





FIFO 002/08

RR ODM

GR 60

UNCLASSIFIED

FM PORT STANLEY 081230Z NOV 78

TO ROUTINE ODM

TELEGRAM NUMBER MODEV 265 OF 3 NOVEMBER

WAINWRIGHT-DAVIES AIRFIELDS REPORT

1. PLEASE NOTE FOLLOWING ERROR ON PAGE EIGHT.
2. SECTION 2.5.IV SHOULD RELATE TO FOX BAY UNDERLINE FOLLOWING WORD EAST AND SECTION V TO FOX BAY UNDERLINE FOLLOWING WORD WEST. CONSEQUENT CORRECTION WILL NEED TO BE MADE TO CONCLUSIONS AT SECTION 5.2.
3. GRATEFUL BRING THIS TRANSPOSITION ERROR TO ATTENTION OF CAA AND ALL RECIPIENTS OF REPORT.

MASSINGHAM

NNNN

SENT AT 081356Z DJM

RECD AAT 081356Z LRD

*Registy* *A.C.S.* *8/11*  
*copy* *7/11/78*  
*8/11*  
**ACTION COPY**



Ministry of Overseas Development  
Eland House Stag Place London SW1E 5DH

Telephone 01-834 2377 ext. 127

67

J D Massingham Esq  
Chief Secretary  
Stanley  
Falkland Islands

Your reference

Our reference

Date

23 October 1978



Dear John,

I enclose 3 copies of the Civil Aviation Authority's report on Land Aerodromes in the Falkland Islands.

We shall be discussing this report with the Governor when we meet him tomorrow, 24 October.

*Mrs M C Rosser*

Mrs M C Rosser

Ag. CS

1. I have retained one copy to send you - you might care to pass one to DCA.

2. After you & FS have had a chance to see this, we shall have to consider the implications.

12/xi

sent under my 78

FIFO 003/02

RR ODM

GR 30

UNCLASSIFIED

FM PORT STANLEY 021330Z NOV 78

TO ROUTINE ODM

TELEGRAM NUMBER MODEV 261 OF 2 NOVEMBER

INTRODUCTION OF ISLANDER AIRCRAFT

1. IF POSSIBLE GRATEFUL SEND BY FASTEST MEANS TEN MORE COPIES OF  
WAINWRIGHT/DAVIES REPORT ON LAND AERODROMES.

MASSINGHAM

NNNN

SENT AT 021335Z DJM

RECD AT 021335Z JP

Agcs *DLH*  
*to see apa*  
*2/11*

**ACTION  
COPY**



AIR/1/4

19 October 1978

(63)

Handwritten notes: "2 p.m." and a signature.

Acting Governor

Secretary, Future of FIGAS Committee

FUTURE OF FIGAS COMMITTEE: MINUTES

This is just to let you know that, at the next meeting of the FIGAS Committee, I shall be suggesting that the penultimate paragraph of the Minutes of 3 October be deleted and something on the following lines substituted:

"The Acting Governor drew attention to an appraisal that had been prepared - expressly for the Governor - by the CAA's Directorate of Operational Services, giving a direct comparison between the Britten-Norman Islander and the GAF Nomad 22. This appraisal - a copy of which had been passed to the Chairman and Secretary of the Committee - indicated that the Islander was indeed the best-suited aircraft for the Colony's needs."

As it stands, your version of my statement does not really indicate the exact source of the appraisal, and that a conclusive judgement had been passed rather than, as you have put it, an intimation. Moreover, I think it ought to be on the record that the Committee does, in fact, hold a copy of the CAA's paper.

JOHN MASSINGHAM

GA PS TKU

FIFO 002/11

PP ODM

PP FCO

GR 260

CYPHER CAT A

FM PORT STANLEY 111428Z

RESTRICTED

TO PRIORITY ODM TELNO MODEV 237 OF 11 OCTOBER  
INFO PRIORITY FCO

GOVERNOR'S LETTER 184/3 OF 11 JULY TO RAE (COPIED TO URE AT FCO)  
INTRODUCTION OF ISLANDER AIRCRAFT

1. KEY FACTOR IN INTRODUCTION OF LAND-BASED AIRCRAFT WILL BE THE PROVISION OF HANGAR. MOREOVER HANGAR MUST BE AVAILABLE FOR USE BEFORE AIRCRAFT IS DELIVERED.
2. TIMING HAS NOW BECOME CRUCIAL FACTOR. APART FROM ERECTING HANGAR, WE NEED TO PREPARE FOUNDATIONS, APRON AND TAXI-WAY DURING COMING SOUTHERN SUMMER. (WORKING IN CONCRETE BECOMES PROBLEMATIC IN WINTER CONDITIONS).
3. WE HAVE NOW IDENTIFIED HANGAR OF SUITABLE DIMENSIONS FOR TWO AIRCRAFT PLUS WORKING SPACE FROM J A SANCTUARY LTD AT COST OF POUNDS STERLING 37,100 FOB GRAVESEND. IF ORDER CAN BE PLACED WITHOUT DELAY WE COULD EXPECT DELIVERY BY CHARTER VESSEL LEAVING IN FEBRUARY THUS ENABLING SITE WORKS TO START SOON WITH GOOD PROSPECT OF COMPLETION BEFORE ONSET OF WINTER.
4. WE ARE, HOWEVER, UNCERTAIN JUST HOW THE ISLANDER PROJECT NOW STANDS FOLLOWING WAINWRIGHT'S VISIT, THOUGH WE BELIEVE OPERATIONAL AND SAFETY QUESTIONS (TO WHICH RAE LAID EMPHASIS IN HIS LETTER TO GOVERNOR OF 13 JUNE) MAY HAVE BEEN RESOLVED.
5. IF FIG IS TO MAKE PROVISION FOR HANGAR THIS MUST BE DONE NOW BY PLACING ORDER. (APART FROM BASIC COST OF BUILDING ITSELF, FREIGHT AND INFRASTRUCTURE WORKS, WHICH WE HAVE STILL TO COST IN DETAIL, WILL BRING TOTAL COST TO APPROXIMATELY POUNDS STERLING 100,000).
6. WE NEED NOW TO KNOW AS MATTER OF URGENCY:
  - (A) WHETHER YOU DEEM THIS PART OF RE-EQUIPMENT OF FIGAS TO BE INTEGRAL PART OF OVERALL PROJECT AND THUS A POSSIBLE CHARGE ON AID FUNDS; AND
  - (B) IF YOU WERE TO DECIDE IN PRINCIPLE THAT THIS ELEMENT IS AID WORTHY (EITHER TOTALLY OR IN PART) WOULD THE PLACING OF AN ORDER WITH SANCTUARYS BY FIG PREJUDICE SUBSEQUENT AID FUNDING.

MASSINGHAM

NNNN

SENT AT 111906Z DJM EN CLAIR NEXT  
RECD AT 111906Z AV

1. Min 2 11/10  
2. Secretariat  
(for AIR/1/4)

(64)

Acting Governor

Director of Civil Aviation

Secretary

cc ~~Skairman~~ "Future of FIGAS"  
Committee

## RE-EQUIPMENT OF FIGAS WITH LAND-BASED AIRCRAFT

I have just heard from Air Commodore Frow, the Director General of the Falkland Islands Office in London, that Eagle Aviation have been trying to show the Nomad aircraft to a variety of people, including the Governor, Mrs Rosser of ODM, and Bill Sloman. In the event, however, very few people seem to have managed to take up the invitations. Nevertheless Air Commodore Frow has sent me the enclosed brochures which you might like to see, and Air Commodore Frow has listed the principal features of this aircraft in the following terms:

- (a) It is modern, in production and service world-wide, including in Chile.
- (b) It is powered by turbo prop engines fitted with reverse thrust. Landing run at full load is less than 200 yds.
- (c) It is cleared for operation at category 4 airstrips (the most demanding). The Twin Otter, Twin Pioneer and Islander are only cleared for category 3 airstrips (this categorisation is a function of surfaces, obstructions, length, etc).
- (d) There is a floatplane variant; conversion from land to float operation involves 12 manhours labour.
- (e) Capital cost for the basic 22b aircraft is £266,000. Running costs are low and servicing simple. Major servicing facilities are available in Chile.

2. Incidentally, he has also explained that the Falkland Islands Office's principal interest in the aircraft is for a tourist scheme on which they are working with Lord Garnock in spite of a concluding remark that the aircraft obviously (sic) is a tender for FIGAS!

3. I think that we ought to make mention of this latest correspondence at next week's meeting of the FIGAS Committee, and I have accordingly sent a copy of this memo to the Secretary, but without the enclosures

JOHN MASSINGHAM



T J Pa  
29/9

29 September

78

Air Commodore B G Frow DSO DFC  
Director General  
Falkland Islands Research and Development Association Ltd  
2 Greycoat Place Westminster  
London SW1P 1SD

Many thanks for your letter <sup>(1)</sup> of 21 September enclosing details of the Nomad aircraft.

I am sure that the information that you have sent will be of interest to the "Future of FIGAS" Committee. The Nomad certainly looks a very interesting aircraft but I personally am in no position to judge its technical merits. However, I believe that it is nearly three times the price of the "Islander" and that it still has to meet the requirements of the British Civil Airworthiness. Nevertheless, I shall be circulating the papers at a meeting of the Committee next week and we are grateful for the continued interest that you and the Committee are showing in this key project.

I shall be writing to you separately in due course about the boat project which is of considerable interest to us

JOHN MASSINGHAM

A17/14

(61)

# The Falkland Islands Office

2 Greycoat Place, Westminster, London SW1P 1SD  
Telephone 01-222 1871 01-222 0028 Telex 888164

Director General Air Commodore B G Frow DSO DFC  
General secretary Miss Doreen O'Farrell

21st September 1978

John Massingham Esq.,  
Chief Secretary,  
The Secretariat,  
Port Stanley,  
Falkland Islands.

Dear John,

*Act sent a memo to  
SCA*

*Separate letter sent a memo  
to H.M. with final paragraph.  
PA 29/12*

I have just returned from holidays to find that things have been moving on the aviation front. Eagle Aviation entered three Nomad aircraft for the SBAC show and invited The Governor, Lord Garnock, Mrs Rosser, Bill Sloman and the Falkland Islands Office as guests at the show. In the event, Lord Garnock, Nigel Gribbon, John Spencer and Leif Barton were the only ones who were able to attend, and they were well briefed and enjoyed themselves.

As a follow up to this, Eagle invited The Governor, Mrs Rosser, myself and any others we wished to Leavesden Airport (near Watford) to fly in the Nomad. This occurred on 13th September when I, John Spencer, Leif Barton and Alan Miller attended; (unfortunately The Governor had started his leave and Mrs Rosser was not available.) We flew in both types of Nomad - the 22b and the 24a and were ably briefed. I enclose some brochures.

The principle features of this aircraft are:

- (a) It is modern, in production and service world-wide, including in Chile.
- (b) It is powered by turbo prop engines fitted with reverse thrust. Landing run at full load is less than 200 yds.
- (c) It is cleared for operation at category 4 airstrips (the most demanding). The Twin Otter, Twin Pioneer and Islander are only cleared for category 3 airstrips (this categorisation is a function of surfaces, obstructions, length etc.)
- (d) There is a floatplane variant; conversion from land to float operation involves 12 manhours labour.
- (e) Capital cost for the basic 22b aircraft is £ 266,000. Running costs are low and servicing simple. Major servicing facilities are available in Chile.

contd.....

#### The United Kingdom Falkland Islands Committee

Chairman Sir John D Barlow Bt Vice Chairman Sir Miles Clifford KBE CMG ED Hon FRCS  
Members D G Ainslie Mrs D I Barton John Biggs-Davison MP J Broadbent-Jones CR Buxton Mrs Anne Cameron E Clapp William Clark MP  
Bernard Conlan MP L Dailie J Dodwell ACA Sir Nigel Fisher MC MP W J Grierson MBE E W Hunter Christie BL Michael Clark Hutchison MP David James MBE DSC MP  
James Johnson MP Russell Johnson MP Clifford Kenyon CBE JP Air Marshal Sir John Lapsley KBE CB DFC AFC RAF Retd R R Merton FG Mitchell Eric Ogden MP  
Captain R Pennefather RN Leolin Price QC Sir Peter Scott CBE DSC Major R Spafford RA Rt Hon Donald Stewart MP Mrs E J White M J Dodds (Northern Branch Committee)

#### South Atlantic Fisheries Committee

President James Johnson MP Chairman E W Hunter Christie

#### Falkland Islands Research and Development Association Limited

Vice presidents The Right Honourable the Viscount Boyd of Merton CH PC The Right Honourable the Viscount Thurso of Ulster JP Sir John Barlow Bt  
Sir Cosmo Haskard KCMG MBE Sir Miles Clifford KBE CMG ED Hon FRCS Executive board of directors E W Hunter Christie BL J Dowling RR Merton  
L Dailie J Broadbent-Jones M V Summers BA J R Spencer FCA Michael Clark Hutchison MP J Dodwell ACA D G Ainslie BA

A company limited by guarantee governed by a council of management

Registered in England No 1300960 Registered office 2 Greycoat Place, Westminster, London SW1P 1SD

21st September 1978

John Massingham Esq.,

Eagle Aviation

al!  
We have made it clear to Eagle that the purchase of an aircraft is entirely a matter for the Falkland Islands Government and ODM. The Falkland Islands Office's principle interest in the aircraft is for a tourist scheme we are working on with Lord Garnock. The aircraft obviously is, however, a contender for FIGAS.

The Governor called on the office on 12th September for a general discussion and briefing. Bill Christie, John Dodwell, Leif Barton and I were present.

Afterwards we had lunch together when we were joined by Adrian Sindall of FCO. One major project followed from our talks - namely, The Governor requested us to sponsor the acquisition for the Falkland Islands Government of a safety boat which could also be used as a general purpose launch. We have undertaken to purchase such a boat, paid for either in part or whole by the Board of Trade or public subscription. Bill Christie and I have inspected a possible very modern design of fibreglass boat which will only cost some £4,500 equipped in the water, but without a radar which costs a further £2,000. I will shortly be writing to you further on this, as we will need to have a detailed specification prepared to meet your requirements. I also enclose a copy of a report on the launch we favour.

Yours sincerely,  
Brian Frow

B. G. Frow

BGF/dpof

enc.



AIR/1/4

60

72 Pa  
29  
17

29 September

78

R M Pitaluga Esq OBE  
Chairman Future of FIGAS Committee  
Stanley

#### PURCHASE OF ISLANDER

Air Commodore Frow of FIRADA has, as you know, been pressing the merits of the Nomad aircraft for FIGAS. Indeed, he is still so doing.

But I think you will be interested to see the enclosed copy of a summary prepared specially by Directorate of Operations Services of the CAA for the Governor, comparing the relative merits of the "Islander" and the "Nomad". It is reassuring, although no surprise, to see that their verdict is conclusively in favour of the "Islander".

JOHN MASSINGHAM

AIR/1/4

29 September 1978

Acting Governor

Director of Civil Aviation

Quite heavy pressure has, I believe, been put on the Governor to see for himself the merits of the Nomad 22 aircraft. You will be interested, therefore, to see the enclosed copy of a summary specially prepared for HE, on the relative merits of the Nomad and the Islander.

2. It will come as no surprise to you that the CAA's Directorate of Operational Services have confirmed that the Britten-Norman Islander is the aircraft that best suits our requirements.

3. I am passing a copy of the summary to the Chairman of the 'Future of FIGAS' Committee.

JOHN MASSINGHAM



COPY incl. to  
DCA + Mr. P. Tedesco

Pa  
29/18

*With the compliments of*

**SOUTH AMERICA DEPARTMENT**

*J.R. Cowling.*

Foreign and Commonwealth Office

London, S.W.1.

13/9/78



10L/23/04

Copy 1 (88)  
A / Governor  
F.I.

FALKLAND ISLANDS

SUMMARY PREPARED FOR H E THE GOVERNOR

RELATIVE MERITS OF TWO LIGHT TWIN ENGINE D AIRCRAFT FOR FIGAS

1. Introduction

1.1 The following summary which sets out the relative merits of the two aircraft under consideration by The Falkland Is. Government is prepared by The Directorate of Operational Services Overseas of the UK Civil Aviation Authority at the request of H E The Governor of the Colony.

1.2 The aircraft under consideration are:

- (a) Britten-Norman BN-2A Islander.  
(b) Government Aircraft Factories Nomad 22.

10 in fact. ——— ( N.B. The Series N24 is a later development of this aircraft with more powerful engines and a greater seating capacity, but for the purposes of this summary it is being disregarded as it is considered to be an overprovision of the FIGAS requirement.

1.3 Factors considered are:

- (a) Capital and operating costs,  
(b) Maintenance requirements,  
(c) Main operational characteristics.

1.4 The purpose is primarily to provide an assessment of the two aircraft, having particular regard to the various operational considerations involved in the type of operations envisaged for FIGAS.

2. Type of Operation

- 2.1 The expected requirement is for a rugged landplane capable of carrying a limited number of passengers and/or small amounts of freight which are unlikely to be very bulky, such as, spares for motor vehicles and light farm equipment, say about 300 lbs in weight on any single journey. The maximum stage length is at no time expected to be in excess of 120 nautical miles. With the exception of the airport at Stanley the aircraft will operate from grass strips in the vicinity of minor settlements with lengths of about 500/600 metres in average windspeeds of 15 to 20 knots. The operation is frequently likely to have to be in crosswind conditions. Since refuelling facilities are unavailable at the proposed sites the fuel endurance required would be for approximately 2 hours 45 minutes of flight.

