considerable delays in permitting passengers to clear the airport medical authority, and I would be grateful if steps could be taken to avoid this sort of thing happening again.

Yours faithfully,

C.C. Chief Secretary

Derek Cox

Ag Senior Medical Officer.



56

6.12
8/4

BRITISH EMBASSY
BUENOS AIRES

4/6

5 April 1974

S Relton Esq
Latin America Department
Foreign & Commonwealth Office
London SW1

AIR FORCE TECHNICIAN

1. The MFA have told us that the Air Force have finally nominated and despatched to Port Stanley the technician whose appointment was agreed to in your Tel No 198 of 31 October. He is Suboficial Mayor Jorge Gerrardo Marcelino Sosa and his official title will be Chief of Operations of the Port Stanley Airport and he was due to take up his post on 1 April.

M G D Evans

Copied to:-

T Laynge Esq
PORT STANLEY

D G F Hall Esq MBE
WIAD
ECO

57
COPY: ✓

C S ✓

Mr J Kerr - Superintendent Civil Aviation

....

Addressed To: Mr Roberts
Supervisor - W/T Station

Copied to: Mr Knight - Cable & Wireless Representative

1. Vice Comodoro Bloomer-Reeve came to see me yesterday about the plans he has for improving the VHF and VOR facilities to help with the LADE traffic and the control of flights.

Apparently he would like the VHF equipment to go in at once and the VOR, providing extra navigational aid, will probably be ready in July.

2. I told Vice Comodoro Bloomer-Reeve that I had already approved in principle improved navigational aid for Hooker's Point Airfield, and that I saw no objection to his proposals providing the installation of this equipment did not cause interference with any of our existing wireless links. I further added that he should consult you and Mr Knight about this aspect.

Sgd: E G Lewis
8 May 1974

NOTE

The cargo build-up for the F27 flights is getting to be so much as to be almost out of control. LADE may therefore have to arrange additional flights but these can only be on a Sunday and will therefore be more expensive.

2. The reason for the Sunday flight is that LADE have only a total of 10 F27's for the whole of their services throughout Patagonia and to the Falklands.

PRESS RELEASE FROM THE SECRETARIAT

It is hoped that the L.A.D.E. flight from Comodoro Rivadavia which was scheduled to take place today will now take place tomorrow. If because of weather conditions this proves impossible the flight will be aborted until next Monday.

The Governor has given instructions to the Public Works Department to make quite certain that the road to the airfield is passable for passengers and freight, if the flight does take place. The Royal Marines Detachment will be assisting the PWD in this operation.

? Date

EXTRACT FROM THE MINUTES OF MEETINGS OF HEADS OF DEPARTMENTS

HELD IN THE SECRETARIAT ON WEDNESDAY, 16TH OCTOBER 1974

63

Many complaints were being received about the interference being caused by the LAD radio and the Chief Secretary said that this would be looked into.

(67)

18th March,

75.

The Manager,
L.A.D.E.
Stanley.

c.c. Chief Secretary, Secretariat.

Dear Sir,

L.A.D.E. AIR FARES

The International Air Tariff Guide published in the Argentine quotes the air fare Stanley to Comodoro Rivadavia at 607 Argentinian new pesos and Comodoro Rivadavia to Buenos Aires at 779 new pesos.

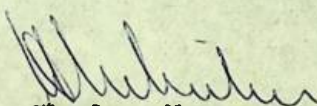
Your charges in sterling are £25.80 Stanley to Comodoro Rivadavia and £59.00 Stanley to Buenos Aires. This works out at an exchange rate of approximately $23\frac{1}{2}$ pesos = £1 sterling.

Recently the Argentine peso was devalued to approximately 36 to £1 sterling and it is felt that your charges in Sterling should have been reduced accordingly.

We should be obliged if you would look into this matter and advise us of your views.

We have paid for a number of L.A.D.E. flights since the devaluation of the peso and consider that we are entitled to refunds due to the devaluation.

Yours faithfully,


Stanley Manager.

HM/ra



PORT STANLEY, 19th March 1975



LINEAS AEREAS DEL ESTADO

CHIEF SECRETARY

Mr: A. MONK

According to your requirement and as a matter of information, I inform you that the passengers, mail and cargo transported to and from Comodoro Rivadavia during 1974 are the following:

*1.1. Substantive
you*

<u>Flight</u>	<u>Passengers</u>	<u>Mail</u>	<u>Cargo</u>
Normal	1.483	11.460 Kg	37.708 Kg
Special	<u>428</u>	<u>2.243 Kg</u>	<u>8.473 Kg</u>
Total:	1.911	13.703 Kg.	46.181 Kg



Yours Faithfully

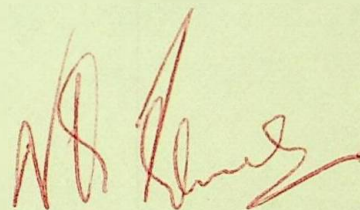
Supervisor II HECTOR MARIO SASSI
PUERTO STANLEY-ISLAS MALVINAS

