

1. Mr Kershaw  
2. Mr Kershaw  
3. Mr Kershaw

Secret

yes. he should see what the  
Hamiltonian can do. 11/11

Secretary of State

I think this is reasonably satisfactory.  
In Party terms, it is Mr Dalzell who may  
kick up a fuss and the proposed arrangement  
stem directly from the Labour Govt's agreement  
with the U.S. Govt.

Mr Scott  
BIOT RESETTLEMENT

1 I have looked into the points raised by the Secretary of State and by  
Mr Kershaw on my submission of 26 January.

Possible employment by Americans

From Parliamentary point of view  
I agree this will do.  
Anthony Kershaw  
19/2  
22 Feb.

2 The Secretary of State suggested that the Americans might find  
employment opportunities for some of the labourers who are to be displaced  
on Diego Garcia.

3 It has all along been contemplated that the Americans would build  
their communications facility with their own imported labour. In 1968,  
with Ministerial authority, the Americans were told that we accepted in  
principle that the local workers would have to be moved off Diego Garcia.

In December last, the Americans told us at official level of their proposed  
programme of construction to begin in March 1971. We accepted this, and  
informed the Governor that it would be necessary to begin moving the  
labourers from Diego Garcia to other islands in Chagos accordingly.

4 I asked the officer concerned in the American Embassy (Mr Opplinger)  
to come and discuss the Secretary of State's point. Mr Opplinger confirmed  
that the US authorities had no need for local labour; and that there were  
social and security objections to their remaining on Diego Garcia.

5 Mr Opplinger also told me that at present the United States Government  
had no plans for other defence facilities in BIOT; and we could rest assured  
that, for the foreseeable future, the labourers, who are to be moved to the  
other islands in the Chagos Archipelago, will not be disturbed.

Treatment of displaced labourers

6 Mr Kershaw asked what precise plans have been made.

7 When the Americans notified us of their intention to go ahead, we consulted the Governor of the Seychelles about detailed arrangements for resettlement. His programme is as follows:-

- i) Seychellois whose contracts would expire before the Americans arrive in March would be returned to the Seychelles before then (this process has already started);
- ii) Seychellois whose contracts had not expired would be moved elsewhere in Chagos, or back to Seychelles by July;
- iii) Labourers on the western side of Diego Garcia would be moved to the eastern side in March, as the first United States activities began;
- iv) All remaining labourers will be removed from Diego Garcia to other Chagos Islands by July.

8 We understand that there are adequate housing and other welfare facilities in the Chagos Islands to which labourers are to be moved. The Commissioner for BIOT has just finished the latest of his regular visits, and we expect his report shortly.

9 The normal contract for a plantation labourer is two years. Contracts usually specify work in the Chagos Archipelago, rather than in any specific island.

#### Employment in Seychelles

10 The Governor has not expressed concern about re-employment or resettlement of the Seychellois in Seychelles, except to warn us that any too generous scheme for resettlement in Mauritius might spark off local envy. When Mr Kershaw saw the Chief Minister on 16 February, Mr Mancham's initial reaction was that the Seychelles would be able to reabsorb their own people, but would not take Mauritians. As the meeting developed, however, we thought that we detected some signs that Mr Mancham might be persuaded to consider

the possibility of taking some Mauritians if it were made worth his while; and some references were made to the possibility of HMG's giving further help with training to increase Seychelles' skilled labour force. After Kershaw's meeting, I spoke to ODA. Their view is that we cannot expect to carry this possibility much further until -

- i) The Technical Training Institute which is about to be launched with ODA's financial support has got going properly, and
- ii) the manpower analyst whom ODA propose to send out to advise the Seychelles Government has had a chance to assess the situation.

#### Approach to Mauritius

Mr Kershaw has asked that we should establish more precisely, if possible, how far the Mauritius Government would be prepared to help.

An approach to the Mauritius Government for this purpose was the principal recommendation of my submission of 26 January. I suggest that we should now instruct the High Commissioner accordingly. I also suggest we take the following further steps:

- i) Inform the Governor of Seychelles of Mr Kershaw's talk with the Chief Minister, and ask for advice as to the prospects for any early action on these lines;
- ii) Authorise the Governor of the Seychelles and our High Commissioner in Mauritius to enter into positive negotiation with Mr Moulinie and the Mauritius Government respectively for the resettlement of 50 families on the Mauritius island of Agalega (paragraph 11 of my submission of 26 January). If the Agalega scheme is successful we shall be a long way towards solving this problem; although of course negotiation with the Mauritius Government about resettling the 100 or so families already in Mauritius may well be prolonged.

13 It should be recalled that, when we announced last December the intention of the US Government to construct the communications facility on Diego Garcia, our guidance to posts included the following anticipated Question and Answer:-

"Q: What will happen to the population of Diego Garcia?

A: The population consists of a small number of contract labourers from the Seychelles and Mauritius engaged to work on the copra plantations. Arrangements will be made for the contracts to be terminated at the appropriate time and for their return to Mauritius and the Seychelles."

We will probably  
be asked  
to say how  
many. Is  
400 "a small  
number"?  
Aa.

*Ian Han*

(I Watt)

19 February 1971

Atlantic and Indian Ocean Department

cc Sir L Monson  
Mr Graham ✓  
Mr Kerby  
Mr Daunt

Mr Tesh, Defence Department

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