3. Aircraft types

- 3.1 Only the two aircraft mentioned in para 1.2 are being considered:
- (a) Britten-Norman, BN2A Islander: a ten seat fixed undercarriage twin piston Lycoming engined light transport aircraft of maximum disposable load of 2412 lbs. the aircraft has STOL capability. Country of manufacture UK/Belgium/Rumania. This aircraft meets British Civil Airworthiness Requirements.
- Capital cost (current), including a 5% spares holding:
- US \$224,175.

Note: The actual cost of spares may be less than the figure of \$10.675 included in the capital cost as many items are readily available through general aviation stockists as well as through regional BN distributors.

(b) GAF Nomad N22B: a twelve seat twin retractable  
 undercarriage, turbine Allison engined light transport  
 aircraft of maximum all up weight 8500 lbs giving a  
 maximum disposable load of 3834 lbs. The aircraft has  
 STOL capability. Does not yet meet British Civil  
 Airworthiness Requirements. Country of manufacture,  
 Australia. Capital cost(Latest available - Jan 78)  
US \$ 647.378.

4. <u>Table of Comparison.</u>	<u>BN2-A</u>	<u>GAF N22B</u>
4.1 (a) Suitable for Stage lengths required	✓	✓
(b) Dimensions (Span/Length)	49/36	54/41
(c) Seating	10	12
(d) Cabin volume (Cu.ft)	166	365
(e) Large freight door	No	Yes
(f) Take-off to 50 ft(sea level) (nil wind)	1090ft (332m)	1360ft 415m
(g) Landing from 50 ft(sea level) (nil wind)	960 ft (292m)	1260 ft (360m)
(h) Range(cruise)	622nm	730nm
(i) Engines	Piston (Lycoming)	Turbine (Allison)
(j) Orders delivered(mid 77)	850	70
(k) Agents in S. America	Yes	Not known
(l) Operating costs per hour US \$ (Direct and indirect)	35.66	101.48
(m) Cross wind capability	30 kts	Not known
(n) Maintenance requirements	Simple	Not as simple as for BN2A



## 5. Summary

5.1 From paragraphs 3 and 4 above it is apparent that the BN2A is likely to be the more suitable aircraft to suit FIGAS operational requirements and its advantages are summarized as being:

- a) Requires lower airfield strength (LCN).
- b) Has simple piston engines and a fixed undercarriage which would result in easier maintenance,
- c) (i) Lower operating cost  
(ii) Lower capital costs,
- d) World-wide sales agents and spares availability,
- e) Proven ruggedness and reliability,
- f) Simplicity in operation,
- g) Appears to have sufficient passenger and freight capacity to meet the foreseeable requirement,
- h) Meets fully British airworthiness design requirements.

Disadvantages of the BN-2A relate to its cruise speed, which is 60-70 kts lower than the GAF Nomad, and its cargo carrying capacity which is approximately 1400 lbs less than the Nomad. However, these disadvantages are not considered to be of great significance when viewed in the context of the FIGAS role.

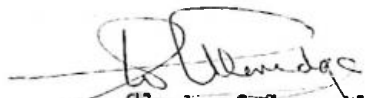
EXTRACT FROM MINUTES OF EXECUTIVE COUNCIL MEETING NO. 7/78 HELD ON 1st/2nd August 1978

112/1/4

22. Islander Aircraft

7/78

- 22.1 Council was told that a team from the Civil Aviation Authority is to visit the Colony in the near future to inspect the proposed airstrips, recently surveyed by Captain Hooper and Mr. Kanagasabai, to advise generally upon their operational suitability.
- 22.2 On the question of the hangar for F.I.G.A.S. aircraft at Stanley Airport it was reported that the Director of Public Works was already assessing the responses from potential suppliers who had been contacted by his predecessor. He was also considering the problems of the construction of the foundations and base for the hangar.

  
Clerk of Council

FIFO 003/18

PP ODM

GR 50

EN CLAIR

FM PORT STANLEY 181600Z

UNCLASSIFIED

TO PRIORITY ODM TELNO MODEV 161 OF 18 JULY

FIGAS

1. WE SHALL BE PLEASED TO SEE CAA VISITORS AS SOON AS POSSIBLE.

2. COMPREHENSIVE BACKGROUND ON STRIPS ALREADY AVAILABLE AND ON OUR MODUS OPERANDI IS PROVIDED IN ENCLOSURES TO GOVERNOR'S LETTER OF 11 JULY TO RAE, WHICH LEFT HERE BY AIRMAIL ON 12 JULY.

PARKER

NNNN

SENT AT 181950Z DJM

RECD AT 181950Z AMCG

ACTION  
COPY

ZC P007 ATS571 LHC216 XLH431 TX263907  
LX HZ GBLH 098  
LONDON/LH 98/95 14 1817 P1/50

AIR/1/4

(3)

LTF  
GOVERNOR  
FALKLAND ISLANDS

Copy sent with memo  
to WCA

(us)

MODEV177 YOUR MODEV152 FIGAS  
CAA WILL PROBABLY BE ABLE TO SEND ONE OR TWO PEOPLE IN SECOND  
HALF OF AUGUST AS A MINIMUM THEY WOULD WANT TO INSPECT  
AT LEAST 4 USABLE STRIPS IN WORKING ORDER TOGETHER WITH ANY  
OTHER SMALLER STRIPS WHICH ARE READY OR IN

COL MODEV177 MODEV152 4

LHC216 XLH431 TX263907 GOVERNOR P2/45

COURSE OF PREPARATION AND/OR SOME REPRESENTATIVE SITES.  
2. PLEASE CONFIRM THIS IS CONVENIENT. CAA COULD NOT MANAGE  
A SEPTEMBER VISIT.

WE WILL CONFIRM WITH ETA ETC IN 2 WEEKS TIME. WE HOPE  
ATTER REFERRED TO IN PARA 6 OF TUR WILL HAVE ARRIVED  
BEFORE THEM  
MINISTRANT

2 WEEKS



Air(1/1)

Rapa

(52)

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INTERIM REPORT  
ON  
POTENTIAL LANDING STRIPS  
IN THE  
FALKLAND ISLANDS

---

July 1978

Falkland Islands  
Government Air Service

LIST OF SETTLEMENTS VISITED BY INSPECTION TEAM 1978

<u>SETTLEMENT</u>	<u>STRIPS INSPECTED</u>	<u>POTENTIAL STRIPS</u>	<u>PROMISE</u>
Bluff Cove	2	1	Good but long term
Chartres	5	1 + 1 Emerg.	Good
Darwin	5	3	V. good
Douglas Station	5	2	Good - but new ground
Fitzroy	2	2	Good - but new ground
Fox Bay East	4	1	Good - already established
Fox Bay West	1	1	Good - rotavated needs compacting
Green Patch	3	2	V. good - but new ground
Hill Cove	3	1 *	Advised seek new sites
Johnsons Harbour	4	1	Fair
North Ave	2	2	Good - work proceeding
Pebble Island	5	2	V. good
Port Howard	4	1 *	Poor - prob. req. seek new site
Port Louis	2	1	Fair - may use Green Patch
Port Stephens	3	2	Fair - ground difficult
Rincon Grande	2	2	Good - one rotavated now one new ground
Salvador	2	2	Good - commence shortly
Teal Inlet	5	3	1 Interim then 2 new strips
Walker Creek	2	1 *	Fair - checking if can extend

\* with restrictions

Reports with diagrams have been prepared for all settlements.

These are being reviewed by Director, Civil Aviation and Committee.

RESULT OF RECENT REVIEWS OF FIRST BATCH LANDING STRIP REPORTS

<u>SETTLEMENT</u>	<u>RECOMMENDATION</u>	<u>COMMENTS</u>
Chartres	Proceed	Tidying one already-rotavated strip
Darwin	Proceed	Tidying one strip and to rotavate 1 or 2 extra strips
Fox Bay East	Proceed	One SW/NE strip Looking for 2nd strip
Fox Bay West	Proceed	One NW strip already-rotavated Needs compacting
Hill Cove	Not proceed	Advised look new site
North Arm	Proceed	Total of 2 strips work proceeding
Pebble Island	Proceed	Extending one existing strip Make one new strip
Salvador	Proceed	Extending one existing strip Make one new strip
Walther Creek	Not proceed	Advised to check if can extend W/E strip

A letter has been sent to the Manager of each of the above settlements informing him of D.C.A./Committee's findings.

A copy of each letter is enclosed, together with any relevant reports.

LIST OF ENCLOSURES DESPATCHED PER H.E.  
PROPOSED LANDING STRIPS

<u>SETTLEMENT</u>	<u>REVIEW LETTER</u>	<u>REPORTS</u>	<u>DIAGRAM</u>
Chartres	Yes	2	Nil
Darwin	Yes	2	No
Fitzroy	No	3	2
Fox Bay East	Yes	No	1
Fox Bay West	Yes	No	1
Green Patch	No	3	2
Hill Cove	Yes	3	2
North Arm	Yes	3	1
Pebble Island	Yes	3	2
Port Howard	No	3	2
Rincon Grande	No	3	2
Salvador	Yes	3	2
Walker Creek	Yes	3	1

The Costs of an Islander Service (Revised)

This note attempts to be no more than a first round approach to costing up a joint Islander/Beaver service compared to the existing service. As will become clear a large number of assumptions are involved, and my guesses are made mainly to be knocked down, and replaced by more reliable assumptions and estimates. Some of the issues will be discussed with the Director of Civil Aviation, and some with the Civil Engineer member of the Internal Communications Survey Team. At present I must take full responsibility for all errors.

2. This present survey of internal transport is not the first, and various other reports have touched upon the costs and operations of FIGAS. So far as possible I have attempted to follow the methods and data of such reports, in particular those by Peat, Marwick and Mitchell, Comben and Waller, and Shackleton, et al.

The Costs of the Existing Service

3. The most recent source of cost data is the 1977/8 estimates. The F Y 1976/7 has been excluded, due to the fact that FIGAS operations in that year were by no means typical. Thus the actual 1975/6 costs and estimates for 1977/8 are used below.

4. The first step is to break down the costs in the estimates between fixed and variable costs (as per Peat, Marwick and Mitchell). This breakdown is given in Table I. From this it will be noted that the estimated fixed costs for 1977/8 are slightly (11.5%) higher than the actual costs for 1975/6, whereas the variable costs are expected to fall sharply (by 26.3%). This fall is due to a large drop in the expected bill for petrol and lubricants, and that for materials and spares. The former is because a reserve stock-pile was created in 1975/6, and the latter due to the fact that present aircraft are in need of less spares.

5. If the total flying hours p.a. is taken as 1,000 then the variable costs per hour in 1975/6 were £71.52, and the same figures for 1977/8 is estimated at £43.50.

6. In addition to the costs given in Table I it is necessary to include an allowance for depreciation of the aircraft and FIGAS buildings, as well as some allowance for miscellaneous expenditure,



not included under "Aviation" in the Estimates. Table II shows the calculation of the total costs. Elements (a), (c), (d) and (e) are all "fixed", although (d) might vary if with less use the Beaver could be taken to depreciate over a longer period.

7. The next step is to compare the totals in Table II with revenue, to obtain a fair approximation of the degree of subsidy in existing FIGAS operations. This comparison is made in Table III, and shows that the subsidy reached 68.7% of total costs in 1975/6, but is projected to fall to 48.1% in 1977/8. This reflects both the projected fall in variable costs, and the increased revenue expected due to the changed fare structure. The new fare structure is shown in Table IV. The subsidy element shown in Table III can be compared with Comben and Waller's estimates in 1973 of a 50.7% subsidy, and their recommendation of a 25% subsidy being more reasonable. Even with the increased fares, the estimated subsidy in 1977/8 is only just below the 1973 level, and the 1975/6 figures must have been an all time high.

8. It is of interest at this stage to calculate a cost per passenger mile for the existing service. One major problem is that the load factor is not known. Following a recommendation in the Peat, Marwick and Mitchell report certain data is reported to the Chief Secretary every week. However, the figure given for "passenger miles" on this form is inaccurate in concept, and thus cannot be used to compare against seat miles to obtain an estimate of load factor. From examination of FIGAS data for 1969 and 1970 Peat, Marwick and Mitchell estimated the load factor at 45%. As can be seen from Table V passenger numbers rose by 38% from the 1969/70 average to the 1975 level. It is not possible to calculate what share of the passenger growth was due to increased miles flown, and what share to increased load factor.

9. Information is also lacking on number of flying hours p.a. Peat, Marwick and Mitchell refer to 900 flying hours p.a., but this figure was probably exceeded in 1975/6. Table VI shows the cost per flying hour and passenger mile using varying assumptions of flying hours and load factors. (An average speed of 100 m.p.h. is assumed).

#### Possible Islander Costs

10. The first costs to be taken into account for the possible Islander operations are depreciation on the aircraft, and new hangar, and the re-location costs involved in resiting the old Beaver hangar and building a new slipway. The quotation provided  
/for the aircraft...

for the aircraft on 12/10/77 was \$260,520 or £148,025 @ US \$1.76 = £1. At the present rate of US \$1.88 = £1 this falls to £138,574. However, the quotation is only valid for 60 days, and doesn't include the costs of delivery or of an extra spare engine or (?) the extended wing tips with additional fuel tanks. A first round estimate of the delivered mid 1978 price inclusive of spare engine et al might be around £170,000.

These figures are too low: see table

11. The estimate of hangar cost ex UK was £25 - 30,000, delivered and erected for a 50 ft x 50 ft hangar. The higher price is taken in the following analysis, as the hangar will need to be slightly larger than 50 ft x 50 ft. The FIGAS Committee received a quote in late 1976 of close to £5,000 ex Argentina. To reflect the inflation since then, delivery and erection costs a figure of £10,000 is used below. There would also be costs in re-locating the Beaver Hangar, building a new slipway, and building a suitable track to join the hangars. (All repair and maintenance work of both types of aircraft would be carried out at the new hangar).

This figure is too low: see table

A first round estimate of this cost is £7,500. The p.a. equivalent cost of these capital costs is shown in Table VII.

12. The total p.a. costs for a joint Islander/Beaver service would consist of the following components:-

- (i) p.a. equivalent of Islander capital costs
- (ii) Fixed costs
- (iii) Variable costs for Beaver(s)
- (iv) Variable costs for Islander
- (v) Share of Misc Appropriation Vote
- (vi) Depreciation of Beaver(s) and old hangar
- (vii) Maintenance costs of road joining hangars

Item (i) above is considered in Table VII. The remaining items are now considered.

(ii) Fixed costs: Table I shows fixed costs for the existing service in 1975/6 and 1977/8. For a 1978/9 figure some initial inflation allowance is required (say 10% on 1977/8), and to allow for an Islander operation some extra costs must be added, e.g. for heat, light and power at the new hangar, extra staffing, higher insurance for the more expensive fleet etc. These extra costs might be around £5,000 on top of the inflation allowance.

This figure is probably too low

(iii) Variable Costs for Beavers: For a continued Beaver service (above) the 1978/9 variable costs might be taken as 10% upon the 1977/8 costs. With an Islander, the variable costs of the Beavers would fall. As an example, if flying hours were reduced by 60%,  
/the variable costs...

the variable costs would fall by around the same amount.

(iv) Variable Costs for Islander: This is perhaps the most difficult item to estimate. The C.A.A. have provided some information on costs <sup>of</sup> equivalent UK service, and the variable costs per seat-mile vary between 5.6p and 3.3p. The higher figure comes from a more suitable service for comparison with FIGAS operations, and given the additional costs likely due to services outside the Colony, a figure of 6p per seat-mile will be used with a 9 passenger capability this equates to £0.54p per flying mile. If the Islander took over 60% of the flying miles of the existing service, the cost per annum, using the 1,000 flying hours assumption of the existing service (i.e. 100,000 flying miles in total) would be £32,400.

(v) Share of Misc Appropriation Vote: With both the existing and changed service this is taken as 10% more than the 1977/8 figure, to allow for inflation.

(vi) Depreciation of Beaver(s) and old hangar: If a joint service was introduced the Beavers might be depreciated over 15 years rather than 10 years. The depreciation on the old hangar would not change.

(vii) Maintenance Costs of road: A token figure of £500 is included here.

13. On the basis of the above Table VIII sets out the 1978/9 estimates of the costs of (a) the existing service and (b) a joint Islander/Beaver service, with the islander taking 60% of the service. It must be appreciated that this is all based on very crude approximations, and the figures should be improved as better data becomes available, and assumptions are changed. However, it is hoped that this approach provides a suitable framework for comparisons.

14. On the basis of Table VIII the improved service would cost FIG around £35,000 p.a. more than the present service. (It was mentioned above that the variable costs of an Islander were particularly difficult to calculate. If the costs per seat-mile were 3.5p, the variable costs would fall to £18,900 and the extra cost of the new service would be £21,500. This helps to demonstrate the rough nature of the above calculation).

15. In financial terms the extra costs of the service would have to be met either from increased revenue (i.e. higher fares or  
/greater use of...

greater use of FIGAS) or a higher subsidy. To maintain the subsidy at the 1977/8 level, revenue would have to be raised by around £25,000. To reach Comben and Waller's target of a 25% subsidy, the extra revenue required would be nearly £50,000.

16. In development terms the investment in the Islander, et al would be justified if the benefits exceeded the costs. This type of examination is best made within the context of an overall survey of internal communications of the type now in hand.