*See
NA 2/3*

CS

AIRFIELD - VOR BEACON

1. Vice Comodoro Bloomer-Reeve told me today that the VOR Beacon which was recently installed has been functioning satisfactorily with the regular F.27 flights on Mondays.
2. But to make absolutely sure of accuracy in the interests of safety, Lade propose to bring in a small Guarani aircraft (G.2) twin engine jet prop aircraft. This 'plane is equipped with an electronic laboratory and will check all radials up to 40 nautical miles from the beacon. It is manned by a crew of three men and four electronic engineers.
3. Weather permitting the Guarani will arrive on 10 July and will remain in Stanley for four to five days. During that period its flights in aggregate will be about 12 hours.
4. The aircraft will not require a round-the-clock guard but it would be useful if the Marine sentry could keep an eye on it. The main risk is, of course, against mindless and malicious damage of the kind recently done to YPF vehicles.
5. I attach an extra copy for the information of the Chief of Police.



N A I French

2 July 1975

cc Major J V Rowland, CCRM

*2/ This copy for file o/b/c to des
2nd copy for 'HE's minutes' file
3rd to c/o pl. S 2/7.*



*Announcement
Sentry*

RESTRICTED

R. Nick and b/c to Secretary for Admin
S/S

From: The Reverend Gerald Smith,
The Deanery, Port Stanley.

27th May 1976.

The Honourable the Chief Secretary,
The Secretariat,
Port Stanley.



Dear Sir,

Argentine Customs Dues per LADE

1. On 20th May my wife received a parcel of vaccine for cats by air cargo through LADE. The parcel was sent from Dyce Airport, with a manifest and description of contents and dispatched by a reputable Aberdeen drugs firm to the order of a veterinary surgeon of our acquaintance. We had previously ascertained from Mr. Halliday that there was no objection to our importing and using such vaccines - indeed he has been using out-dated vaccines himself, not having a supply of new ones.
2. I collected the parcel and was asked for £14.17 in payment, by LADE. Not having this I merely took the parcel and promised to call in later with payment. I then examined the Air Waybill to discover what this £14.17 represented. I could not square it with the details on the Waybill and my wife took a fluent Spanish speaking person to LADE office to sort it out (I had no clear understanding from them myself).
3. It appears that all but 50p of this £14.17 was a charge made at Comodoro Rivedavia by Customs for 'examining' the parcel to make sure we were not importing illegal drugs into the Colony. This, at least, is what we were told by Mr. Sassi. One does not need to be a forensic expert to realise that the parcel in question was in no way 'examined' by Argentine Customs other than to cross out 'Falkland Islands' on the label and substitute 'Las Malvinas'. Two other people who saw the parcel here other than my wife and myself (who opened it) can vouch that the parcel had obviously been in no way opened or otherwise tampered with.
4. Furthermore the £14.17 represents a charge of 1,686 Pesos (plus 1 Dollar US which I am not disputing) which is the rate LADE are charging, whereas the true rate would bring the amount to about £4 or less.
5. It therefore appears that LADE are attempting to exercise customs control over through parcels which have nothing whatsoever to do with Argentina and in this instance they are demanding £13.67 from me for defacing an address label.
6. LADE's advice is to pay and then complain but, as I have the parcel, I see little future in this except that future parcels I may get through LADE and those of others may be impounded. Whilst I would not want this to happen I draw your attention to this in view of the implications it might have in other ways and to indicate that I consider this type of incident worthy of the strongest possible protest.

Yours sincerely,

Gerald Smith

It is requested that
the number and date
should be quoted.

STANLEY, FALKLAND ISLANDS,
SOUTH ATLANTIC.

.....12 June.....1976

H. Pearce, Esq.,
British Embassy,
Buenos Aires

Dear Sir,

I enclose a copy of a letter from the Anglican Padre protesting about the charges raised by LADE on transit parcels.

I am not at all sure that the charges are for "examining" parcels; the charges might be for handling and storage by the Customs authorities.

I also enclose copies of Air Bills for Diplomatic Mail and parcels for Our Veterinary Officer with similar charges.

In view of the sensitivity of this subject, I should be grateful if you would let me have your views as to

- (a) whether these charges are normal and legitimate charges; and
- (b) if so, is there any way around them so that we, or anyone else, are not faced with these additional charges which recipients find hard to accept.

Yours Faithfully,

For D. R. Morrison
CHIEF SECRETARY

copy CS AIR/34/3.

THE SECRETARIAT,

STANLEY, FALKLAND ISLANDS,

SOUTH ATLANTIC.

CONFIDENTIAL

.....23rd July.....1976

To: Exco Members.

With reference to the matter of Customs charges discussed at Exco on the 21st, I attach for your attention and information a copy of the aide memoire submitted to the Special Consultative Committee.

A J P Monk
Chief Secretary.

Encls.