Internal Communications Survey  
December 1977

Table I FIGAS Operating Costs (£'s)

A/ Annual Fixed Costs		
	1975/6 (Actual)	1977/8 (Estimates)
Salaries and Wages 1/	28,331	32,116
Overheads:-		
(i) Heat, light and power	1,585	1,600
(ii) Incidental	7	30
(iii) Insurances	881	933
(iv) Labour and Transport	1,115	600
(v) Hanger Equipment	83	350
(vi) Protective Clothing	159	150
(vii) Rent	-	8
Total Overheads	32,160	35,867
B/ Variable Costs		
	1975/6 (Actual)	1977/8 (Estimates)
(i) Petrol and Lubricants	49,608	27,500
(ii) Materials and Spares	10,622	4,000
(iii) Overhauls outside Colony	11,287	12,000
Total Variable Costs	71,517	43,500
Total Fixed + Variable Costs 2/	103,677	79,367

Source:- Estimates 1977/8.

1/ Including board and lodging - relief pilot

2/ Excluding 'special expenditure' and 'adding machine'.

TABLE II FIGAS Total Costs (£'s)

	1975/6 (Actual)	1977/8 (Estimated)
a) Fixed Costs	32,160	35,867
b) Variable Costs	71,517	43,500
c) Depreciation of Buildings Value £27,800 1/ including interest @ 8% on an annuity basis over 10 years	2,272	2,272
d) Depreciation of Beavers £114,000 2/ cost including interest @ 8% on an annuity basis over 10 years	16,986	16,986
e) 7 <sup>1</sup> / <sub>2</sub> % of Miscellaneous Appropriations Vote	2,437	1,475
Total a) + c) + d) + e)	53,855	56,600
Total a) - e) inclusive	125,372	100,100

Source: 1977/8 Estimates and Internal Communications Study

1/ Comben and Waller used a value of £19,000. This has been increased @ 10% p.a. to reflect inflation.

2/ Cost of 2 Beavers in 1976/7.



Table III FIGAS Costs and Revenue

	1975/6 (Actual)	1977/8 (Estimated)
(i) Total Costs	125,372	100,000
(ii) Revenue	59,219	52,000
(iii) Loss/Subsidy	85,153	48,000
(iv) (iii) as % of (i)	66.8%	48.1%

Source: 1977/8 Estimates and Internal Communications Study

Table IV FIGAS Fare Structure

Mileage Rate	15p per mile
Resident rebate	10p per mile
Boarding Fees	Adults £6.00
	Children 7- school leaving age £5.00
	Children 1-7 £1.50
	Children under 1 free
Medical Patients	Adults £2.00
	Children 7- school leaving age £1.50
	Children 1-7 £0.75
	Children under 1 free

Source: Gazette No 11 19th August 1977

Table V FIGAS - Passengers, Freight, Mail Drops

Year	Passengers	Freight	Excess	Mail Drops
1960	2,044	4,332	n.a.	-
1961	2,132	6,606 $\frac{1}{2}$	n.a.	-
1962	2,474	5,867	n.a.	12
1963	2,551	6,486	9,787	13
1964	2,174	5,309	8,831	12
1965	2,873	8,497	8,726	8
1966	3,030	5,684	7,907	15
1967	3,182	8,573 $\frac{3}{4}$	10,008	13
1968	3,692	6,680 $\frac{3}{4}$	7,561	7
1969	3,867	8,988 $\frac{3}{4}$	8,066	13
1970	3,683	8,486 $\frac{3}{4}$	11,796	13
1971	3,911	8,490 $\frac{3}{4}$	13,261	11
1972	4,225	13,970 $\frac{3}{4}$	8,339	22
1973	4,327	16,728 $\frac{3}{4}$	6,490	49
1974	4,666	18,839 $\frac{3}{4}$	8,918	47
1975	5,213	17,924 $\frac{3}{4}$	6,323	47
1976	3,364	11,345	3,774	28+
1977 (10 mo)	1,843	2,589 $\frac{1}{4}$	1,059	40

Source: FIGAS

TABLE VI FIGAS Costs per Flying Hour  
and Passenger Mile

<u>Cost per Flying Hour (£)</u>	900	Flying Hours 1,000	1,100
1975/6 (Actual)	139.3	125.4	114.0
1977/8 (Estimate)	111.2	100.1	91.0

<u>Cost per Passenger Mile (£)</u>		Flying Hours		
Load Factor	Year	900	1,000	1,100
45%	1975/6	0.77	0.70	0.63
	1977/8	0.62	0.56	0.51
50%	1975/6	0.70	0.63	0.57
	1977/8	0.56	0.50	0.46
55%	1975/6	0.63	0.57	0.52
	1977/8	0.51	0.46	0.41
60%	1975/6	0.58	0.52	0.48
	1977/8	0.46	0.42	0.38

Source:- Internal Communications Study Estimates

Table VII Per Annum Equivalents of  
Islander Service Capital Costs

		Capital Cost		P.A. Equivalent		
		low	high	low	high	
A)	Aircraft + spare engine, etc.	170,000	-	25,330		1/
B)	New Hangar a) Ex UK	30,000	100,000	2,452	8,173	2/
	b) Ex Argentina	10,000	?	877	?	2/
C)	Relocate Old Hangar, New Slipway and Road Joining Hangars	7,500	30,000	613	2,452	3/
Total A, B(a) and C		207,500		28,395	36,000	
Total A, B(b) and C		187,500		26,820	?	

Source: Internal Communications Study Estimates

1/ Annuity @ 8% over 10 years

2/ Annuity @ 8% over 50 years

3/ Annuity @ 8% over 50 years

Table VIII 1978/9 Costs of Existing  
and Improved Service

Item	Existing Service	Improved Service	
		Low	High
(i) p.a. Equivalent of Islander capital costs	---	28,000	36,000
(ii) Fixed Costs	39,454	44,500	55,000
(iii) Variable Costs of Beavers	47,850	19,140	
(iv) Variable Costs of Islander	---	32,400	
(v) Share of Misc Appropriations Vote	1,623	1,623	
(vi) Depreciation of Beavers and Old Hangar	19,258	15,590	
(vii) Maintenance Costs of Road	---	500	
TOTALS	108,185	141,753	160,000
Extra Cost		c£35,000	c£52,000

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FIGAS: PURCHASE OF "ISLANDER" AIRCRAFT

Para 2(d) of my minute 14 of today's date refers.

2. I now attach a selection of papers that might usefully be enclosed with any letter that you send to Mr Rae. The selection comprises:

- i. Copies of letters from the DCA to the Managers of Pebble, North Arm, Chartres, Salvador, recommending that they proceed with work on their proposed strips together with instructions. Attached to these letters is all the preliminary data compiled by the Investigating Team.
- ii. Copies of similar letters (but without any preliminary data) to the Managers at Darwin, Fox Bay East and Fox Bay West.
- iii. Letters to the Managers at Walker Creek and at Hill Cove which explain why the sites already identified are unsuitable and recommending further search.
- iv. Reconnaissance Team's working paper for Port Howard, Fitzroy, Rincon Grande and Green Patch. Prospects at the first are poor; at the second unpromising; and at the two last good. Positive instructions have yet to be issued by DCA.

3. This selection offers a comprehensive picture both of how sites have been judged and selected, and rejected.



CS  
6.vii.78

cc AIR/13/7

## PURCHASE OF ISLANDER AIRCRAFT

In my commentary of 6 June on Mr Rae's recent letter to you I omitted to make reference to the hangar, the purchase and early erection of which must have particularly high priority.

2. Our original enquiries about an ex-DOE "Pentad" building proved abortive when both Crown Agents and Mr Pike advised that such a building would be unsuitable in local conditions. Subsequently Mr Pike wrote to some 20 British firms and agencies inviting their interest. Their replies are now beginning to come in but the response has not been too encouraging. Meanwhile, Mr Pitaluga is making enquiries of four possible Argentine suppliers.

3. Mr Pike had also prepared a paper - copy attached - which indicates that the site works and access taxiway alone (without the purchase cost of the framework, shipping, and CA charges) will be £75,000. This suggests that the final cost of the project will be well over £100,000. As this is substantially more than we had expected, the capital costs of the hangar and site works are other items for much of which we shall probably need aid funding.

CS  
10.vii.73

C. S.

many thanks. Copies  
of letter to Mr. Rae and  
enclosure att'd.

Shel. 1/7.

Rapa  
12/11



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Our Ref:

11 July 1978

184/3

C R A Rae Esq  
Ministry of Overseas  
Development  
Eland House  
Stag Place  
LONDON SW1

## FALKLAND ISLANDS AIR SERVICE - PURCHASE OF ISLANDER

1. As I indicated by telegram I have been anxious to reply as soon as possible to your helpful and considerate letter of 13 June. As I felt that many of the points you raised were now taking me well beyond my own competence to deal with, I asked the Chief Secretary to consider them with the experts in the administration, and to let me have a memorandum which I could pass on. The enclosed, with its attachments, is the result, and I hope it goes some long way towards clarifying the position as we see it.
2. I do not think I have, at this stage, much to add. Except to say that I will be looking forward to an early visit by the CAA experts you offered to send out, mainly to look at our airstrip programme but also, I would hope, to give us the opportunity to discuss in detail some of the other technical problems involved.
3. I am grateful you have so readily understood our anxiety to get on quickly with this project. Ideally, we would like to see the new aircraft in operation during our next summer, that is well before the end of the year. I think we have made enough progress so far to make this possible, and establish our much needed "east-west bridge".
4. I am sending a copy of this letter and enclosed memorandum (without all the attachments) to John Ure; and I would like to end by again expressing my thanks for your prompt response to my request.

J R W Parker

cc: J B Ure Esq MVO,  
SAMD, FCO

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File

## MEMORANDUM ON PURCHASE OF ISLANDER AIRCRAFT

1. Mr Rae's letter of 13 June is most encouraging, but it raises a wide range of points to some of which it is easier to provide a prompt answer than others. In the circumstances it might be helpful to set down initially the following commentary on all the various points:-

### Para 3 (a)

It will be interesting to see what, if any, success CAA have in identifying a potentially suitable seaplane to replace the Beavers. If they do manage to identify one, it is trusted the point will be of academic interest only. We have lately had further evidence, from an impeccable source, of the nature of the operational strain imposed on pilots (in this case Captain Emsley) by float-plane operations. However, whilst a Twin-Otter on floats would be operationally impracticable, it would be interesting to see a cost comparison (capital expenditure apart) on operating a land-based Twin-Otter and an Islander. The former has, it is understood, many operating characteristics that make it especially well suited to conditions here in the Islands, and it is, of course, in service with the British Antarctic Survey (which raises many intriguing possibilities in one's mind). Moreover, in overall political contingency terms, one might wish to take into account the extended range that it could fly.

### Para 3 (b)

Attached is a separate paper by the DCA on the problems that he is having with the maintenance of the Beavers. It is not that the aircraft were sub-standard on delivery, nor that they have been put to exceptional use, but rather that DCA is frustrated in effecting modifications by the long delay in obtaining spare parts that have to be specially manufactured. Moreover, units often arrive in kits that have to be assembled locally, thus delaying the servicing of the aircraft. These are problems that arise from operating well-used re-conditioned aircraft that have long been out of production, and they are exacerbated by our distance from the source of supply. Additionally, the fact that the Beavers were formerly used for military purposes can also pose problems. Civil aviation standards are more exacting than military ones and we have had, for

example, to scrap a number of fuel tanks because we have found them to be welded: something which is prohibited in Civil Aviation rules. But the overriding fact remains that one cannot go on forever re-conditioning what has already been re-conditioned.

Para 5 (i)

An eventual total of approximately 60 landing strips is envisaged. It is expected that virtually every settlement will be so served. But some, like New Island and West Point Island, are unlikely ever to have strips, and certain others - eg Port Louis - will be expected always to share with a neighbour. But the general intention is that most settlements should have two strips on different operating axes. This may not be physically possible in one or two places, which would naturally impose operating restrictions in certain conditions; but some bigger settlements may even have up to three strips to meet all contingencies.

Para 5 (ii)

Captain Hooper is confident that at least four strips could be in service now. They are:

Pebble	}	West Falkland
Fox Bay East		
Chartres		
Darwin		East Falkland

All these are, of course, major collecting points. At least two further strips - at Rincon Grande and at North Arm - should be satisfactory for use early next summer. In the circumstances a service could start well before the end of this year.

Para 5 (iii) (a)

The selection of sites is the responsibility of members of the Civil Aviation Department. (In practice this has been done by Captain Hooper and by Mr Kanagasabai). But the final site approval is the personal responsibility of the DCA himself. So far no specialist engineering advice has been required because of the nature of the sites selected. Moreover, Farm Managers are already professionally familiar with the basic problems involved in preparing land for airstrips; ie elementary drainage; land clearance; rotavation and re-seeding. However, should any especially difficult task emerge, the DPW will always be available on a consultative basis. (We are

/fortunate

fortunate that Mr Mason has apparently had considerable experience in the construction of airstrips).

Para 5 (iii) (b)

The adequacy of the strips, from the operational and safety point of view, will be for the DCA to determine; first by inspection and then by a test flight.

Para 5 (iii) (c)

It will be for the settlements themselves to maintain the strips to an acceptable standard; for the pilots to report if standards are falling; and for Government (DCA) to withhold the service from any settlement that wilfully fails to meet its reasonable obligations. It will, of course, be necessary to establish an operating code about shutting airstrips temporarily in exceptionally wet conditions both in the interests of safety and for the preservation of the surface from excessive damage by aircraft. (The GTU should also prove a helpful source of advice on the maintenance of good grassing).

Para 5 (iv)

The use of the Cessnas has indicated both the viability and the flexibility of land-plane operation. At the same time, the operation of these relatively light aircraft may have misled some settlements into believing that an Islander could perform to the same standards as a Cessna and draw up beside the cookhouse. So there is admittedly a little re-education to be done at certain settlements, though the response of farm managements generally has been thoroughly pragmatic and constructive, as well as enthusiastic.

Para 6

We have already proposed, by telegram, that the CAA might usefully send a reconnaissance team as soon as possible, not merely to gauge the suitability of airstrips already available for use, but to satisfy themselves and advise us about the methodology that has been adopted for the selection and construction of strips. (Attached is a sample selection of the working sheets on some of the airstrips, good and not-so-good, that have been examined so far, to show the task has been approached on stringent lines; they may, indeed, be too stringent, but it was thought best to start everyone thinking towards the best possible solution, and modify standards, where necessary, later).

Para 7

The point about sending copies to ODM of further Information Sheets has been noted. The second Sheet has already been drafted and deals with Radio Communications,

Landrover parks, Passenger Shelters, Fire Equipment, Fencing, and contains advice about the nature and form of the Second Inspection. It is hoped that it may soon be ready for distribution.

Paras 9 and 10

Like CAA, we shall be scrutinising Mr Peat's Working Paper No 6 again; meanwhile these are the answers to the specific points put by Mr Rae in paragraph 10 of his letter.

- (a) It is proposed that there should be only one extra member of staff for FIGAS when an Islander is introduced: an additional mechanic. Mr V Steen, who is already in training and doing exceptionally well, is expected to return in October 1979 fully qualified and rated to our needs. (Mr Coutts will be going to Britain to start training next Spring). But before Mr Steen's return we should need to obtain an additional mechanic to handle the Islander. Three mechanics can cope with the three aircraft even with an operation divided between two bases.
- (b) It has long been accepted that the introduction of an Islander would require an entirely new concept of flying in the Islands. FIGAS provides almost a taxi service and this will have to be altered. However, it has not yet proved possible to begin forward planning beyond identifying airstrips and advising on their modification. DCA has, of course, been almost wholly occupied with flying duties in recent weeks and the uncertainty about possible support for a land-based aircraft has been a constraint. It may be difficult to devise an optimum schedule of usage for an Islander until such time as most of the airstrips are in operation; but the intention is that, from the start, as near to a regular scheduled service as is possible will be run, developing into probably two circuits to be covered on specified days of the week.

2. It is acknowledged, therefore, that initially the recurrent costs of operating an Islander will be inescapably higher than we would wish, but that the cost will reduce gradually as more settlements are served and more freight can be shifted. It has always been FIG's intention to bear the recurrent costs of the operation of such an aircraft,

/but

but reducing the inevitable subsidy element to as low a level as is consistent with social factors. During the recent Select Committee on Expenditure, when Boarding Charges and Freight Rates for FIGAS were increased, Councillors showed that they accepted that the FIGAS fare structure already requires re-consideration but that this should be accompanied by a searching scrutiny of operating methods to obtain, if possible, more efficient usage. This is something for which we may have to seek some short-term technical assistance, for we shall probably need dispassionate advice based on considerable operating experience.

3. As regards other costs, it should be mentioned that it seems likely that Government may need to subsidise the initial provision of suitable vhf radios for use at the airstrips and also the provision of some basic fire-fighting equipment. This is an additional capital sum for which we have not so far budgeted (£30,000 may cover both items) and Mr Pitaluga, as Chairman of the FIGAS Committee, will be taking appropriate soundings of Farm Managements about cost-sharing when Farmers' Week is held early next month.

4. Finally, there remains the question of the hangar and engineering base. For a land-based operation, this will of course need to be situated at the airport retaining, for the time being, the sea plane hangar in its present situation, although the aim would be to shift the latter, as soon as possible, to the waterside adjacent to the airport. Before his departure, the temporary DPW, Mr Ted Pike, produced a paper (copy attached) on the engineering work that would be required in the erection of a new airport hangar, and we have been making enquiries of a number of firms, in the UK and the Argentine, who specialise in the supply of prefabricated buildings of this nature. There is some urgency about this; we must have the hangar and associated taxiway in being before the arrival of any proposed new aircraft. We shall therefore need to have the word to go ahead on this as soon as possible.

Chief Secretary  
6 July 1978

CONDITION OF BEAVER AIRCRAFT

1. Reference paragraph 3 (b) it is agreed that the aircraft supplied to us were ex-military aircraft, reconditioned and modified to civil registration requirements with lifed components such as: engine: propellor; life struts; and instruments supplied at "zero time" as requested. However, this does not "zero" the aircraft as a whole; the airframe, main and tailplanes, control surfaces, etc, remain at the cumulative total as recorded in the aircraft log book.
2. The faults which have developed cannot in any way be attributed to operations in the Colony. To date, four out of six fuel tanks have had to be replaced: the first under one year from the receipt of the aircraft. This tank had been repaired at some stage in the aircraft's military career and the method used is not authorised on civil aircraft. Moreover, a fuel selector valve spindle fracture necessitated complete unit replacement; this is a fault which we have never before experienced in 25 years Beaver operations.
3. One aircraft arrived with the mainplane lift strut history missing from its documents. Because this is a "lifed" component this information is essential for air safety. All efforts by Crown Agents on our behalf and our own efforts have failed to produce a satisfactory answer. The supplier claimed that long-life struts were fitted, whereas those actually fitted are short-life, and their serial numbers differ from those advised. Photo copies of the aircraft's military maintenance records quoted yet another lot of serial numbers. In the interests of safety these costly items have had to be replaced.
4. It is feared that the reason for the period of down time may have been misinterpreted. Every aircraft must have a valid Certificate of Airworthiness which is renewed periodically - in the case of the Falkland Islands - on the completion of 800 flying hours. The aircraft must then be inspected and overhauled to an approved schedule. In our case it is the schedule compiled by the manufacturer and approved by D o T Canada, with additional corrosion checks and treatments which we have found necessary because of operating from salt water.
5. Normally an aircraft being inspected and overhauled for the renewal of a C of A would be placed in the hands



of a team of engineers whose one and only duty would be on that aircraft. This is not the case here; the staff of two qualified engineers, one assistant and one trainee engineer have the additional duties of daily servicing, maintenance, repair, launching and beaching the aircraft in daily use.

YE

Mr Rae's letter of 13 June at folio 39.

2. I have attached below:

- (a) a minute on the lines that you suggested, broadly covering the various points raised by Mr Rae;
- (b) a note from DCA about the condition of the Beavers (para 3(b) of Mr Rae's letter);
- (c) a copy of Mr Peat's Working Paper No 6; and
- \* (d) a selection of the papers prepared by Capt Hooper which will indicate the methods that our Civil Aviation Department is using and should serve to reassure ODM and CAA that a thoroughly professional approach has been adopted, even though the eventual air-strips could be deemed "bush" ones.

\* to follow  
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6.vi.78

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RR FCO

GRPS 205

CYPHER CAT A

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RESTRICTED

TO PRIORITY ODM TELNO MODEV 152 OF 4 JULY  
INFO FCO

OUR TELNO MODEV 149 <sup>40</sup> OF 28 JUNE  
FALKLANDS AIR SERVICE: PURCHASE OF ISLANDER

1. WE SEE ADVANTAGES IN EARLIEST POSSIBLE VISIT BY CAA TEAM SUGGESTED IN PARA SIX OF RAE'S LETTER CLA 56/263/01 OF 13 JUNE.
2. THREE MONTHS AGO AIRSTRIIP RECONNAISSANCE TEAM HAD IDENTIFIED FOUR STRIPS AT LARGE SETTLEMENTS CAPABLE OF IMMEDIATE USE (THREE IN WEST FALKLAND AND ONE IN EAST) ALL OF WHICH WOULD SERVE AS COLLECTING POINTS FOR SIGNIFICANTLY LARGE NUMBERS OF PASSENGERS. ONE OR TWO OF THESE MAY NOW BE TEMPORARILY UNUSABLE WHILST SOME IMPROVEMENT IS BEING MADE.
3. AT LEAST TWO FURTHER STRIPS WILL BE USABLE BY SUMMER AND THEREAFTER OTHER STRIPS WILL BECOME PROGRESSIVELY AVAILABLE ACCORDING TO AMOUNT OF WORK REQUIRED ON THEM. EVENTUAL TOTAL OF SIXTY IS ENVISAGED WITH APPROXIMATELY TWO STRIPS AT EACH OF THIRTY SETTLEMENTS.
4. EARLY VISIT BY CAA TEAM WOULD ENABLE THEM TO SEE IN WORST CONDITIONS NOT ONLY STRIPS JUDGED CAPABLE OF IMMEDIATE USE BUT ALSO TO APPRAISE CROSS-SECTION OF SITES SELECTED FOR USE WHICH ARE BEING PREPARED FOR USE: AS WELL AS TO ADVISE ON GUIDE-LINES THAT WE HAVE BEEN SETTING. THEIR ENDORSEMENT OF OUR METHODOLOGY AND TECHNICAL APPROACH TO PROBLEMS AT THIS EARLY STAGE WOULD PROVE INVALUABLE.
5. GRATEFUL IF YOU WOULD NOW EXPLORE WITH CAA POSSIBILITY OF EARLY VISIT.
6. LETTER FOLLOWS ON OTHER POINTS RAISED.

PARKER

NNNN

SENT AT 042009Z JAM  
RECD AT 942009Z JPN

YE

PURCHASE OF ISLANDER

You mentioned yesterday that you had it in mind to send a telegram to ODM proposing an early visit by a CAA team to evaluate the airstrips that are available for use now.


2. I have prepared a draft telegram for your consideration. It is based on a minute - copy also attached - that Captain Hooper had prepared for me about the current availability of airstrips.

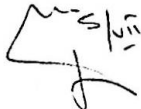
3. I do not think that we should conceal from London that some of the four strips, judged capable of immediate use, may be temporarily out of action. The value of a CAA visit to us would be their endorsement of the methodology and approach that we have so far adopted. There ought to be an advantage to us if the scope of their visit was extended beyond that envisaged by Mr Rae to include an evaluation of some sites selected for use but requiring work to be done on them. Since Captain Hooper and Mr Kanagasabai had adopted a thoroughly professional approach, we should have nothing to fear from a close scrutiny by CAA. Indeed, there should be positive advantages to us to have their backing from the outset.

4. I have, therefore, tried so to draft the telegram with this point in mind.



CS  
4.vii.78

✓  
Thank you; tel sent.  
 4/7

now PA  


# MEMORANDUM

42

Reference .....

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

Date .... 28th June 1978 .....

From R.G.T. Hooper

To Chief Secretary

Subject:-

## INFORMATION RE O.D.M. LETTER 13/6/78

Herewith comments and information as requested. Paragraph numbers refer to the abovementioned letter.

### Para 3a

Although no seaplanes may be in production, floats can be fitted to many existing landplanes. It should, therefore, be possible to maintain a seaplane service to the outer islands for a long time to come.

### Para 4

Some settlements will definitely be able to provide good landing strips. But one must be patient to allow the ground to be treated, re-seeded and compacted. Hence in some places it may take 2 years. On the other hand other settlements will not be able to provide safe landing strips. In my opinion, unless very good roads exist it is no use having a landing strip more than 2 - 3 miles from the settlement. Some medical patients would not be able to stand the Rover ride. Putting a strip 5 miles away from a settlement is a worse service not a better service - the key is the state of the road(s).

### Para 5 (i)

Approx 30 strips are envisaged or to be more precise approximately 30 Government approved aerodromes most of which will have 2 strips each. The answer is approximately 60 strips on 30 aerodrome sites.

### Para 5 (ii)

My personal view is that we could start say September 1979. Too few will be ready by September 1978.

### Para 5 (iii)

- (a) Presumably FIGAS under guidance of D.C.A. and A.P.S. followed by Government approval.
- (b) D.C.A. and A.P.S. plus flight test. Initial flight tests already envisaged in Cessna 172 aircraft.
- (c) Settlements to maintain strips. If standards decline pilots could report back. D.C.A. could advise settlements. Non-remedial action would result in loss of Government approval.

### Para 5 (iv)

The Cessna's have proved the viability and flexibility of the landplane operation. They have succeeded to such an extent that settlements judge the Islander requirement by the Cessna performance: i.e. 200yds of green turf in front of the Cookhouse!

Para 6

Strongly recommend defer O.D.M. visit until say June 1979 at the earliest. A premature visit might create the wrong impression. See comments beginning para 4 above.

Para 7

Second leaflet is under way. Suggest discuss any additional coverage at next early Future of FIGAS meeting.

Additional Data

Settlements already inspected	19
Settlement Reports reviewed to date	9
Settlement Reports subsequently approved	7
Settlements rejected for further search	2
Settlements still to be inspected	11
Settlements ready for flying in 1 year	7 or 8

N.B. Settlements cannot start serious preparation work until cleared by D.C.A.



# MEMORANDUM

Reference .....

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

Date 28th June 1978 .....

From R.G.T. Hooper

To Chief Secretary

Subject:-

## LANDING STRIPS

Herewith information as requested:

<u>Settlement</u>	<u>Ready Now</u>	<u>Next Summer</u>
Pebble	Yes (1)	Yes (1)
Darwin	Yes (1)	Yes (1)
Fox Bay E.	Yes (1)	Yes (1)
Chartres	Yes (1)	Yes (1)
Rincon Grande		Yes (1)
North Arm		Yes (1)

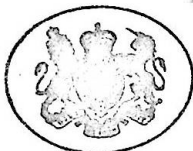
The above is an optimistic view not a pessimistic view. Unless someone has a look at these strips to see if any progress has been made since the last visit it is suggested that it is inadvisable to say what state they are in.

Some of these strips being capable of limited use 3 months ago may be unusable now if the settlement is working on the ground either to fill or to increase the size of the strip.

We cannot hurry nature. By next Summer none of the strips will have had a full growing season.

My ~~past~~ statements re estimated use of strips still stand. The problem is the lack of firm follow-up on initial findings which has prevented settlements from getting on with the job.





AIR/1/4

MINISTRY OF OVERSEAS DEVELOPMENT  
ELAND HOUSE  
STAG PLACE LONDON SW1E 5DH  
Telephone 01-834 2377

CLA 56/263/01

PERSONAL AND  
CONFIDENTIAL

13 June 1978

Dear Tim,

FAKLAND ISLANDS AIR SERVICE - PURCHASE OF ISLANDER

With HE's consent copies  
given to:  
Mr. Fitzhugh: Chairman of FIAS Committee  
Mr. Cheek: Secretary  
JCA  
Capt. Hopper

As Richard Jones said in his acknowledgment of 16 May of your letter of 28 April about the purchase of an Islander aircraft, we went ahead as quickly as we could with consulting the CAA and our specialist advisers on the propositions you put forward.

2. Let me say at once that we found many of the arguments in your letter weighty and impressive. The last thing I (and I am sure you) want to do is to engage in a lot of scholastic argument on points of detail, so I will try to concentrate on the main issues.

3. First, to clear away some brushwood. Your letter raises several points on which we owe either comments or questions:

- a. So far as we know - CAA are making enquiries about this - there are no suitable sea planes now in production, to augment or supersede the Beavers. The Twin-Otter seems too large, expensive and sophisticated for the purpose and is also less flexible than the Beavers. It follows that we agree that of possible land planes, the Islander would probably be the most suitable.
- b. The Beaver has obvious disadvantages, because it is no longer manufactured. But the two you now have were fully reconditioned when supplied and registered zero hours. We are therefore concerned that they are showing their age so much and have to be grounded for as long as you say (paragraph 10 of your letter). We would be grateful for your view whether this is because they were sub-standard when supplied or because of faults developed as a result of the use to which they have necessarily been put.
- c. We take your point that the Beavers sometimes have to leave people and goods behind, although on other occasions they travel empty or almost empty between certain stops. We are asking the CAA to look at this, taking into account that it may be due, as you suggest, to the enforcement of proper safety regulations and also to recent fare increases (a further fare increase may of course reduce the demand further). We shall let you have the CAA's comments as soon as we have them.

HE Mr J R W Parker CMG OBE  
Government House  
Stanley  
Falkland Islands

4.

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4. All this said, you will be glad to know that we should have no objection in principle to supplying the Islander, provided however that you and we can be satisfied on two crucial points. The first concerns the adequacy of landing strips, with which is connected the over-riding consideration of safety. To state the obvious, there would be no point in supplying an Islander if proper safe landing strips could not be provided.

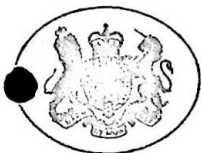
5. We assume (paragraph 22 of your letter) that it will be for the settlements to undertake the construction and maintenance of the landing strips, as FIG has not the resources to do this itself. Our discussions with the CAA, with which the FCO were associated, have shown that four questions need to be answered before we can decide whether the Islander is a practical proposition, and I am afraid that they can only be answered at your end:

- i. How many landing strips are envisaged altogether?
- ii. How soon will sufficient be ready for you to start the service?
- iii. Who in the Falklands will decide upon:
  - a. The engineering and other works required to construct the strips.
  - b. Adequacy, once constructed, from the operational and safety point of view.
  - c. Methods of maintaining them to an acceptable standard?
- iv. What lessons can be learned from the operation of the two private Cessnas as regards both weather conditions and availability of landing places?

6. The CAA would be prepared to send out, at ODM expense, one or two experts to examine the landing strips when sufficient are prepared (6-8?) to start a service, in order to satisfy you and ourselves that they were of the required operational standard. Their view is that such an examination would have to take place in the wet season. They would want to examine and test a fair representation - say 5-6 of the airstrips ready for use and provided they were satisfactory would need some guarantee that others not tested or still to be built would also be of sufficiently high standard. They would want to satisfy you that, for example, there was no chance of a plane getting bogged down in bad weather and that crosswinds would not upset a regular service unduly. I fully realise that this is a classic "chicken and egg" situation, but from this end I do not see any easier answer, given that the question of safe operation is absolutely vital.

7.

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7. You sent with your letter a copy of Information Sheet No 1 on the preparation of airstrips. CAA have seen this and it appears to them to be satisfactory. It would probably be useful to both you and them if they could see any later information sheets issued already or to be issued in future in case they can give you any useful guidance on the methods you are recommending and standards you are setting. I would be grateful if you could arrange for us to have two copies of such information sheets as they issue.

8. The second important question relates to finances, and in particular to recurrent costs. I must make it clear that we see only one possibility, and not two, as suggested in paragraph 26 of your letter. If you and we were convinced that there was a valid case for the provision at ODM expense of an Islander, the recurrent costs would have to be borne by FIG; if we were not convinced and FIG went ahead on its own, we could certainly not contribute to the recurrent costs. I know that you are as keen as we are that FIG should not, for the first time, lapse into receiving budgetary aid, with all its attendant difficulties.

9. The financial questions involved are disproportionately complicated in relation to such an apparently modest project, but I can see no easy way round this. The first aspect covers additional maintenance and staff costs. Peat made some calculations about these in his Working Paper No 6 which he left with you. If you have any comments now on Peat's paper we should of course be glad to have them.

10. We have asked CAA to go over Peat's calculations again and to provide some estimate of the extra costs of running an Islander. Before they can come up with any meaningful findings, they require some additional information from you which I hope you will not find too burdensome to provide:

- a. What sort of organisation and manning levels do you envisage? Will you require extra staff and additional mechanics and how many pilots (including Kerr?) would you need?
- b. Clearly scheduling and fare structure is a complicated issue and careful planning will be needed to achieve maximum passenger loads and optimum service tying in a new (scheduled?) Islander service with the Beavers. CAA would therefore like to know how far you have got with planning an Islander/Beaver service, assessing what loads it will carry, how much you expect the Beavers to be used and how the settlements without any landing strips will be serviced.

11. We note the implication in paragraph 26 of your letter that you would be ready to accept the Study Team's recommendations for a revised

subsidy

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subsidy structure, is that the rate of subsidy to FIGAS should be reduced from 50% to 25%.

12. I hope that I do not have to say that I fully understand the political pressures which you face. All I want to ensure is a reasonable safeguard for the future, both on the financial side and, even more important, on the operational and safety side. I am sure that you take my point.

13. I am sending a copy of this letter to John Ure.

Yours wes,  
*C R A Rae*

C R A Rae

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PERSONAL

## Civil Aviation Authority

Directorate of Operational Services Overseas

ROOM 809

Aviation House

129 Kingsway

London WC2B 6NN

Telephone 01-405 6922 Ext 442

Telegrams CAASpace London WC2 Telex 883092



H E Mr J R W Parker CMG CBE  
Governor and Commander-in-Chief  
Government House  
Port Stanley  
Falkland Islands

our ref:

our ref: 10L/23/04

date: 19 May 1978

*For Exchequer,*  
*(20)*

Your letter of 5 May was a most pleasant surprise and I look forward to the opportunity of working with you again.

2 I should perhaps correct an inaccuracy in your comment that I "am responsible for overseas civil aviation matters relating to the Dependent Territories". The actual position is that the CAA Director of Operational Services Overseas is charged with providing advice to UK Government Departments on civil aviation overseas ..... and cooperating with overseas Administrations, providing advice and assistance with their technical and operational service. The accent is on advice and recommendations rather than executive authority. My own geographic responsibility covers most of the Dependent and Associated Territories including the Falkland Islands.

3 I was interested to learn of your proposals to switch the internal service from seaplanes to landplanes. I have therefore had another look at our 1974 report (written before my time) and I would like to make a few broad comments.