AIDE MEMOIRE

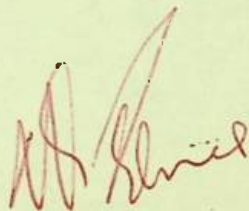
The British Representatives on the Special Consultative Committee created by the Anglo-Argentine Joint Statement of 1 July 1971 have the honour to draw the attention of the Argentine Representatives to the following matter. On Thursday 20 May a parcel arrived in Port Stanley addressed to Mr Gerald Smith. The parcel contained cat vaccine bought from a firm in Aberdeen, Scotland and consigned by air cargo to Port Stanley. Mr Smith was required by the LADE authorities in Port Stanley to pay a charge of 1,586 pesos (or £14.17 at the rate of exchange at that time being applied by LADE) on the parcel, most of which represented a charge made by the Customs authorities at Comodoro Rivadavia for examining the parcel and which Mr Smith eventually paid in pesos. The parcel itself had not been opened or tampered with.

The British Representatives understand that an identical charge was also made at the end of May on a similar parcel addressed to Mr R S Whitley, the Falkland Islands Veterinary Officer.

The British Representatives would be grateful if the Argentine Representatives could explain the basis for these charges, and whether it is the regular practice of the Argentine authorities to make such charges in the case of consignments of air cargo to the Falkland Islands.

Reference Show Room for Argentine Goods

1. Vice Comodoro Carnelli is interested in obtaining the small room next to the LADE Office for use as a display centre for Argentine goods. (I understand that this room is presently used as a store.) This would enable people to see what is available and also to place orders.
2. Can you see any objection to this room being put at their disposal?



13 September 1976

N A I French

See 119.

✓
C.S.

F.S. advises that LADE
have increased the Stanley/BA
fare (return) from £111 - £120.

Exchange
Instructions
off

II

DM
15/9

C.S.

This reflects the
weakening of the £
sterling against the
Argentine Peso (and U.S.
\$) and is in accordance
with the new
agreed in July arrangements

16/9

For note pt. 5.6/9

C.S. noted thank you. 17/9/76

MEMORANDUM

Refer.....

It is requested that this number and date should be quoted.

Date23rd September, 1976.

From Supt. of Public Works.

To Chief Secretary.



Subject:- Ref: Yr. Memo AIR/34/3C and H. E.'s minute 162. 21st Sept. 1976.

I have given instructions to have store room cleared, we are however at a disadvantage, it being the last remaining storage area Public Works Department have in the dockyard, but we shall have sorted that out soon.

A handwritten signature in cursive script, appearing to read 'W. Rogers'.

Supt. of Public Works.

CRS.

YE

55

(118)

Min 162 ab 117 W. 120.

The activities of LADE are regulated by E of N (Comm 5203) which (para 4 (g) + h) allows LADE to carry out commercial and financial transactions related to its activities, free of accounting control.

We should therefore ascertain whether the activities now proposed could be kept separate from LADE's and whether, if they can, they need to be subject to control. In other words LADE would be stepping outside the protection given by the E of N. FIS may then have to look at the question of taxing any profits and possibly engineering rate accounts. This would lead to embarrassing complications which would be avoided if a private firm undertook these activities.

327/9.

56

DCS

Pl ce (119) - N.f.a. I think, at this stage.

Don 21/10/76

327/10.

SHOWROOM FOR LADE

1. SPW to-day took me around the room, adjoining the LADE offices, which Vice Comodoro Carnelli would like as a showroom. It has been in use as a store but most of the contents have been taken away and the SPW foresees no difficulty in finding a home for the rest quickly. The room would then need considerable renovation and alterations before it could be used by LADE. The floor in particular and also the walls are in pretty poor condition. A new ceiling would need to be installed over the very heavy exposed beams. The windows facing the street would eventually need to be replaced, presumably by showroom-type windows. SPW reminded me that PWD had, in the end, to undertake the work in the existing LADE Offices and he fully expects that PWD will be called on to undertake this job. SPW has no doubt about the ability of PWD to take this on.

2. An access ^{door} would also need to be built in the wall which divides the store room from the LADE radio cum baggage room. There is space for this door to the right (facing west) of the steps to the attic in the LADE Office.

3. In view of the CS's reservations on the proposals, I pressed Vice Comodoro Carnelli to say precisely what the room would be used for. He said it would be for the display of goods. LADE would not be undertaking any sales whatever, but addresses of manufacturers would be displayed with goods so that the public could themselves write off for further information. He would also use part of the space to house some reference books. Vice Comodoro Carnelli said there were few of these.

4. I do not know what, if any, arrangements would be made for rent to be recovered for the showroom or for paying for PWD's work in converting the store room. But on the face of it a showroom of this type would seem to offer some advantages to the Falkland Islands public as well as to Argentine manufacturers. It might have been useful to us in obtaining information and prices of prefabricated houses and hangars.

G. Slater

14 October 1976

G J A Slater

B.S.

Please comment and discuss

*a.y.c.
I would give this a low priority
if S.P.W. is so overburdened as
I believe he is; roads and other*

AIR/34/3

120



GOVERNMENT ANNOUNCEMENT NO. 44/76

(To be broadcast today at 12 noon and again in this evening's announcements, repeated in the Newsletter)

An F28 aircraft operated by LADB will pay a short visit to Stanley on Saturday 13 November. This aircraft is a pure jet and it is planned that it should fly from Rio Grande on the mainland to arrive Stanley at 0950 hours local time.

The plane is expected to stay on the airstrip for about four hours, and Vice-Comodoro Carnelli has extended an invitation to members of the general public to visit the aircraft and board it for viewing the interior.

*copy to OCRM
Dave Ryan*

12 November 1976

No. 249

Y E (for info) ✓ 1/12

D.C.S. (in temporary absence of C.S.)

Minute No 162: DISPLAY ROOM FOR LADE

1. I mentioned this to H E yesterday. The basic facts seem to be:
 - a. LADE told me they wanted the additional room to display Argentine products and manufacturers' addresses. No sales were contemplated by LADE;
 - b. We are in LADE's debt, i.e. the F27 search for the Beaver, enquiries about the hangar and prefabricated houses, help with YPF, and it is in the Falklands' interest to even out the score, at least to some extent;
 - c. PWD, when I last spoke to them, had virtually cleared out the room in anticipation of its being allocated to LADE;
 - d. The real problem is that PWD has not got the capacity to take on the job of modernising the room for LADE and making the necessary structural alterations.
- 119 2. There is nothing at all sinister about what LADE propose and it is debatable whether the point raised by C.S. in the attached minute would apply. We ourselves have commercial information services around the world and in my own experience they have never given rise to any problems with host governments.
3. I suggest that Vice-Comodoro Carnelli be asked, if he has not already done so, to put his proposal in writing. If this passes muster, he could then be told bluntly that PWD are in no position to take on the work of restoring the room. But then we could offer him the use of the room - if he was able to arrange the work himself - for a set period, possibly for review after, say, two years when we could see what use had been made of it.

1 December 1976

G J A Slater

*C.S. / Am in full agreement -
 Recp act in terms of Para. 3. above.
 1/12*

GOVERNMENT ANNOUNCEMENT NO 71

VISIT BY "GUARANI" AIRCRAFT

A "GUARANI" aircraft has been expected in the Colony for some time, to carry out further orientation and re-calibration tests to the VOR.

The arrival of the aircraft has been delayed by technical problems and it is now expected to arrive tomorrow, 6th December.

Government has impressed on the appropriate authorities that everything possible should be done to ensure that the arrival does not interfere with the ceremonies tomorrow.

Secretariat
Stanley

7 December 1976

File Ref: AIR/34/3

Broadcast announcement

An F27 is expected to arrive in Stanley at approximately 5:30 this afternoon. This is a special LADE flight carrying freight and mail. The aircraft will stay overnight and its departure is scheduled for 0645 tomorrow morning.

Secretariat,
Stanley.

29 December 1976.

File Ref: AIR/34/36,
Nº 86/76

m.

Broadcast 4pm -
Advised RIT operator -

M.
—

29 December 1976

Vice Comodoro R A Carnelli
L A D E
Stanley

DISPLAY ROOM FOR LADE


I am sorry I have not written to you earlier about your suggestion made, I believe, to Gordon Slater to utilise the end room of the building you occupy as a display show-room.

2. We have not overlooked this matter but it is not quite as simple as it might first appear. The premises now occupied by LADE are linked to an exchange of notes which, so far as I can ascertain, would not automatically apply to the additional room.

3. Perhaps therefore the best course would be for you to set out very briefly the purpose for which the building would be used and to indicate whether the displays would be mounted and under the control of LADE, or whether they would be the responsibility of some other organisation or even of a private firm or firms.

4. One important point is that, if the room is made available, the work of repainting and decorating it could not I am afraid be undertaken by the Public Works Department, which is already falling behind on its programme because of shortage of labour.

5. If you feel that a discussion would help I should be only too glad to talk this over with you at your convenience.


A J P Monk
Chief Secretary

m.

MEMORANDUM

Reference 1/AO/11

Date 9th December, 1976.

From Financial Secretary



To The Chief Secretary

Stanley Rates - L.A.D.E.

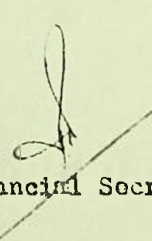
The sum of £61.42 is shown in the Treasury Revenue Register as due from L.A.D.E. in respect of Stanley Rates on the house currently occupied by Vice Commodore Carnelli and owned by the Argentine Air Force, L.A.D.E.

2. I have looked through the Joint Statement attached to the Exchange of Notes between Britain and Argentina concerning communications but cannot trace any reference to the payment of rates on property owned by the Argentine Authorities. The last sentence of paragraph 3 of the Joint Statement mentions that Government should not tax the emoluments of L.A.D.E. Officials.

3. I assume that paragraph 3 of the Joint Statement does not imply that we should exempt L.A.D.E. from Stanley Rates. However, it is noted that the Notes relating to the provision of the regular air service, Treaty Series No 5 (1972), which entered into force on 24th October, 1972 mention in (4) of the agreement that the services provided by L.A.D.E. will be free from all rates, duties, imposts or other taxes in the Falkland Islands (a) to supply fuel, lubricants, services, and provisions and ground and air support for the aircraft including their maintenance and repair.