4 Unfortunately it is not possible to discuss the background of the report with the authors - Capt Bramson has retired and Mr Jones died last year. My first blush reaction is that the main technical problem will be the provision of suitable landing strips on the outer islands. I assume you will require the air service to operate in wet weather as well as dry and this may mean the provision of simple but safe, prepared strips. Depending on the variability of wind direction and its strength, it may be that some of the outer islands will be unsuitable. The British Islander is a robust little aircraft suitable for a bush type operation. It might be useful if you could have one with Ballon tyres for operating out of squashy wet fields - I have not heard there is such a modification kit but we could look into the possibility. In addition, we could seek to benefit from the experience of the Highlands and Islands operator, Logan Airways, who quite possibly operate in conditions similar to those in the Falklands.

5 Whilst drafting this letter we have heard from ODM that they would like to send us copies of your proposals for comment. We promptly accepted the task and will have a first look at them next week and we plan to meet with ODM on 30 May to outline our preliminary reaction.

6 I would like to assure you that whatever our 1974 report may have recommended we will look at your new proposals with unbiased minds. Our interest is purely to give you the best technical advice available and we may find that knowledge and/or techniques have advanced since the report was written.

7 I hope it will be possible to accept your invitation to visit the Falklands in the future but there are a number of preliminary steps to be resolved before one considers the composition of a team of experts. It is however, something to look forward to although I believe the Falkland Islands may be in a rather different category to the South Pacific Islands.

*Yours Sincerely*

*Norman B. Walker*

N W WALKER

Deputy Director of Operational Services Overseas (1)

1: Mr. T. Hooper  
: CHIEF - SECRETARY  
: 27/4/78

FIGAS STATE

Herewith data as requested

Have spoken to J. Ker re the effect of the Darwin road. He is of the opinion that:-

- a) we need air transport until the road is open
- b) the % loss of revenue in the recent report is incorrect for several reasons
- c) it will take several days research over a representative period to prove the fact.

Fraser

# F.I.G.A.S. STATS.

	1975/76				1977/78			
	No of Passengers	EXCESS BAGGAGE (lb)	Freight (lb)	FLYING HOURS	No of Passengers	EXCESS BAGGAGE (lb)	Freight (lb)	FLYING HOURS
SEPT	509	977	1,487	130	227	-	346	85
OCT	479	486	1,721	98	240	195	202	76
NOV	378	122	1,749	96	273	52	519	116
DEC	485	349	1,110	119	368	74	461	123
JAN	682	349	2,239	179	411	275	465	148
FEB	434	180	1,683	110	405	29	652	133
MAR	518	173	823	125	348	298	310	96

YEAR	No of Passengers	EXCESS BAGGAGE (lb)	Freight (lb)	FLYING HOURS
1975	5,213	6,323	17,925	1262
1976	3,364	3,774	11,345	912
1977	2,484	1,245	3,570	848

9 March

78

Sir Charles E M Hardie FCA - Receiver and Manager  
Britten-Norman (Benbridge) Ltd  
Cranford Lane  
Heston Hounslow  
Middlesex

The Government of the Falkland Islands has been actively reappraising the aircraft requirements of the Government Air Service. After reviewing several aircraft types we have decided that the BN Islander fitted with 300 HP engines would be the most suitable type for our requirements. The aircraft will be basically a standard commuter except for the points listed in Appendix "A" to this letter.

2. Government will require an assurance of continued supply of spare parts and service facilities of a period of not less than ten years from the date of delivery, if a firm order were to be placed. Essential spares to be supplied coincident with the delivery of the aircraft are listed in Appendix "B" to this letter. This list might be insufficient for routine maintenance. We would appreciate, therefore, your advice on recommended spares holdings for an initial period of two years, bearing in mind our remote geographical position. We do have a weekly Fokker F27 air link with Argentina; but only four ships a year come direct from Britain. Information will be required, therefore, on your Service Agents and their supply and repair facilities in North and South America.

3. Currently the only aviation fuel available from the Argentine is 80/87 octane. It would be appreciated if you would let us know if there is any possibility of using this type of fuel with Islander aircraft fitted with the 300 HP engines.

servicing 4. Your priced recommendations in respect of special tools and other equipment would also be appreciated. General requirements, including our possible depth of servicing, are given in Appendix "C" to this letter.

5. In the event of a firm order being placed, we would expect early delivery by you to Stanley Airport, with the spares and associated equipment shipped by the very first opportunity, even before the departure of the aircraft itself. Perhaps you could confirm how long delivery would be after confirmation of a firm order was made?

6. Information on your warranty procedures and conditions of sale will also be required.

7. Pilot training will not be required. Some engineer training may be necessary, so perhaps you could also let us know, with cost and duration details, if you hold a short course in the UK for qualified engineers.

8. I hope that the information given to you in this letter and its appendices will have shown our overall requirements. I shall now look forward to receiving your proposals, together with detailed cost and delivery estimates, for consideration by Government. On satisfactory receipt of all such information and assurances sought above, it is Government's intention to purchase such an aircraft for early delivery and virtual immediate use by the Falkland Islands Government Air Service, subject to the outcome of current negotiations with the authorities in Britain.

JOHN MASSINGHAM  
CHIEF SECRETARY



SPECIFICATION OF ISLANDER AIRCRAFT FOR FALKLAND ISLANDS GOVERNMENT

1. General

The aircraft will be used on the internal air service for the carriage of passengers, mail, freight and livestock. In addition, it will be used for 'Medivac' duties and mail dropping.

2. MODEL

A standard commuter model fitted with 300HP engines is required with capability of carrying passengers and freight in the normal role plus ability to convert for ambulance use. Paras 11 and 12 below refer. Any variations on the standard aircraft are specified below.

3. Engines

Lycoming 300HP required. To be fitted with dual <sup>vacuum</sup> pumps; ie one on each power plant.

4. Wing Structure

Aircraft to be fitted with drooped leading edge.

5. Landing Gear

Tyre size and type to be compatible with use on roughish grass strips. Nose oleo and castoring ability to suit this type of ground.

6. Fuel System

Wing tip tanks to be fitted.

7. Electrical System

Anti-collision beacon(s) required.

8. Safety Harness

One set shoulder harness required for pilot.

9. Communication and Navigation Equipment

One 360 channel VHF Nav. Com. Glide-slope not essential.

One HF multi-channel. To ensure fleet interchangeability Sunair ASB 60 is preferred.

One Bendix A.D.F./M.F. This can be of the non-digital type.

NB cost estimate for the 720 channel VHF Com also required.

10. Anti and De-icing Equipment

Equipment to FAA part 135 or UK equivalents required, ie Airframe, propeller, windscreen de-icing.

11. Medivac Role

Provision is to be made for the fitment of one floor-mounted stretcher and one attendant's seat. These items also to be provided by the supplier.

12. Supply dropping hatch

It is desired that this be a floor hatch just to the rear of the pilot's accommodation which can be opened in flight to permit air dropping of small packages and mail bags. Size preferably 12" diameter. It is assumed that a standard fitting camera hatch may suffice.

13. Aircraft Livery

Aircraft to be painted red overall. Similar to Durathane 4600 -R-4 Red. Shade card or sample can be provided. Words 'Falkland Islands Government Air Service' to be painted on the fin and rudder. Size of lettering 3" high

Example layout: FALKLAND ISLANDS  
GOVERNMENT AIR SERVICE

14. Aircraft Registration

Aircraft to be provided with registration letters VP-???  
(This to be discussed).

15. Interior Colour Scheme

Red is preferred (to be discussed)

16. Autopilot

Autopilot will not be required.

17. Cargo Protector Board

A cargo protector board, nets, straps and tie-down rings are required. Information on sizes available is requested.

APPENDIX 'B'

FALKLAND ISLANDS GOVERNMENT LETTER  
REF: AIR/1/4 of 9 March 1978

BACK-UP SPARES REQUIREMENTS FOR FALKLAND ISLANDS GOVERNMENT AIRCRAFT

1. General

In view of the remote geographical location of the Falkland Islands and in the absence of any recommended spares lists the following will form the basis of our requirements in the event of the aircraft being purchased. Build standard of the aircraft is given in Appendix 'A' to Falkland Islands Government letter Ref AIR/1/4 of 9 March 1978.

2. Power Plants

Two Lycoming 300HP engines complete with all related accessories, eg magnetos, generators a/r, starter motors etc. Each to be complete with vacuum pumps and to be suitably inhibited for long term storage and freighting by sea. Please see below re other engine spares.

3. Constant speed propellers

Two complete propeller assemblies will be required.

4. Landing Gear

One main undercarriage leg complete, but less wheel.  
One nose undercarriage leg complete, but less wheel.  
Four main u/c wheels/tyres complete.  
Two nose u/c wheels/tyres complete.

5. Electrical System

One voltage regulator  
One 24v battery

6. Engine and Flight Instruments

One complete set of engine and flight instruments is required.

7. Airframe components

One set ailerons  
One rudder  
One set elevators  
One tail-plane  
One set flaps

8. Lubricants, Fluids, etc.

As required. Recommendations are requested

9. Other Spares

In the absence of any supplier's recommended spares lists the above list is necessarily incomplete. Bearing in mind our geographical location many other items will be needed. It is requested that a special budgetary - priced spares list - be provided for Government's immediate use. The above, however, will give an indication of the initial requirements. For depth of servicing please see Appendix 'C'.

APPENDIX 'C'

FALKLAND ISLANDS GOVERNMENT LETTER

REF: AIR/1/4 of 9 March 1978

REQUIREMENTS FOR SPECIAL TOOLS, TEST AND OTHER EQUIPMENT FOR  
FALKLAND ISLANDS GOVERNMENT 'ISLANDER' AIRCRAFT

1. General

Due to the geographic location of the Falkland Islands the aircraft maintenance engineers will need to carry out much 2nd line servicing and some 4th line servicing of the aircraft and engines but will not have full overhaul facilities. Much of the maintenance will of necessity be repair by replacement. It is requested that suppliers recommendations, complete with budgetary prices, be provided re the following items.

- a) Special tools and equipment - air frame
- b) Special tools and equipment - engines and propellers
- c) Portable or 2nd line servicing test equipment
- d) Fluids, lubricants, other miscellaneous materials.

AIR/1/4

9 March 1978

32  
31

← 174  
9.11

Spoken with DCA.  
Letter a week. to TSSM  
with 1 amendment to

Appendix A  
No 17  
13/10

Chief Secretary

Director Civil Aviation

I have a copy of Russ Hooper's second draft letter to Britten-Norman stating an intent to purchase an Islander aircraft. If this is to leave, as it must, by airmail on Monday, could you confirm your general agreement to the text of the three appendices, at the earliest possible opportunity. They will have to be typed tomorrow, Friday.

2. I tried to have a word with you by telephone but you had flown off.

JOHN MASSINGHAM  
CHIEF SECRETARY



Sir Charles E.M. Hardie, F.C.A. - Receiver and Manager,  
Britten - Norman (Bembridge) Ltd.,  
Cranford Lane,  
Heston,  
Hounslow,  
Middlesex,  
England

C.S. This supersedes  
previous drafts.  
Changes are marked Reopen

DCA has confirmed  
draft & Appendices etc  
but for one amendment  
on para 17 of Appendix A.

Dear Sir,

The Government of the Falkland Islands has been actively re-appraising the aircraft requirements of the Government Air Service, hence the enquiry by His Excellency the Governor and your reply RPL/EJR dated 13th of October 1977.

After reviewing several aircraft types we have <sup>Decided that</sup> opted for the BN Islander fitted with 300HP engines as the most suitable type for our requirements. The aircraft will be basically a standard commuter except for the points listed in Appendix 'A' to this letter.

Government will require an assurance of continued supply of spare parts and service facilities of a period of not less than ten years from the date of delivery, if a firm order is placed. Essential spares to be supplied coincident with the delivery of the aircraft are listed in Appendix 'B' to this letter. This list is no doubt insufficient for routine maintenance and we would appreciate your advice and recommended spares holdings for an initial period of two years, bearing in mind our remote geographical position.

We do have a weekly <sup>Com</sup>air link with Argentina, but only four ships per year direct from the United Kingdom; information therefore, on your Service Agents and their supply and repair facilities in North and South America will be required. <sup>From the Argentine</sup> Currently our only aviation fuel supply is 80/87 octane. It would be appreciated if you would <sup>inform us if</sup> there is any possibility of using this type of fuel with Islander aircraft, particularly with the 300HP engines.

Similarly your priced recommendations in respect of special tools and other equipment would also be appreciated. General requirements, including our possible depth of servicing, are given in Appendix 'C' to this letter.

In the event of a firm order being placed, early delivery <sup>will</sup> be required by your goodselves to Stanley Airport, Falkland Islands and the spares and associated equipment ~~to be~~ shipped by the very first available opportunity, <sup>even before the departure of the aircraft itself.</sup> <sup>Perhaps you could confirm how long delivery would be after confirmation of firm order.</sup> Information on your warranty procedures and conditions of sale will also be required.

<sup>Some</sup> Pilot training will not be required. Although it is envisaged that engineer training <sup>will</sup> also be necessary, it would be appreciated if you could let us know if you hold a short course in the U.K. for qualified engineers. <sup>Cost and duration details, would also be appreciated.</sup>

Finally, <sup>I have</sup> we trust that from the foregoing information, and the <sup>given in the letter & the</sup> appendices, you will be able to establish our overall requirements and <sup>I shall have</sup> we would be pleased if you would prepare as soon as possible your proposals, together with detailed cost and delivery estimates, for consideration by Government. On satisfactory receipt of all such information and assurances sought above it is Government's intention to purchase such an aircraft for early delivery and virtual immediate use by the Falkland Island Government Air Service, <sup>subject to the outcome of current negotiations with the authorities in Britain.</sup>

Yours faithfully,

SPECIFICATION OF ISLANDER AIRCRAFT FOR  
FALKLAND ISLANDS GOVERNMENT

1) General

The aircraft will be used on the internal air service for the carriage of passengers, mail, freight and livestock. In addition, it will be used for 'Medivac' duties and mail dropping.

2) Model

A standard commuter model fitted with 300HP engines is required with capability of carrying passengers and freight in the normal role plus ability to convert for ambulance use. Paras 11 and 12 below refer. Any variations on the standard aircraft are specified below.

3) Engines

Lycoming 300HP required. To be fitted with dual vacuum pumps i.e. one on each power plant.

4) Wing Structure

Aircraft to be fitted with drooped leading edge.

5) Landing Gear

Tyre size and type to be compatible with use on roughish grass strips.  
Nose oleo and castoring ability to suit this type of ground.  
oleo 2

6) Fuel System

Wing tip tanks to be fitted.

7) Electrical System

Anti-collision beacon(s) required.

8) Safety Harness

One set shoulder harness required for pilot.

9) Communication and Navigation Equipment

One 360 channel VHF Nav. Com. Glide-slope not essential.  
One HF multi-channel. To ensure fleet interchangeability, Sunair ASB 60 is preferred.  
One Bendix A.D.F./M.F. This can be of the non-digital type.

N.B. cost estimate for the 720 channel V.H.F. Com. also required.

10) Anti and De-icing Equipment

Equipment to FAA part 135 or U.K. equivalents required i.e. Airframe, propeller, windscreen de-icing.

11) Medivac Role

Provision is to be made for the fitment of one floor-mounted stretcher and one attendant's seat. These items also to be provided by the supplier.

12) Supply Dropping Hatch

It is desired that this be a floor hatch just to the rear of the pilot's accommodation which can be opened in flight to permit air dropping of small packages and mail bags. Size preferably 12" in diameter. It is assumed that a standard fitting camera hatch may suffice.

13) Aircraft Livery

Aircraft to be painted red overall. Similar to Durathane 4600 - R-4 Red. Shade card or sample can be provided. Words 'Falkland Islands Government Air Service' to be painted on the fin and rudder. Size of lettering 3" high.

Example layout

FALKLAND ISLANDS  
GOVERNMENT AIR SERVICE

14) Aircraft Registration

Aircraft to be provided with registration letters VP - ???  
(This to be discussed).

15) Interior Colour Scheme

Red is preferred. (To be discussed).

16) Autopilot

Autopilot will not be required.

17) Cargo Protector Board

*nets, straps & tie-down rings*  
A cargo protector board, <sup>etc</sup> is required. Information on sizes available is requested.



BACK-UP SPARES REQUIREMENTS FOR  
FALKLAND ISLANDS GOVERNMENT AIRCRAFT

1) General

In view of the remote geographical location of the Falkland Islands and in the absence of any recommended spares lists the following will form the basis of our requirements in the event of the aircraft being purchased. Build standard of the aircraft is given in Appendix 'A' to Falkland Island Government letter ref..... dated.....

2) Power Plants

Two Lycoming 300HP engines complete with all related accessories e.g. magnetos, generators a/r, starter motors etc... Each to be complete with vacuum pumps and to be suitably inhibited for long term storage and freighting by sea. Please see below re. other engine spares.

3) Constant speed propellers

Two complete propeller assemblies will be required.

4) Landing gear

One main undercarriage leg complete, but less wheel.  
One nose undercarriage leg complete, but less wheel.  
Four main u/c wheels/tyres complete.  
Two nose u/c wheels/tyres complete.

5) Electrical System

One voltage regulator.  
One 24v battery.

6) Engine and Flight Instruments

One complete set of engine and flight instruments is required.

7) Airframe Components

One set ailerons  
One rudder  
One set elevators  
One tail-plane  
One set flaps

8) Lubricants, Fluids etc...

As required. Recommendations are requested.

9) Other Spares

In the absence of any suppliers recommended spares lists the above list is necessarily incomplete. Bearing in mind our geographical location many other items will be needed. It is requested that a special budgetary - priced spares list be provided for Government's immediate use. The above however, will give an indication of the initial requirements. For depth of servicing please see Appendix 'C'.