4. It would seem that the Exchange of Notes relating to the regular Air Service may prevent the Falkland Islands Government levying rates on the property occupied by L.A.D.E. personnel.

5. As I am uncertain of the interpretation of the agreement, grateful if a legal interpretation could be sought to ascertain whether L.A.D.E. property in Stanley is subject to Stanley Rates.


Financial Secretary

Original on TR4/2/20
Stanley Rates.

Reference

Not for file

125

Arthur

LADE

I am not altogether clear about the reason (PS 16 June minute 55) for wanting the numbers of LADE stiff - good idea though it is.

Do you foresee the purchase of more houses by LADE? In that event the arrangement could well be renewed. As you know diplomatic arrangements on rates are not all that generous, and could serve as a model - up to a point.

Eligible diplomatic householders pay only the beneficial part of the rates and are excused the rest, which is paid to the municipality concerned by the host government. The rules on eligibility are pretty tight and based on reciprocity.

I should have thought a reasonable deal for LADE would be to exempt the Nos 1 & 2 if they both owned houses or rented houses

G. L. L. L.
12/1

MEMORANDUM

Reference AIR/34/3

It is requested that this number and date should be quoted.

Date 31st. December, 1976. 120



From Supt. of Public Works.

To Chief Secretary,
Sec. Financial Secretary.

Subject:-

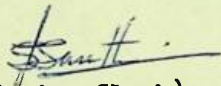
The attached labour charges were ordinary and overtime worked by Messes C. Short, C. Allan, R. Stewart and P. McPhee for Fire Brigade attendance to the Guarany Aircraft during testing and resetting the L.A.D.E. Beacon in the Surf Bay Road area.

Verbal agreement between Vice Comodor Carnelli and Supt. of Public Works, was that all working hours would be paid by L.A.D.E. for the Fire Brigade services during that period.

Now, L.A.D.E. informs that the Beacon testing etc. is all part of the Service connected with the normal weekly flights which, they, do not pay for.

Attached are the two accounts which they have returned, and say they should be paid for in the normal way, I presume that is i.e. Public Works Recurrent XIV - 17, expenditure vote which provides payment for the normal weekly service, but extra services such as the one in question, has not been provided for in that estimate.

May I have confirmation if XIV - 17 are to absorb these payments as I understand this could occur once or twice yearly.


(Senior Clerk)

For Supt. Public Works.

crs.

AIR/34/30

4th March 1977

128


Chief Secretary

Superintendent of Public Works

c.c. Treasury

126
Please refer to your memo of 31st December about charges in connection with the LADE beacon.

2. The charges should be met from PWD votes.
3. Will you please make provision in your 1977/78 Estimates for such charges.


CHIEF SECRETARY



CS

ARGENTINE CHARGES ON AIR FREIGHT/CARGO PARCELS

1. You will recall that these Customs charges were imposed last year on parcels sent by air to Mrs Gerald Smith and to Medical Department. This was taken up with the Argentine authorities who have now explained:

All air cargoes which pass through Comodoro Rivadavia Customs are subject to the International Commercial Air Transport Regulation, which states in Article 6 that normal inspection services during working hours on working days will be offered free of charge by the respective authorities.

In addition, in Article 7, it is stated that if the same Customs inspection services should be carried out outside working hours or days, then permission will be given subject to payment for special services.

It is for this reason that Customs duties have been levied on any occasion when the services were used on non-working days, which was the case on several occasions when flights between Comodoria Rivadavia and Port Stanley took place on Mondays of each week.

A handwritten signature in dark ink, appearing to read 'G J A Slater'.

G J A Slater
4 May 1977

A12/34/3C ✓

(129)

00 PORT STANLEY

GPS 140

DESKBY 101230Z

184/3

CYPHER CAT A

FM BUENOS AIRES 092045Z

RESTRICTED

DESKBY 101230Z

TO IMMEDIATE PORT STANLEY TELNO 55 OF 09 JUNE
INFO FCO,

YOUR TELNO 63 : ARGENTINE AIR FARES.