REQUIREMENTS FOR SPECIAL TOOLS, TEST AND OTHER  
EQUIPMENT FALKLAND ISLAND GOVERNMENT 'ISLANDER' AIRCRAFT

1) General

Due to the geographic location of the Falkland Islands the aircraft maintenance engineers will need to carry out much 2nd line servicing and some 4th line servicing of the aircraft and engines but will not have full overhaul facilities. Much of the maintenance will of necessity be repair by replacement. It is requested that suppliers recommendations, complete with budgetary prices, be provided re. the following items:

- a) Special tools and equipment - air frame
- b) Special tools and equipment - engines and propellers
- c) Portable or 2nd line servicing test equipment
- d) Fluids, lubricants, other miscellaneous materials

EXTRACT FROM MINUT 3 OF STANDING FINANCE COMMITTEE MEETING  
HELD ON 22ND FEBRUARY 1978

25

MR/1/4  
22.2.78

- 2.8 Purchase of Britten Norman Islander Aircraft (2.11)
- 2.8.1 Agreed that the purchase of an 'Islander' aircraft should now be made from Colony Funds.
- 2.8.2 Approval was given for the transfer of £290,000 from the Colony's General Revenue Balance account to the Development Fund to cover the cost of the aircraft and a hangar.
- 2.8.3 Chairman advised that the report from the Supt of Works on the building at Ajor Bay would be considered shortly, together with quotations for hangars received from the Crown Agents.

BUENOS AIRES

GR 220

CYPHER CAT A

FM PORT STANLEY 23/1700Z

CONFIDENTIAL

TO PRIORITY FCO TELNO 413 OF 23 DECEMBER AND TO PRIORITY  
HMS ENDURANCE (FOR GOVERNOR)  
INFO ROUTINE BUENOS AIRES

YOUR TELNO 312: AID

1. WITH THE FORTHCOMING HIGH LEVEL MEETING WITH ODM IN MIND, WE WONDER IF S AM D HAVE HAD SIGHT OF ODM TELNO MODEV 281 OF 19 DECEMBER (TO STANLEY ONLY) WHICH AT FIRST SIGHT SEEMS TO REINTRODUCE DOUBTS ABOUT THE EXTENT AND PACE OF FALKLANDS DEVELOPMENT. PERHAPS WE ARE READING TOO MUCH INTO WHAT IS PROBABLY A CAUTIOUS DESK LEVEL VIEW, BUT IT DOES CONTRAST WITH THE MORE POSITIVE MESSAGE OF FCO TELNO 371 TO MEXICO CITY WHICH, WHEN PASSED ON BY MR ROWLANDS, REGISTERED IN COUNCILLORS' MINDS AS AN UNEQUIVOCAL OFFER OF £1 MILLION TO BE SPENT NEXT YEAR.
2. IN VIEW OF COUNCILLORS' HEIGHTENED EXPECTATIONS OF HELP IN ACQUIRING AN ISLANDER AIRCRAFT, WE ARE PARTICULARLY CONCERNED BY THE ODM'S INFERENCE THAT THE ALL-WEATHER TRACK BETWEEN STANLEY-DARWIN, QUOTE IF AGREED UNQUOTE, IS LIKELY TO BE THE ONLY MAJOR PROJECT TO COME OUT OF THE INTERNAL TRANSPORT STUDY. THE EXECUTIVE COUNCIL DECIDED IN NOVEMBER TO ACQUIRE AN ISLANDER AND, AFTER SOME PRE-RIO HESITATION, THE ELECTED COUNCILLORS IN THE STANDING FINANCE COMMITTEE HAVE NOW VOTED THE NECESSARY EXPENDITURE (£190,000 FOR THE PLANE AND SPARES, PLUS £100,000 FOR THE HANGAR COMPLEX, APRON, TAXIWAY ETC, TOTAL £290,000). BUT THIS IS IN THE UNMISTAKABLE EXPECTATION THAT MOST OR ALL OF THE COST WILL BE REIMBURSED FROM THE £1 MILLION. WE SHOULD NOT UNDER-ESTIMATE THE EFFECT ON MORALE GENERALLY IF THIS HOPE IS NOT REALISED.

SLATER

Copy to CS

PA

AR 11/4

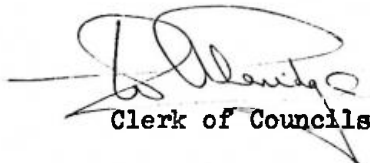
28

AIR/1/4

20. Islander Aircraft

1/78

- 20.1 Council was told that there had been a misunderstanding of the Minister of State's remarks to Councillors in Rio concerning the disposal of aid funds amounting to £1M which had been mentioned. As a result the Standing Finance Committee had been led to believe that the purchase of a land-based aircraft and hangar was a virtually approved charge against these funds and had allocated £290,000 out of aid monies for this purpose. The Secretary of State had approved a Special Warrant for this amount but had pointed out that scheme approval had not yet been received from the Ministry of Overseas Development.
- 20.2 Subsequently a formal project application had been submitted to ODM. However, it was noted that preliminary indications of the report of the ODM economic adviser on a land-based aircraft service had been generally discouraging and there was thus some doubt as to whether aid funds would be made available.
- 20.3 Consequently it is probable that a decision on the alternative, use of local funds, will have to be made eventually. Meanwhile the Administration is continuing to seek details of suitable hangars and considers the provision of this as a first priority, as it is convinced that eventually a land-based aircraft will be acquired by FIGAS. Views were expressed to go ahead with the purchase of an Islander aircraft as soon as possible.

  
Clerk of Councils

Chartres,  
Falkland Islands.

February 19, 1978

His Excellency The Governor,  
Government House,  
Stanley.

Dear Mr Parker,

Thank you for your letter dated February 10.

On the question of the new aircraft, I would not attempt to dispute detailed figures provided by such an eminent economist. What I do dispute is the quite unreasonable and short-sighted recommendations that it seems he has made.

The increased costs which he uses as his argument are composed almost entirely of the difference in depreciation between a tired and almost worn-out FIGAS capital structure and a completely refurbished FIGAS which should be set to meet our requirements for many years.

I counter the recommendation with a question. What will be our position in a few years time when the existing aircraft and associated facilities all collapse together? Will we then be in a position (as we are now) to renew everything all at once and how much more will it then cost? In the past we have been severely criticised for allowing our capital structures to deteriorate and now when we wish to take early and far-sighted preventative action we are landed with a totally negative expert opinion.

While one cannot ignore the increased costs due to depreciation on a much more valuable asset I think we should see them clearly for what they are and accept that it is inevitable sooner or later and if it is later then those costs are likely to be very much higher.

Everyone, from the Minister downwards, is well aware of the social considerations so other than saying that I believe we should continue to push these most forcibly as well I will not enter into this aspect of the matter.

Because it may not be possible for me to attend the meeting on February 23rd I am sending a copy of this to The Clerk and asking him to copy it to all councillors.

Yours sincerely,

L.R.L.

W.R.Luxton.

Government is now in correspondence with Britten Norman in the UK about the placing of an order for an Islander passenger and freight aircraft. The Islander is a twin-engine, ten-seater land-plane, of uncomplicated and rugged design suitable for our conditions.

To follow up the excellent investigatory work of Mr Robin Pitaluga's "Future of Fijas" Committee, the Civil Aviation staff, under the direction of Mr Jim Kerr, is now engaged in the extensive preparatory and operational planning needed to get the new aircraft into service when it is delivered later this year.

In this, we are fortunate in having available the advice of Mr David Emslie, who has had previous experience of flying the Islander in other passenger operations.

One of the first tasks will be to survey and inspect the layout of local airstrips, which settlements have already helped to identify, but on which a number need further advice. Captain Russ Hooper, who has been temporarily relieved of flying duties at his own request, will, together with the Airport Superintendent, Mr Bala Kanagasabai, commence a tour of the Camp in the week beginning 6 March to look over the proposed airstrips and help select others. Further details of their programme will follow.

Tape. "Purchase of Islander" file

Copy to Studio for broadcast 3 evenings plus tomorrow am

" to DCA for info

" to Capt Hooper : to follow up last sentence

287



FILE NOTE

22

I telephoned DCA this afternoon  
to ask DCA if he would now  
prepare the first draft of a  
Letter of Intent - if that is the  
correct procedure - to Britten-Norman  
(Cambridge) Ltd. giving notice our  
intended order of an "Islander",

m. 16  
17

Reg.

BU 22 Feb.

m. 16  
17



REF: DEV/2/13

15 February

78

cc file AIR/1/4

The Hon T J D Miller Esq  
Green Patch

Sorry we haven't replied sooner but we are having trouble in determining the answers to your questions about the jetty - ie whether it will take vehicles and the depth of water at low tide - and in order not to delay further I am letting you have the information about the other points pending a reply from the PWD about the jetty.

--- BROWN DAIRY REPORT: Copy attached together with the GTU report.

VALUATION OF FARM PROPERTY: The Chief Secretary is writing separately to all Councillors about this.

SURVEY OF FARMS for an "Islander": After the SFC meeting on 21 December the Chief Secretary wrote to the DCA on 22 December asking whether Captain Emsley and/or other members of FIGAS could undertake a tour of settlements to advise managers about the selection and improvement of landing areas.

On the same day (22 December) Mr Massingham received the Minutes of a meeting of the FIGAS Committee Meeting held on 7 December which showed that Mr Kerr had volunteered to start examining proposed landing strips in the New Year.

In order to pursue the matter, Mr Massingham recently wrote to the DCA pointing out that he would wish to know that SFC would be meeting about the 23rd February and no doubt he (the DCA) would wish to have some information for Councillors: there the matter rests.

D R Morrison  
for Chief Secretary

(20)

Green Patch,  
East Falklands,  
Falkland Islands.

15.10  
Letter from  
G. T. U.  
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31.12

The Deputy Chief Secretary,  
Secretaryat,  
Stanley.

2nd February, 1978.



Dear

*Jerry*

The other day I enquired some details on the proposed oil jetty which naturally couldn't be answered on the spot without checking the specifications. I would be grateful if you could help me in this.

What will be the depth of water at low tide at the pier and what will be the width of the causeway at the top, will it be wide enough for vehicles to use?

The other thing is when can farms expect Capt. Elmsley to start coming around to locate airstrips for the proposed "Islander". Bearing in mind that farms are now at the end of shearing and work needs to start very soon so as to finish before the winter to allow the strips to settle down before they come into use, hopefully next spring.

Thirdly, are there any copies of the 'Brown' Dairy report left? If so could you please send me one, along with the subsequent report issued by the G.T.U. if still available.

Finally, I would like a copy of section F.10. Valuation of Farm Property (table), part of the Pepper Report but which was not bound into the report.

Hope that you will be able to help me with at least some of these queries.

Yours sincerely,

*T.J.D.*

T.J.D. Miller.

Original on Dec 12/13

26th January

78

Mrs. C. B. Johnson,  
C.L.A.,  
Ministry of Overseas Development,  
Eland House,  
Stag Place,  
LONDON, SW1E 5DH.


Dear Mrs. Johnson,

Project Application for Islander  
Aircraft and Hangar

I enclose a Project Application <sup>(18)</sup> covering the purchase of an Islander Aircraft and Hangar.

2. The proposed purchase of these items has been considered in Executive Council and by the Standing Finance Committee of the Legislature and both bodies have recommended the purchase.
3. Perhaps you will be kind enough to notify us of the serial number allocated to this project.

Yours sincerely,

  
CHIEF SECRETARY

encs.

us

PROJECT APPLICATION

Administering Authority:-

Government of the Falkland Islands

Serial No.            of 19

1. Name of Project:- **Islander Aircraft and Hangar - Government Air Service**

---

2. Location of the Project  
and reasons for its  
choice.

**The aircraft would be based in Stanley  
but would operate throughout the Colony.  
The hangar will be built near Stanley.**

---

3. Is the project included in  
the approved Development Plan  
and, if so, where?

**No. The need for an additional aircraft  
to supplement the FIGAS fleet of two  
Beaver aircraft has become apparent since  
the Development Plan was prepared over  
five years ago.**

---

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

**No**

---

4. (b) Name of Agency  
responsible for  
construction and  
operation.

**Not applicable**

---

5. Professional advice on  
which the project is  
based.

**Future of FIGAS Committee chaired by Mr. Robin  
Pitaluga, on which the D.C.A. and two other  
experienced pilots sit. The Committee is  
unanimous in its view.**

6. What are the benefits to be derived from the project.

(a) Economic and (b) Social

The air service is the principal internal communications link in the Colony, and almost the entire population depend on it for travel between settlements. The medical, postal and education services rely on it and it is used by the Technical Service Officers attached to the Colony. The two Beaver aircraft at present in service with FIGAS are not able to meet adequately the demands made on the service, especially now that an increasing number of specialist tourists are visiting the Islands and expecting transportation to the various outlying wild-life sanctuaries and places of interest. If tourism is to expand we must be able to fly the tourists to the wild life centres, which will increasingly absorb Beavers capacity; their age will require them to be carefully husbanded, and a new aircraft type is needed for general Island transport, particularly between Stanley and West Falkland. In time better roads and ferries will reduce demands on FIGAS, but this is some years off yet.

(b) ~~Social~~

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

Cost of purchasing the aircraft including spares	£185,600 (est.)
Delivery charges	£ 5,470 (est.)
	=====
	£191,070 (est.)
Cost of hangar	£100,000 (est.)
	=====
	£291,070 (est.)
	=====

(b) Amount of British Aid required. The cost will be met initially out of the Colony's Reserve Funds, but it is expected that most, if not all, of the cost will be met finally out of the sum of £1,000,000 allocated towards the Colony's internal communications and mentioned by the Minister of State (Mr. Ted Rowlands)

- (c) In what U.K. Financial year is British Aid required and how much each year?
- 1978/79 in one lump sum.

when he met Councillors in Rio in December 1977.

8. When is the work expected to begin?

**It is expected that the aircraft and hangars will be ordered shortly.**

---

9. How will the operating costs be financed when the project is completed?

**Operating costs are borne out of expenditure estimates of revenue account by the Falkland Islands Government. These are budgeted for annually. Receipts from farms etc. do not at present match costs, and there is an element of hidden subsidy, which can be regarded as a social cost. With higher utilisation and increased freight receipts, it is not expected this subsidy will increase beyond reasonable capacity to bear it.**

---

10. If the project includes buildings or Civil Engineering work, plans should be forwarded with this Application in a form sufficient for an adequate examination in ODM.

**The intention would be to concentrate aircraft maintenance and operations near the new airfield with the transfer of the existing sea-plane base and the erection of a new hangar. Plans are being drawn up.**

---

11. Will Consultants be used?

(a) in the design stage?

**No**

---

(b) to supervise construction or, if not, how will construction be supervised?

**Public Works Department**

---

12. Are services available?

(a) Water                      **Yes**

---

(b) Power                      **Yes**

---

(c) Other Services              **Yes**

---

File Ref:    **AIR/1/4**

Date: **25th January 1978**

COPY

RR PORT STANLEY

EN CLAIR  
FM FCO 101310z

UNCLASSIFIED  
TO ROUTINE PORT STANLEY TELNO 8 OF 10 JANUARY

YOUR TELNO 412: ESTIMATES 1977/78

1. SPECIAL WARRANTS APPROVED FOR THE FOLLOWING ITEMS.

HEAD X - POUNDS STERLING 3000

DEVELOPMENT B EXPENDITURE - POUNDS STERLING 290,000

I NOTE THAT THE SCHEME APPROVAL FOR SECOND ITEM HAS NOT YET BEEN  
RECEIVED FROM ODM NOR ARE SAVINGS AVAILABLE.

OWEN

NNNN

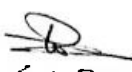
SENT 1907Z/10 PP

RECD 1907Z/10 GMS



MR/1/4  
21.12.77

- 2.11 Purchase of Britten Norman Islander Aircraft (23.0)
- 2.11.1 Committee again considered the recommendation of the Governor in Council to purchase an 'Islander' aircraft for the Colony.
- 2.11.2 It was noted that the estimated cost of the aircraft including spares was £185,600 plus delivery charges of £5470.
- 2.11.3 It was agreed to purchase the aircraft and the Chairman agreed to explain to the Foreign and Commonwealth Office that although the cost would come initially out of Colony reserve funds, it was Councillor's expectations that most, if not all, cost would be met from the £1 million promised by the Minister of State at the recent talks in Rio de Janeiro.
- 2.11.4 See paragraph 3 for provision of funds which also includes cost of a Hangar large enough to accommodate 2 Islander aircraft.
- 2.11.5 Recommended that the Supt of Works should visit Ajax Bay and advise on the suitability of the buildings there for possible use as a Hangar.
- 2.11.6 The Honourable A.B. Monk, JP offered what-ever assistance was required and said he would also be pleased to accommodate him at San Carlos during his visit.
- 2.11.7 Recommended that Mr. Emsley should visit all camp stations and advise Farm Managers on possible airstrip sites. It was considered that the services carried out by the Royal Marines was inadequate.

  
S.I. 78

AIR/1/4  
23.11.77

- 23.0 Purchase of Britten, Norman Islander Aircraft
- 23.1 Committee considered a recommendation from the Governor in Council to purchase the undermentioned items:-
- |   |                 |
|---|-----------------|
| a) One Britten Norman Islander Aircraft | £140,000        |
| b) One spare power plant                | 5,000           |
| c) Hangar                               | <u>30,000</u>   |
|   | <u>£175,000</u> |
- 23.2 Members requested more time to consider the purchase and asked that the matter be considered by the Development Committee after the receipt of the Transport Committee's report.
- 23.3 They further requested that full details be made available to them and also estimated annual recurrent costs etc of running the aircraft.
- 23.4 The possibility of utilising the steel framed buildings at Ajax Bay for the new Hangar should be investigated.