1. COLONEL BALCARCE TOLD US TODAY THAT THE INCREASE RESULTED FROM AN INCORRECT APPLICATION OF THE RELEVANT REGULATIONS BY AEROLINEAS ARGENTINAS. MEASURES HAVE ALREADY BEEN TAKEN TO RECTIFY THE SITUATION AND THE FARE WILL RETURN TO THE PREVIOUS RATE. ACCORDING TO BALCARCE THE FARE HAS IN FACT ALREADY BEEN RE-ADJUSTED.
2. THE MISAPPLICATION ON THE PART OF AEROLINEAS ARGENTINAS APPEARS TO HAVE ARISEN FROM DIFFICULTIES WHICH HAVE OCCURRED BETWEEN THEM AND BRITISH CALEDONIAN ABOUT THE AIR FARE TO LONDON. BALCARCE EXPLAINED THAT THIS WAS A COMPLICATED ISSUE ABOUT WHICH HE EXPECTED TO RECEIVE A WRITTEN EXPLANATION IN THE NEXT FEW DAYS.
3. WE ASKED WHETHER THOSE PASSENGERS WHO HAD ALREADY HAD TO PAY THE INCREASED FARE WOULD BE REIMBURSED. BALCARCE WAS UNABLE TO GIVE A DEFINITIVE YES IN REPLY BUT SUGGESTED THAT THE PASSENGERS CONCERNED SHOULD APPLY FOR REIMBURSEMENT THROUGH VICE COMODORO CARNELLI.
4. NO MORE NEWS YET ON THE POSSIBILITY OF AN INCREASE IN THE COMODORO/STANLEY FARE.

SHAKESPEARE

I understand this was applied this week
D 9/6

NNNNL

SENT AT 092239Z RD

RECD AT 092239Z ~~RECEIVED~~ JS

Dealt with
at Legco
June 77

M

15 August 1977

H M Milne Esq
Stanley Manager
The Falkland Islands Co Ltd
Stanley

Your account with LADE

*returned to
Mr Slater*

When I saw Vice Comodoro Camelli this morning I took occasion to mention the subject of your letter of 5 July to the Deputy Governor about the outstanding accounts incurred by the Grupo Uno de Mantenimiento of the Argentine Air Force.

2. The Vice Comodoro was obviously completely au courant with the situation and is doing his utmost to obtain payment. He took the point that some of the amounts had been outstanding for some time and I feel sure he will do all he can to see that the bills are paid as quickly as possible.

3. Although of course this is not a matter in which I would normally become involved, I shall be only too glad to help out if I can so that if nothing materialises during the next few weeks perhaps you would not mind jogging my memory.



A J P Monk

cc. H E the Governor

m.

131

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851.)

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

HMM/lrw

The Chief Secretary,
Secretariat,
Stanley.

Stanley,

22nd August,

19 77

Our Ref: A/6



Dear Sir,

AIR FARES COMODORO RIVADAVIA - BUENOS AIRES

During the recent Legislative Council Meetings you gave a written reply to question No 4/77 regarding a recent increase in air fares. Paragraph four of your written reply reads as follows:-

"We enquired further whether those passengers who had already been required to pay the increased fare would be reimbursed and, we have been advised that those passengers concerned should apply for reimbursement through Vice Comodoro Carnelli. We will be following up this point".

On 18th July we wrote to L.A.D.E. enclosing a schedule of overpayments and requesting the necessary refunds. On 16th August we wrote again to L.A.D.E. asking when we could expect repayment. We have had a telephone call from L.A.D.E. during which we were advised that there would be no refunds made. We spoke to the Manager of L.A.D.E. who did not appear to know anything about the matter.

We are writing direct to Vice Comodoro Carnelli but in the meantime we would be much obliged if you would advise us of the results of your further investigations which you referred to as "Following up this point".

There is a matter of £1,663.55 outstanding in respect of overcharges on passages from Comodoro Rivadavia to Buenos Aires which were paid for between 15th May and 14th June 1977. A schedule showing how this amount is made up is enclosed.

We should also be obliged if you would advise the position of intending southbound passengers in receipt return tickets paid for during this period.

Yours faithfully,

A handwritten signature in blue ink, appearing to be "Stanley Manager".

Stanley Manager

Enc

cc Shipping Office

PASSAGES COMODORO RIVADAVIA - BUENOS AIRES

SCHEDULE OF REFUNDS CLAIMED

<u>NAME</u>	<u>AMOUNT</u>	<u>DATE NORTHBOUND FLIGHT</u>	<u>DATE SOUTHBOUND FLIGHT</u>
Mr & Mrs W.R. Luxton & Son	85.75	19 May 1977	-
Mr & Mrs J.D. Barton	137.20	19 May 1977	29 Sept 1977
Mr & Mrs L.G. Blake & 2 Sons	102.90	19 May 1977	-
Mrs D.I. Barton	68.60	19 May 1977	29 Sept 1977
Mr S. Landers	34.30	26 May 1977	-
Mr & Mrs R. Ferguson	137.20	2 June 1977	Open
Mr & Mrs G.O. Evans	137.20	9 June 1977	13 Oct 1977
Mr & Mrs L. Grant	137.20	9 June 1977	Open
Mrs M. Morrison	34.30	9 June 1977	-
Mr G. Llamosa	68.60	9 June 1977	8 Sept 1977
Mrs V.A. Johnson	68.60	9 June 1977	Open
Mr F. Brooks	34.30	2 June 1977	-
Mr I. Stozelczyk	34.30	9 June 1977	-
Mrs J. Cork	34.30	9 June 1977	-
Mr L. Dearling	34.30	26 May 1977	-
Mr R. Binnie	68.60	19 May 1977	8 June 1977
Mr & Mrs B. Hardcastle	68.60	19 May 1977	-
Miss J. Hardcastle	34.30	19 May 1977	-
Mr & Mrs P. Hutton	68.60	26 May 1977	-
Mr I Walker	34.30	26 May 1977	-
Mr J. Sornsen	34.30	9 June 1977	-
Mrs G. Betts & Child	34.30	21 June 1977	-
Mr J. Smith	68.60	16 June 1977	14 July 1977
3 Seamen M/T "Lyra"	102.90	16 June 1977	-

£1,663.55

LADE file d.

~~36~~
133

CS

FIF0202/27

RR BUENOS AIRES

RR FCO

GR 137



CYPHER CAT A

FM PORT STANLEY 27/1400Z

RESTRICTED

TO ROUTINE BUENOS AIRES TELNO 97 OF 27 AUGUST
INFO FCO

YOUR TELNO 55 OF 2 JUNE: 129 ARGENTINE AIR FARES

1. ACTING ON BEHALF OF PASSENGERS WHO HAD BOOKED THROUGH THEIR TRAVEL OFFICE, THE FALKLAND ISLANDS COMPANY (FIC) HAVE CLAIMED REIMBURSEMENT OF OVER POUNDS ~~600~~ FROM LADE IN RESPECT OF THE TEMPORARY DOUBLING OF THE COMODORO RIVADAVIA - BUENOS AIRES AIR FARE IN MAY. LADE HAVE REJECTED THE CLAIM AND FIC HAVE PUT US ON NOTICE THAT THEY INTEND ENLISTING OUR SUPPORT.

2. AS THE ONLY FIRM CONCLUSION ONE COULD DRAW FROM COLONEL BALCARCE'S ORIGINAL EXPLANATION WAS THAT THE INCREASE WAS A MISTAKE, AND AS HE HIMSELF SUGGESTED THAT THE PASSENGERS CONCERNED SHOULD APPLY TO LADE HERE FOR REIMBURSEMENT, JUSTICE SEEMS TO BE ON THE SIDE OF THE OVERCHARGED PASSENGERS.

3. GRATEFUL IF THE CASE COULD BE PURSUED WITH THE MFA.

SLATER

*HE has copy of 131 & 132
30/8.*

NNNN

** For £600, read £1600*

SEMT 27/1459Z JS

RECD 27/1459Z PB

AIR 13413

134

The Falkland Islands Company, Limited.

(INCORPORATED BY ROYAL CHARTER 1851)

AGENTS FOR LLOYDS.

REGISTERED 1902

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

HEAD OFFICE:
94A WHITECHAPEL HIGH STREET
LONDON E1 7RH

HMM/lrw

Stanley,
FALKLAND ISLANDS.

6th September, 1977

The Chief Secretary,
Secretariat,
Stanley.

Your Ref: AIR/34/3

Dear Sir,

OUR ACCOUNT WITH L.A.D.E.

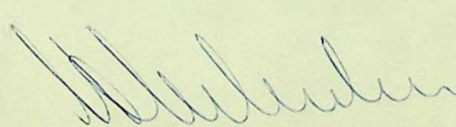
We would refer to your letter of 15th August regarding our outstanding account with Grupo Uno de Mantenimiento of the Argentine Air Force.

With reference to paragraph three of your letter we have to advise you that no payment has been received to date.

You mention that this is a commercial matter, but we would stress that our participation was occasioned by our having the only facilities and we must look to the F.I. Government for assistance in settling our account upon the default of a foreign government.

You will appreciate that under no circumstances will this Company be involved in the removal of the temporary airstrip until such time as either payment is made in advance by the Argentine Government or financial guarantees are received in writing from the Falkland Islands Government.

Yours faithfully,


Stanley Manager

cc
H.E. the Governor.

Reply at (137).

135

Personal.

cc CS

FIF0004/16

RR BUENOS AIRES

RR FCO

GR 35

CYPHER CAT A



FM PORT STANLEY 16/1830Z

RESTRICTED

TO ROUTINE BUENOS AIRES TELNO 110 OF 16 SEPTEMBER
INFO FCO

PEARCE'S LETTER OF 13 SEPTEMBER: F I CO V ARGENTINA

1. CHIEF SECRETARY DISCUSSED OUTSTANDING LADE ACCOUNT WITH
CARNELLI ON 15 AUGUST. CARNELLI WAS OBVIOUSLY DOING ALL
HE COULD, BUT THERE HAVE BEEN NO FURTHER DEVELOPMENTS TO DATE.

SLATER

NNNN

SENT AT 16/1934Z GMS

RECD AT 16/1934Z WRR

MEMORANDUM

F

To

AIR 3413

CS



Your reference

Our reference

Date 8-9-77

Subject

Fic's Claim on Grupo Uno de Mantenimiento

I have dropped a line to Howard Pearce about this, & have enclosed a copy of me Meln's letter of 6th Sept. to you so that he is aware of the background. But I don't really think there is much the Embassy could do about this - or that we there can do either.

J. Slater

This form may be completed in manuscript. A reply may be returned on the reverse.