### The Costs of an Islander Service (Revised)

This note attempts to be no more than a first round approach to costing up a joint Islander/Beaver service compared to the existing service. As will become clear a large number of assumptions are involved, and my guesses are made mainly to be knocked down, and replaced by more reliable assumptions and estimates. Some of the issues will be discussed with the Director of Civil Aviation, and some with the Civil Engineer member of the Internal Communications Survey Team. At present I must take full responsibility for all errors.

2. This present survey of internal transport is not the first, and various other reports have touched upon the costs and operations of FIGAS. So far as possible I have attempted to follow the methods and data of such reports, in particular those by Peat, Marwick and Mitchell, Comben and Waller, and Shackleton, et al.

### The Costs of the Existing Service

3. The most recent source of cost data is the 1977/8 estimates. The F Y 1976/7 has been excluded, due to the fact that FIGAS operations in that year were by no means typical. Thus the actual 1975/6 costs and estimates for 1977/8 are used below.

4. The first step is to break down the costs in the estimates between fixed and variable costs (as per Peat, Marwick and Mitchell). This breakdown is given in Table I. From this it will be noted that the estimated fixed costs for 1977/8 are slightly (11.5%) higher than the actual costs for 1975/6, whereas the variable costs are expected to fall sharply (by 26.3%). This fall is due to a large drop in the expected bill for petrol and lubricants, and that for materials and spares. The former is because a reserve stock-pile was created in 1975/6, and the latter due to the fact that present aircraft are in need of less spares.

5. If the total flying hours p.a. is taken as 1,000 then the variable costs per hour in 1975/6 were £71.52, and the same figures for 1977/8 is estimated at £43.50.

6. In addition to the costs given in Table I it is necessary to include an allowance for depreciation of the aircraft and FIGAS buildings, as well as some allowance for miscellaneous expenditure,

/not included

not included under "Aviation" in the Estimates. Table II shows the calculation of the total costs. Elements (a), (c), (d) and (e) are all "fixed", although (d) might vary if with less use the Beaver could be taken to depreciate over a longer period.

7. The next step is to compare the totals in Table II with revenue, to obtain a fair approximation of the degree of subsidy in existing FIGAS operations. This comparison is made in Table III, and shows that the subsidy reached 68.7% of total costs in 1975/6, but is projected to fall to 48.1% in 1977/8. This reflects both the projected fall in variable costs, and the increased revenue expected due to the changed fare structure. The new fare structure is shown in Table IV. The subsidy element shown in Table III can be compared with Comben and Waller's estimates in 1973 of a 50.7% subsidy, and their recommendation of a 25% subsidy being more reasonable. Even with the increased fares, the estimated subsidy in 1977/8 is only just below the 1973 level, and the 1975/6 figures must have been an all time high.

8. It is of interest at this stage to calculate a cost per passenger mile for the existing service. One major problem is that the load factor is not known. Following a recommendation in the Peat, Marwick and Mitchell report certain data is reported to the Chief Secretary every week. However, the figure given for "passenger miles" on this form is inaccurate in concept, and thus cannot be used to compare against seat miles to obtain an estimate of load factor. From examination of FIGAS data for 1969 and 1970 Peat, Marwick and Mitchell estimated the load factor at 45%. As can be seen from Table V passenger numbers rose by 38% from the 1969/70 average to the 1975 level. It is not possible to calculate what share of the passenger growth was due to increased miles flown, and what share to increased load factor.

9. Information is also lacking on number of flying hours p.a. Peat, Marwick and Mitchell refer to 900 flying hours p.a., but this figure was probably exceeded in 1975/6. Table VI shows the cost per flying hour and passenger mile using varying assumptions of flying hours and load factors. (An average speed of 100 m.p.h. is assumed).

#### Possible Islander Costs

10. The first costs to be taken into account for the possible Islander operations are depreciation on the aircraft, and new hangar, and the re-location costs involved in resiting the old Beaver hangar and building a new slipway. The quotation provided  
/for the aircraft...

for the aircraft on 12/10/77 was \$260,520 or £148,025 @ US \$1.76 = £1. At the present rate of US \$1.88 = £1 this falls to £138,574. However, the quotation is only valid for 60 days, and doesn't include the costs of delivery or of an extra spare engine or (?) the extended wing tips with additional fuel tanks. A first round estimate of the delivered mid 1978 price inclusive of spare engine et al might be around £170,000.

These figures are too low; see table

11. The estimate of hangar cost ex UK was £25 - 30,000, delivered and erected for a 50 ft x 50 ft hangar. The higher price is taken in the following analysis, as the hangar will need to be slightly larger than 50 ft x 50 ft. The FIGAS Committee received a quote in late 1976 of close to £5,000 ex Argentina. To reflect the inflation since then, delivery and erection costs a figure of £10,000 is used below. There would also be costs in re-locating the Beaver Hangar, building a new slipway, and building a suitable track to join the hangars. (All repair and maintenance work of both types of aircraft would be carried out at the new hangar).

This figure is too low: see table

A first round estimate of this cost is £7,500. The p.a. equivalent cost of these capital costs is shown in Table VII.

12. The total p.a. costs for a joint Islander/Beaver service would consist of the following components:-

- (i) p.a. equivalent of Islander capital costs
- (ii) Fixed costs
- (iii) Variable costs for Beaver(s)
- (iv) Variable costs for Islander
- (v) Share of Misc Appropriation Vote
- (vi) Depreciation of Beaver(s) and old hangar
- (vii) Maintenance costs of road joining hangars

Item (i) above is considered in Table VII. The remaining items are now considered.

(ii) Fixed costs: Table I shows fixed costs for the existing service in 1975/6 and 1977/8. For a 1978/9 figure some initial inflation allowance is required (say 10% on 1977/8), and to allow for an Islander operation some extra costs must be added, e.g. for heat, light and power at the new hangar, extra staffing, higher insurance for the more expensive fleet etc. These extra costs might be around £5,000 on top of the inflation allowance.

This figure is probably too low

(iii) Variable Costs for Beavers: For a continued Beaver service (above) the 1978/9 variable costs might be taken as 10% upon the 1977/8 costs. With an Islander, the variable costs of the Beavers would fall. As an example, if flying hours were reduced by 60%,  
/the variable costs...

the variable costs would fall by around the same amount.

(iv) Variable Costs for Islander: This is perhaps the most difficult item to estimate. The C.A.A. have provided some information on costs <sup>of</sup> equivalent UK service, and the variable costs per seat-mile vary between 5.6p and 3.3p. The higher figure comes from a more suitable service for comparison with FIGAS operations, and given the additional costs likely due to services outside the Colony, a figure of 6p per seat-mile will be used with a 9 passenger capability this equates to £0.54p per flying mile. If the Islander took over 60% of the flying miles of the existing service, the cost per annum, using the 1,000 flying hours assumption of the existing service (i.e. 100,000 flying miles in total) would be £32,400.

(v) Share of Misc Appropriation Vote: With both the existing and changed service this is taken as 10% more than the 1977/8 figure, to allow for inflation.

(vi) Depreciation of Beaver(s) and old hangar: If a joint service was introduced the Beavers might be depreciated over 15 years rather than 10 years. The depreciation on the old hangar would not change.

(vii) Maintenance Costs of road: A token figure of £500 is included here.

13. On the basis of the above Table VIII sets out the 1978/9 estimates of the costs of (a) the existing service and (b) a joint Islander/Beaver service, with the islander taking 60% of the service. It must be appreciated that this is all based on very crude approximations, and the figures should be improved as better data becomes available, and assumptions are changed. However, it is hoped that this approach provides a suitable framework for comparisons.

14. On the basis of Table VIII the improved service would cost FIG around £35,000 p.a. more than the present service. (It was mentioned above that the variable costs of an Islander were particularly difficult to calculate. If the costs per seat-mile were 3.5p, the variable costs would fall to £18,900 and the extra cost of the new service would be £21,500. This helps to demonstrate the rough nature of the above calculation).

15. In financial terms the extra costs of the service would have to be met either from increased revenue (i.e. higher fares or /greater use of...

greater use of FIGAS) or a higher subsidy. To maintain the subsidy at the 1977/8 level, revenue would have to be raised by around £25,000. To reach Comben and Waller's target of a 25% subsidy, the extra revenue required would be nearly £50,000.

16. In development terms the investment in the Islander, et al would be justified if the benefits exceeded the costs. This type of examination is best made within the context of an overall survey of internal communications of the type now in hand.

Internal Communications Survey  
December 1977

Table I FIGAS Operating Costs (£'s)

A/ Annual Fixed Costs	1975/6 (Actual)	1977/8 (Estimates)
Salaries and Wages 1/	28,334	32,446
Overheads:-		
(i) Rent, light and power	1,585	1,600
(ii) Incidental	7	30
(iii) Insurances	884	933
(iv) Labour and Transport	1,445	600
(v) Hanger Equipment	83	350
(vi) Protective Clothing	159	150
(vii) Rent	-	8
Total Overheads	32,160	35,867
B/ Variable Costs		
	1975/6 (Actual)	1977/8 (Estimates)
(i) Petrol and Lubricants	49,608	27,500
(ii) Materials and Spares	10,622	4,000
(iii) Overhauls outside Colony	11,287	12,000
Total Variable Costs	71,517	43,500
Total Fixed + Variable Costs 2/	103,477	79,367

Source:- Estimates 1977/8

1/ Including board and lodging - relief pilot

2/ Excluding 'expenditure' and 'adding machine'.



TABLE II FIGAS Total Costs (£'s)

	1975/6 (Actual)	1977/8 (Estimated)
a) Fixed Costs	32,160	35,867
b) Variable Costs	71,517	43,500
c) Depreciation of Buildings Value £27,800 1/ including interest @ 8% on an annuity basis over 10 years	2,272	2,272
d) Depreciation of Beavers £114,000 2/ cost including interest @ 8% on an annuity basis over 10 years	16,986	16,986
e) 7½% of Miscellaneous Appropriations Vote	2,437	1,475
Total a) + c) + d) + e)	53,855	56,600
Total a) - e) inclusive	125,372	100,100

Source: 1977/8 Estimates and Internal Communications Study

1/ Comben and Waller used a value of £19,000. This has been increased @ 10% p.a. to reflect inflation.

2/ Cost of 2 Beavers in 1976/7.

Table III FIGAS Costs and Revenue

	1975/6 (Actual)	1977/8 (Estimated)
(i) Total Costs	125,372	100,000
(ii) Revenue	39,219	52,000
(iii) Loss/Subsidy	85,153	48,100
(iv) (iii) as % of (i)	66.8%	48.1%

Source: 1977/8 Estimates and Internal Communications Study

Table IV FIGAS Fare Structure

Mileage Rate	15p per mile
Resident rebate	10p per mile
Boarding Fees	Adults £6.00
	Children 7- school leaving age £3.00
	Children 1-7 £1.50
	Children under 1 free
Medical Patients	Adults £2.00
	Children 7- school leaving age £1.50
	Children 1-7 £0.75
	Children under 1 free

Source: Gazette No 11 19th August 1977

Table V FIGAS - Passengers, Freight, Mail Drops

Year	Passengers	Freight	Excess	Mail Drops <i>ECJAG</i>
1960	2,044	4,332	n.a.	-
1961	2,132	6,606 $\frac{1}{2}$	n.a.	-
1962	2,474	5,867	n.a.	12
1963	2,551	6,486	9,787	13
1964	2,174	5,309	8,831	12
1965	2,873	8,497	8,726	8
1966	3,030	5,684	7,907	15
1967	3,182	8,573 $\frac{3}{4}$	10,008	13
1968	3,692	6,680 $\frac{3}{4}$	7,561	7
1969	3,867	8,988 $\frac{3}{4}$	8,066	13
1970	3,683	8,486 $\frac{3}{4}$	11,796	13
1971	3,911	8,490 $\frac{5}{4}$	13,261	11
1972	4,225	13,970 $\frac{3}{4}$	8,339	22
1973	4,327	16,728 $\frac{3}{4}$	6,490	49
1974	4,666	18,839 $\frac{3}{4}$	8,918	47
1975	5,213	17,924 $\frac{3}{4}$	6,323	47
1976	3,364	11,345	3,774	28+
1977 (10 mo)	1,843	2,539 $\frac{1}{4}$	1,059	4.0

Source: FIGAS

TABLE VI FIGAS Costs per Flying Hour  
and Passenger Mile

<u>Cost per Flying Hour (£)</u>	900	Flying Hours 1,000	1,100
1975/6 (Actual)	139.3	125.4	114.0
1977/8 (Estimate)	111.2	100.1	91.0

<u>Cost per Passenger Mile (£)</u>		Flying Hours		
Load Factor	Year	900	1,000	1,100
45%	1975/6	0.77	0.70	0.63
	1977/8	0.62	0.56	0.51
50%	1975/6	0.70	0.63	0.57
	1977/8	0.56	0.50	0.46
55%	1975/6	0.63	0.57	0.52
	1977/8	0.51	0.46	0.41
60%	1975/6	0.58	0.52	0.48
	1977/8	0.46	0.42	0.38

Source:- Internal Communications Study Estimates

Table VII Per Annum Equivalents of  
Islander Service Capital Costs

		Capital Cost		P.A..Equivalent		
		low	high	low	high	
A)	Aircraft + spare engine, etc.	170,000	-	25,330		1/
B)	New Hangar a) Ex UK	30,000	100,000	2,452	8,173	2/
	b) Ex Argentina	10,000	?	877	?	2/
C)	Relocate Old Hangar, New Slipway and Road Joining Hangars	7,500	30,000	613	2,452	3/
Total A, B(a) and C		207,500		28,395	36,000	
Total A, B(b) and C		187,500		26,820	?	

Source: Internal Communications Study Estimates

1/ Annuity @ 8% over 10 years

2/ Annuity @ 8% over 50 years

3/ Annuity @ 8% over 50 years

Table VIII 1978/9 Costs of Existing  
and Improved Service

Item	Existing Service	Improved Service	
		Low	High
(i) p.a. Equivalent of Islander capital costs	—	28,000	36,000
(ii) Fixed Costs	39,454	44,500	55,000
(iii) Variable Costs of Beavers	47,850	19,140	
(iv) Variable Costs of Islander	—	32,400	
(v) Share of Misc Appropriations Vote	1,623	1,623	
(vi) Depreciation of Beavers and Old Hangar	19,258	15,590	
(vii) Maintenance Costs of Road	—	500	
TOTALS	108,185	141,753	160,000
Extra Cost		£35,000	£52,000

AIR/1/4

File Copy

(9)

PA 20/1/77

BRITTEN-NORMAN "ISLANDER"

BASIC PURCHASE COSTS

AIRCRAFT (fitted with 300 hp engines)	£148,000
SPARE ENGINE	£8,755
RECOMMENDED SPARES HOLDING @ 10%	14,800
SPARE PROPELLER UNIT	820
SET OF CONTROL SERVICES	2,460
QUICK ENGINE CHANGE UNIT	<u>765</u>
TOTAL	<u>£185,600</u>

Plus Delivery Charges (£3,830) and Insurance (£1,640)  
Hangar

20 December 1977

AIR 114

## FIGAS TRAFFIC SURVEY 1975

No's of Passengers	Jan'75		April'75		July'75		Oct '75		Total (4 months)	
	No.	%	No.	%	No.	%	No.	%	No.	%
Inward to Stanley(East)	77	17.2	92	25.5	133	25.9	98	25.0	400	23.3
Inward to Stanley(West)	67	15.0	51	14.2	84	16.3	60	15.2	262	15.3
INWARD TO STANLEY TOTAL	144	32.1	143	39.6	217	42.2	158	40.2	662	38.6
Outward from Stanley(East)	110	24.6	72	19.9	131	25.5	102	26.1	415	24.2
Outward from Stanley(West)	91	20.3	55	15.2	66	12.9	55	14.2	267	15.6
OUTWARD FROM STANLEY TOTAL	201	44.9	127	35.2	197	38.4	157	40.3	682	39.8
W.Falkland to other										
East Falkland	12	2.7	9	2.5	25	4.8	18	4.7	64	3.7
Other East Falkland to										
West Falkland	14	3.1	22	6.1	12	2.3	15	3.8	63	3.7
Other internal East Falkland	30	6.7	27	7.5	34	6.7	22	5.5	113	6.6
Internal West Falkland	47	10.5	33	9.1	29	5.6	22	5.5	131	7.6
TOTAL	448	100	361	100	514	100	392	100	1715	100

(a) Stanley/Darwin and Darwin/Stanley as % of total Passengers carried	Jan'75 9.6%	April'75 15.0%	July'75 14.2%	Oct '75 13.5%	Total(4 months) 13.0%
(b) Passengers carried between: Stanley,Darwin,Fitzroy,Pluff Cove,San Carlos, Port San Carlos, North Arm and Walker Creek as % of total passengers carried. 27.7%		32.1%	38.5%	40.3%	34.8%

AIR 11/4. (6) (7)

PORT STANLEY

GR 80

CS

EN CLAIR

12 →  
13/xii

noted: action taken.  
15/xii

FM F C O 121800Z

UNCLASSIFIED

TO PRIORITY PORT STANLEY TELNO 299 OF 12 DECEMBER.