HE

I saw V/C Carnelli this morning. As regards the shortage of fuel he told me that YPF are very short of petrol and kerosene and that he would be unable to meet the order placed by San Carlos. However he was hoping that Monsunen could be delayed long enough for the STN vessel to arrive with additional supplies. He said he thought it might be the Cabo San Gonzalo or the Cabo San Pio, but he could give no firm date. I said I did not think I could be sanguine about Chastal Shipping delaying the sailing of Monsunen.

2. During lunchtime the V/C rang me again saying that he had managed to obtain fuel for San Carlos and it would be despatched on the Monsunen.

3. As regards the LADE bills, the V/C undertook once again to get in touch with BA. He said the hold-up was in the Air Force headquarters. I asked if it would help if we got the Embassy to make an approach and he thought this might well speed things up. If this is acceptable it might be appropriate for Pearce to get hold of either the Air Force Commander direct (V/C Carnelli's suggestion) or else contact someone in the Antarctic Division at the Condor Building. He said he had already informed Air Force Headquarters that there was a danger of a judgment debtor summons being taken out by the FIC.

4. I have not informed Mr Milne about the outcome of my discussions.

CS

28.9.77

(147)

URGENT

The Falkland Islands Company, Limited.

° (INCORPORATED BY ROYAL CHARTER 1851.) °

REGISTERED 1902.

AGENTS FOR LLOYDS.

TELEGRAMS "FLEETWING PORTSTANLEY" VIA RADIO.

HMM/lrw

The Chief Secretary,
Secretariat,
Stanley.

Dear Sir,



28th September, 1977.

Your Ref: AIR/34/3

Our Ref: U/1

OUR ACCOUNT WITH THE ARGENTINE AIRFORCE

(128)

We thank you for your letter of 21st September regarding the above.

We have received no satisfaction from the Argentine Air Force even after your discussions with Vice-Comodoro Carnelli and to date this account stands at £2,467.60 which is made up as follows:

1976

Oct 13	Wharfage Stanley	7,341.81
Nov 11	Jetty Labour	141.69
Dec 31	Jetty Labour	7.59
		<hr/>
		7,491.09

1977

Jan 14	Cash on Account	5,263.00
		<hr/>
		2,228.09
	Add interest at 1½% per month to 31.8.77	239.51
		<hr/>
		£ 2,467.60

This account represents the balance due for services rendered in connection with the loading of equipment for the Grupo Uno de Mantenimiento of the Argentine Air Force.

Early in 1976 we unloaded this equipment and presented our accounts as follows:

1976

Jan 1	Wharfage Stanley	5,455.54
Feb 12	Wharfage Stanley	2,498.61
		<hr/>
		£ 7,954.15

These accounts were paid in full on 4th March 1976 without any query and we are at a loss to understand why there should be this delay now.

We have been in correspondence with both your Office, and Vice Comodoro Carnelli for some considerable time with no effect.

/.....

Both you and the Acting Governor have advised us that this is a commercial matter which should not involve Government. We do not agree with this view as we feel that due to our position of having the only adequate handling facilities in Stanley we are acting on behalf of the Falkland Islands Government in handling cargoes of this nature.

We have established good relations with Transportes Navales and have no difficulty in obtaining settlement of our accounts regarding vessels of that organisation together with accounts for General Freight.

Your attitude that this is a commercial matter has placed this Company in a most difficult situation. Our reply would be that if a customer was unsatisfactory as regards paying his account we would stop credit and in the case of an overseas customer request payment by irrevocable letter of credit.

We are dealing with various departments of the Argentine Government, the majority of which pay promptly. If we took strong action, all departments of the Argentine Government would have to be included. This action could cause suffering and hardship to the people of these Islands as essential supplies such as petrol, paraffin, gas and food stuffs could be delayed.

Further, by taking commercial action to safeguard this Company's interests, an unwanted and unpleasant political atmosphere could be created.

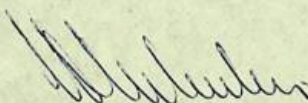
You must appreciate that the writer is an employee of the Falkland Islands Co. Ltd. and as such must place the interests of his employer first.

This letter is being copied to our Managing Director with a request for instructions but we must advise you that failing anything to the contrary being received, with effect from 1st November 1977 funds must be deposited with you by the Argentine Government by means of irrevocable letter of credit to enable us to recover the balance due from the Argentine Government together with all other accounts submitted after that date. We will consider that it is the responsibility of the Argentine Government to keep you in sufficient funds. Without these funds being available we will be unable to undertake services to the Argentine Government.

We have no desire to take this drastic action but we can see no other way of safeguarding this Company's interests. It is a pity that after the numerous occasions when we have upset our own arrangements to help the F.I. Government in dealings with the Argentine Government you cannot see your way to giving us positive help in this matter.

In conclusion, we would request that in the interests of the Falkland Islands and their people you reconsider your position and insist that settlement of our account be effected without further delay.

Yours faithfully,



Stanley Manager

cc
Managing Director, FIC, London
Acting Governor, Stanley.