YOUR TELNO 270: ISLANDER AIRCRAFT

1. A. RECOMMEND SPARES HOLDING IS 10 PERCENT
- B. SPARE PROPELLER UNIT - U.S. DOLLARS 1,500 £319.67
- C. COMPLETE SET OF CONTROL SERVICES - U.S. DOLLARS 4,500 £2459.00
- D. DELIVERY CHARGE TO STANLEY APPROXIMATELY U.S. DOLLARS 7,000 £3826  
PLUS INSURANCE. COST OF INSURANCE WOULD BE MAXIMUM U.S.  
DOLLARS 5,000, MORE LIKELY DOLLARS 3,000. £2233 £1640
2. BRITTEN-NORMAN WOULD RECOMMEND YOU HELD QUICK ENGINE CHANGE  
UNIT (BECAUSE OF YOUR REMOTENESS) - COST U.S. DOLLARS 1,400. £765

OWEN

NNNN

SENT AT 2144Z/12 PLS

RCVD AT 2144Z/12 GMS



267103 CASUTN G  
214 GOVERNOR FK  
DFGA

(5) (6)

W

For  
13.XII  
J

AIR 1/14

FM GOVERNMENT HOUSE  
PORT STANLEY  
FALKLAND ISLANDS  
12 DECEMBER 1977

TO CROWN SUTTON

YOUR TEL DATED 14.11.77 RE BRITAIN NORMAN ISLANDER AIRCRAFT  
VALUE OF AIRCRAFT £170,000 LIABILITY LIMITS AIRCRAFT ONLY.  
OPERATION PASSENGER, MAIL AND FREIGHT SERVICE, AIRCRAFT BASED  
STANLEY AIRPORT AND WOULD FLY TO AND FROM FARMS WITHIN THE ISLANDS.  
STANLEY AIRPORT HAS TARMAC SURFACE, LANDINGS AND TAKE-OFFS  
AT FARMS WOULD BE FROM GRASS FIELDS. ALL PILOTS HIGHLY EXPERIENCED  
AND HOLD VALID COMMERCIAL PILOTS LICENCES.

CHIEF SECRETARY

NNNN  
SENT AT 12/1945Z GMS

214 GOVERNOR FK  
267103 CASUTN G

ZCZC D193 ATS575 LHC544 XLH236 TX267103  
KLY HZ GBLH 048  
LONDONLH 48/47 14 1621

LTF  
SECRETARY COLONIAL TREASURY  
PORTSTANLEY

YOURTEL 308 DATED 11.11.77 RE BRITAIN NORMAN ISLANDER LAND  
AIRCRAFT INSURERS REQUIRE FOLLOWING INFORMATION 1) VALUE OF  
AIRCRAFT 2) LIABILITY LIMITS WHETHER AIRCRAFT ONLY OR 3RD PARTY  
AND OR PASSENGER 3) WHAT ARE THE INTERNAL OPERATIONS 4) EXPERIENCE  
OF PILOT  
CROWN SUTTON

COL LTF 308 11.11.77 1) 2) 3RD 3) 4)



AIR 1/1-1

~~(S)~~  
(S)

*Ref Sent  
now pg  
1/12  
x11*

Handwritten: Air 1194  
FIF0004/06

PP FCO

GR 70

EN CLAIR

FM PORT STANLEY 06/1349Z

UNCLASSIFIED

TO PRIORITY FCO TELNO 370 OF 6 DECEMBER

FOR HICKSON S AM D

PURCHASE OF ISLANDER AIRCRAFT

1. YOU OBTAINED FOR GOVERNOR A QUOTATION DATED 12 OCTOBER FROM BRITTEN-NORMAN LIMITED OF HESTON FROM ISLANDER AIRCRAFT.
2. GRATEFUL IF YOU WOULD NOW OBTAIN QUOTATION IN POUNDS STERLING FOR FOLLOWING ITEMS:
  - A. RECOMMENDED SPARES HOLDING FOR ONE YEAR:
  - B. SPARE PROPELLOR UNIT:
  - C. COMPLETE SET OF CONTROL SERVICES (IE ELEVATOR, RUDDER, AILERONS):
  - D. DELIVERY CHARGE TO STANLEY.
3. GRATEFUL TELEGRAPH INFORMATION WHEN OBTAINED.

PARKER

NNNN

SENT AT 06/1444Z GMS

RECD AT 06/144Z PB



CS (24)  
GOVERNMENT HOUSE,  
FALKLAND ISLANDS.

26 November 1977

The Hon.  
V R Luxton Esq  
CHARTRES

When you mentioned to me your idea about parking an Island-registered aircraft at the new airstrip before the first LADE flight came into it, I had no idea it would turn out to be such a lively occasion. I gather everyone present enjoyed themselves and, had I been warned, I would have like to have joined in the fun myself - sad, therefore, to hear some people thought Government House had boycotted the occasion. On the contrary, I am all for Island "firsts".

As regards the formal opening, you will have heard about Robin's suggestion that we might mark it by the arrival of our hoped-for Islander, perhaps with Miles Clifford present. I think this is a good idea, although we may have to wait a little while yet before we can finally fix it; you will probably have learnt that consideration of the proposal we decided upon in EXCO, to earmark Colony funds against the purchase of the aircraft, was deferred by the Standing Finance Committee until an evaluation of it was forthcoming from the Peat team from ODM. I fervently hope this will not take too long, but in the meantime I am asking the Chief Secretary to enquire of Britten Norman's about the cost of a standby engine and other spares.

*after discussion with OSCA*

*Tel. Mr. To Lichsen  
Sandra 2000-  
J. W. M.*  
/I hope

I hope your flight back to Chartres went well; the conditions looked pretty bumpy to me, but then I am no flyer.

I am copying this letter to Robin Pitaluga and John Massingham.

J R W Parker

"Salvador House"

Gibraltar Station  
Port San Salvador  
Falkland Islands

22nd November 1977

H.E. the Governor,  
Government House,  
STANLEY.

Dear Mr Parker,

Thank you for your letter of the 7th November and for the copies of various letters and quotations for the Islander. Since you wrote, we have had a discussion on the report and the future of F.I.G.A.S. generally.

We hold our next meeting on the 23rd of this month and will be inviting the ODM Team to attend. I hope it will be possible to go ahead on our own resources to obtain and Islander as quickly as possible - this will boost morale and the preparation of proposed airstrips in camp.

Although the opening of the new airport is not one of my affairs, I hope you will forgive me for referring to it and making the following suggestions. Some years ago when I was on Councils, it was proposed and agreed that if no Royal personage could come to open the airport, Sir Cosmo Haskard should be invited to do it. I would like to suggest that the arrival of the first Islander be used to mark the occasion, and that Sir Miles Clifford be invited to perform the ceremony. He, on his own initiative, and with tremendous enthusiasm and drive, started F.I.G.A.S. with the Auster land-planes and it would be fitting for him to come back to see F.I.G.A.S. revert to land based operations. I would further like to suggest that our fine British designed and built aircraft should be delivered by a well-known pilot and that Miss Sheila Scott be invited to do it. I am pretty certain she is available and that it is the sort of job which would appeal to her, since she has run out of record breaking flights. She and Sir Miles would make a fitting combination of glamour and nostalgia well suited to such an occasion.

Yours sincerely  
R.M. Pitaluga

R.M. Pitaluga



①

26 November 1977

R M Pitaluga Esq  
Salvador House  
Gibraltar Station  
PORT SAN SALVADOR

Thank you very much for your letter of 22 November with your suggestion about the formal opening of the new airport. As you will see from the enclosed copy of a letter that I have sent to Bill Luxton I think this is an excellent idea, and you will perhaps forgive me if a public reference to it was made in a broadcast Secretariat statement this week.

You will also see from my letter to Bill that there will be a bit of a delay in proceeding with an Islander purchase. Our ENCO decision might have meant no more than we start the ball rolling, with the possibility that the eventual bill would be picked up by ODM. However, we have at least got it as far as we can at the moment.

J R W Parker

1A

Quotation valid for 60 days

Payment in US DOLLARS

Cont/.....

END 10



01-497 0131

Str Gordon B.M. Radio, F.G.A. - Receiver & Repair  
**WESTMINSTER (SEWENIDGE) LIMITED**

TO Cranford Lane, Epsom, Epsom, Middlesex.

H.H. The Governor of the Falkland Islands,  
 c/o Mr. H. Hickson,  
 South American Department,  
 Foreign & Commonwealth Office,  
 King Charles Street,  
 London SW1.

Quotation valid for 60 days

DATE	QUOTATION	US \$	US \$
12.10.71.	IS/213/102 - Page 2		
Co-pilot's IV panel		340 00	
" map pocket		175 00	
Main engine Co-icing		8,850 00	
Propeller Co-icing		3,450 00	
Main windfield Co-icing		900 00	
Main engine steering disconnect		1,590 00	
Ground altimeter		340 00	
Ground ASI		195 00	
100 x 6 tyres (main wheels)		190 00	
Set of aircraft manuals (with amendment service for two years) comprising one each:			
Maintenance Manual			
Illustrated Parts Catalogue			
Maintenance Schedule			
Aircraft service publications, set.		340 00	
Aircraft: (King T30)			
100/1000 KMI 730 730-ohm			
100/1000 KMI 520 VOR/LES indicator			
100/1000 100/1000 crystal controlled			
Digital AMF receiver		6,005 00	
Aircraft:			
100/1000 KMI 75 Nav/Com with KMI 520 indicator		5,160 00	
100/1000 transponder		1,145 00	
100/1000 100/1000		4,315 00	
100/1000 B5 2-axis autopilot		8,390 00	
PRICE REQUIRED AS ABOVE			
			260,520 00
			(6148,00 00)
			1.76

Bankers: NATIONAL WESTMINSTER BANK LIMITED 52 Threadneedle Street, London EC 2  
 Account: 00221030  
 Telegraphic Address: CONSOLID London EC 2

See overleaf for our usual Terms and Conditions of Sale

END 10

## ISLANDER

### Standard Equipment

The basic aircraft is supplied with the following items of equipment at 3,612 lb.

#### Power Plant

- 2 Lycoming O-640 200 h.p. engines
- 2 Hartzell constant speed two-bladed feathering propellers
- 2 Hartzell propeller spinners
- 2 Woodward propeller governors
- 2 Prestolite engine starters
- 2 Oil Coolers
- 2 Engine driven fuel pumps
- 2 Induction air filters
- 2 Dynafocal engine mounts
  - Fully variable carburettor heating system
  - Shielded ignition harnesses

#### Fuel System

- 2 Integral fuel tanks—115 imp (137 US) gallons total
- 4 Electric auxiliary fuel pumps
- 2 Quick-drain gascolators
- 2 Remotely controlled fuel cocks
- 2 Quick-release fuel tank caps
- 2 Quick-drain fuel sumps
- 2 Electric fuel contents transmitters

#### Instruments

- 1 Sensitive Airspeed Indicator
- 1 Sensitive altimeter
- 1 Rate-of-climb indicator
- 1 Turn-and-slip indicator (electric)
- 1 Direct-reading standby magnetic compass
- 1 Audio/visual stall warning system
- 1 Flap position indicator (electric)
- 2 Trim position indicators (mechanical)
- 2 Fuel quantity indicators
- 1 Voltmeter
- 1 Ammeter
- 1 Dual Tachometer system (electronic)
- 1 Dual oil pressure system
  - Master engine instrument cluster, comprising
    - 2 Oil pressure indicators (electric)
    - 2 Oil temperature indicators (electric)
    - 2 Cylinder head temperature and oil temperature indicators (electric)
    - 2 Fuel pressure indicators (electric)
- 1 Alternate Static sources
  - Shock-mounted flight instrument panel
  - Fixed main instrument panel with anti-glare shield and space provision for optional equipment
- 1 Outside air temperature gauge
- 1 Dual carburettor charge temperature indicator (electric)

#### Electrical Provisions

- 1 Generator (self-rectifying 24 volt 50 amp)
- 1 Battery (24 volt 17 amp hour)
- 2 Transistorised voltage regulators
- 2 Filter units
- 2 Overvoltage relays
- 2 Generator failure warning lights
- 1 Ground power supply receptacle
- 1 Flap actuator
- 1 Electrically heated pilot hood
- 3 Navigation lamps
- 2 Landing lamps
- 1 Map lamp
- 2 Cabin door warning lamps and microswitch system
- Thermal-type circuit breakers with main/emergency busbar distribution system
- For optional equipment: private and individual passenger cabin lighting

#### Controls and Panel Accessories

- 1 Adjustable rudder bar and toe brakes
- 1 Parking brake selector
- 1 Islander style handwheel
- 1 Wing flap selector switch
- 1 Elevator trim handwheel
- 1 Rudder trim handwheel
- Low friction engine and propeller controls
- 1 First Aid Kit
- 1 Fire extinguisher
- 2 Pilot's sun visors
- 1 Pilot's direct vision window
- 1 Pilot's map and stowage pocket

#### Aircraft Features

- 1 Side loading extended baggage compartment (key-locked door)
- 2 Wide cabin entry doors (key-locked)
- 1 Pilot's double seat with individual adjustment
- 1 Tricycle landing gear with double main wheels, steerable nosewheel and hydraulic disc brakes on main wheels
- Forced draught cabin ventilation system to each seat station
- Durable cabin sidewall soft furnishings
- 1 Gust lock bag complete with two alloy locks, two aluminium rods, one pilot's head cover, two jacking pads and two pilot's bags
- 1 Cabin ashtray
- 2 Emergency exit windows
- Provision for dust controls
- Full sound-proofing

DFS

10/10/76

2. Could you please convert the US \$ figures into sterling for SFC?

13/11

2

C.S.

Reference 6, converted at \$1.83 to £1.

1. a.	Recommended Spares holding 10% ?		
b.	Spare Propellor Units	\$1500	£820
c.	Complete set Control Services	\$4500	£2459
d.	Delivery Charges.	\$7000	£3826
	Insurance - maximum	\$5000	£2733
	Insurance - minimum	\$3000	£1640
2.	Quick Engine change unit	\$1400	£765

DFS

14.12.77

3.

AS

Can you prepare quickly a draft project application for an Islander.

18/1

4

Des

Draft submitted at centre please.

19.1.78

S.

J.S.

For your early observations on the draft  
at cent. pl. (It is hoped to get the  
application off by next Monday's bag).

2. Have you a copy of the telegram from  
F.C.O. approving the funds pl?

S.

for C.S.  
20.1.78

A.S.

I think your draft application is  
very good but H.E. will probably wish  
to see it.

2. copy of telegram Herwill.

H.  
20/1/78

7.

P.C.S.

6 Papers re-submitted please.

S.

8

20.1.78

HE

In view of 6 Draft application  
submitted pl.

Don 22/1

9

A.S., have made a few amendments;  
urgent dispatch by next air mail.

Jan. 23/1

18. 11.

Dear, thank you

af

21.

13/11/78

18

Dev. Officer

(67) To see the CAA Report on hand Aerodromes. As you go through the Report would you please make a note of anything requiring follow up action.

14/11/78

19

Note - this  
minute has been  
photocopied to  
Vol II of AIR/11/4,  
action proceeding on  
Vol II 23/11/78

Acting Chief Secretary

I have read the C.A.A. Report and the following points require further action.

Para 1.4 The over-run areas on the Camp strips are insufficient.  
Action by D.C.A.

Para 1.5 Recommendations for take off and approach areas.  
Action by D.C.A.

Para 1.7 Pilots must be made aware of wet grass conditions.  
Action by D.C.A.

Para 2.8. Importance of continuation of site surveys.  
Action by D.C.A.

Para 4.1 It is proposed to relocate the Beaver hangar. I see no reason for this relocation and why it should take place.

Para 4.2. Final sub para, I would have thought that both fire-fighting equipment and runways should be the responsibility of the appropriate settlements.

The financial profit and loss details I assume have been taken into account by the Financial Secretary

*[Signature]*

17th November 1978

Development Officer

YE

Folio 53.

2. I have spoken with WCA & suggest that a reply be sent on the lines of the draft submitted opposite.
3. WCA is planning to extend the service of the aircraft due for overhaul for a minimal period in order to cope with James' needs. He will himself be flying the visiting team & will be keeping this in mind for operational planning purposes.
4. You may be interested to see Folio 52 which usefully summarises how matters stand at present with the airstrip survey. (I am encouraging WCA to press on with this himself, for only 9 settlements have so far received specific instructions).

*[Signature]*  
12/11

C.S.

Thank you. Tel. sent.

FS

(67) To see the report pl  
D. H. 1/11/78

FILE NOTE

Folio 23

2. Capt. Hooper has today confirmed that he has prepared a new draft letter of intent with specification for submission to DCA, copied to me. I have asked him in his covering minute to point out that we should like to aim for despatch by next Monday's mail.

Lu  
28/3

"

NB After meeting with HE/DCA/APS & Capt. Hooper on 13 March, it was agreed that the identification & preparation of airstrips would probably take longer than had first been expected. Meanwhile CS would telegraph to FCO to seek advice on current position & likely future of Britten-Norman Co.

2. Tel. issued accy.

Lu  
28/3

YE

Brillen-Norman's letters in response  
to my letter of intent are at  
Folios 52 & 53.

2. DCA will have a number of  
Comments to offer; but meanwhile  
we need to establish the availability  
of suitable AUGAS. Accordingly, I  
have prepared opposite, for your  
approval, a Telegram of enquiry to  
Buenos Aires. After the despatch of  
that I intend to put the same  
question - orally & in writing - to  
V/C Canosa.

mc 22.V.  
f

13

C.S.

Thank you. I will send.

Yours. 22/V

14