

The Chagos Islanders

V

United Kingdom

Application No. 355662/04

Observations

Of the United Kingdom

On the

Admissibility & Merits of the Application

EXHIBIT III

FOREIGN & COMMONWEALTH OFFICE

London SW1A 2AH

Ref: Mr Derek Walton

EXHIBIT III
TO THE OBSERVATIONS OF THE UNITED KINGDOM
IN THE CHAGOS ISLANDERS CASE

1. This Appendix seeks to set out the principal factual issues in dispute between the parties. The United Kingdom has set out in Table 1 below a list of the factual assertions by reference to the paragraph number in the various documents containing submissions made by the Applicants. Each document is addressed in turn.

2. The table shows:
 - 2.1. In column 1, the paragraph number of the document in issue. Where a factual assertion is also repeated in the Statement of Facts and Questions raised by the Court on 20 February 2009, this is marked by the additional suffix *[SFQ]*;
 - 2.2. In column 2, a summary of the factual assertion made by the Applicants;
 - 2.3. In column 3, a summary of the Government's response;
 - 2.4. In column 4, the reference to one of the following which is used as the basis for the Government's response:
 - 2.4.1. A paragraph or paragraphs in the judgment (and factual annex) of Ouseley J in the *Chagos Islanders' Litigation*; References to paragraphs in the judgment of Ouseley J are given as *[J**]*. References to the factual appendix accompanying the judgment are given as *[A**]*. A copy of this judgment and its Annex are at Annex A3 to the Application;
 - 2.4.2. A paragraph in the judgment of the Divisional Court in *Bancoult 1*. References are given as *BI[**]*. A copy of this judgment is at Annex A2 to the Application;
 - 2.4.3. A paragraph to a paragraph in the speeches of the House of Lords, which are given as *B2[**]*. A copy of this judgment is at Exhibit I.

3. The fact that the United Kingdom Government does not comment on a specific allegation does not mean that each of the Applicants' assertions is accepted. The Government relies on the factual findings made by Ouseley J in the *Chagos Islanders Litigation*, which are binding on the Applicants and which this Court should, with respect, take as the basis for any factual findings it wishes to make. Finally, the UK Government observes that many of the purported assertions of fact made by the Applicants are either assertions of law or of political view.

TABLE 1

<i>A. Grounds of Alleged Violation of the Convention dated 14 April 2005</i>			
Para	Applicants' assertion	Respondents' response	Reference
1	The Applicants are natives or descendants of natives of the Chagos Islands.	The islands in the Chagos Archipelago were inhabited only after their occupation and administration as French colonies. The inhabitants were brought into the Archipelago to work on plantations. They are neither "indigenous" nor "native."	J1-9
1 SFQ	The Applicants or their ancestors were removed from the Chagos Archipelago between 1967 and 1973.	The inhabitants of Diego Garcia were removed from that island in 1971. The majority were transferred to other islands in the Archipelago, specifically Peros Banhos and Salomon islands. All were given the choice of re-locating within the Archipelago in this way, but some (a minority) chose to return to Mauritius in 1971. Thereafter the plantation on Salomon closed in November 1972 and the final inhabitants were evacuated to Mauritius in March or April 1973 after the UK Government had agreed a figure for resettlement costs with the Government of Mauritius.	J45-49; A379, 388-390; A393; A396
1 SFQ	The Applicants or their ancestors were prevented from returning to the Chagos Archipelago from 1967 to 1973.	Ouseley J found that those Chagossians who left the islands in 1967 or 1968 were not arguably prevented from returning by the Defendants. The decision not to allow any Chagossians passage to the Archipelago in 1967 or 1968 was a recruitment decision taken by Moulinie & Co.	J299-305; J738
3	Since 1976, BIOT has been ruled directly from London.	Since 1965, BIOT has been governed in accordance with its own constitutional arrangements set out from time to time in the Constitution Orders then in force.	J17
4	The European Convention on Human Rights extended to those islands.	The Convention was extended to the political unit of Mauritius. No right of individual petition was conferred.	B2[64]
7	Description of property rights allegedly held by the Chagossians.	Ouseley J made extensive findings about the limited nature of the rights of occupation enjoyed by the Chagossians. Further he found that the Chagossians had no arguable right to any real property.	J219-225; J430
12	Description of property rights allegedly held by the Chagossians.	See comments in response to paragraph 7.	J219-225; J430
12	The employment of the Chagossians.	This is addressed in detail by Ouseley J and does not exactly tally with the account given by the Chagossians.	J214-218
14	The Chagossians have been deprived of access to ancestral graves.	The BIOT authorities have organised (and paid for) a number of visits in 2000, 2006 and 2008 by over 100 people in total, who have been able to land on a number of different Islands,	B2[19], [53]

		including to repair the graves of their forebears. During the period from November 2000 to June 2004 when the Chagossians did not require a permit to visit the Islands, no visit was made.	
16 SFQ	In the period from 1965 to 1971, the population of the islands was approximately 2,000.	The Judge found that there were 680 Ilois in the Chagos Islands in 1970. The total population figures though the 1950s for the three islands drop from about 1,100 in the early 1950s to 900 by the late 1950s, to 747 in 1962. The figures for the islands thereafter fluctuate: 793 (431 Ilois), 924 (487 Ilois), both in 1967, the latter reflecting the last major recruitment, to 807 (434) in 1968, 691 (422) and 652 (350) in two 1969 visits, 680 (343) in 1970 and 630 (387) in February 1971.	J571; A23
22	The purpose of a decision in principle on resettlement was to evade the international obligations set out in Article 73 of the UN Charter.	The findings made by Ouseley J do not bear this out.	J15-16, 341
28	The UK Government had been aware for many years that there was a permanent population on the islands who could not properly be regarded as mere contract workers.	The full extent of the population became apparent following the report of the BIOT Administrator, Mr. Todd, in 1967.	J337
29	The population statistics are set out by Sir Robert Scott in <i>Limuria</i> .	This population figure was rejected by Ouseley J as being "out of line" with other available figures.	A23
31	Some islanders were prevented from returning.	Ouseley J found that those Chagossians who left the islands in 1967 or 1968 were not arguably prevented from returning by the Defendants. The decision not to allow any Chagossians passage to the Archipelago in 1967 or 1968 was a recruitment decision taken by Moulinie & Co.	J299-305; J738
31	Other islanders were deported.	Ouseley J found that "there is no evidence that the procedures envisaged by the Immigration Ordinance were ever deployed even in a vestigial form." The only persons removed compulsorily but without force were those evacuated from Peros Banhos in 1973. They were removed in exercise of the Crown's powers as landowner.	J316; J45-49
32	The islanders were removed unwillingly.	Some of the islanders chose to return from Diego Garcia to Mauritius and from Salomon Islands to Mauritius at the time of the closure of those islands, rather than relocating to other islands, principally Peros Banhos.	J45-49; A379, 388-390; A393; A396
32	No provision was made for compensation to be paid to	Individual workers who left the Chagos Archipelago from October 1971 onwards were	J332; A304; J43

	them.	paid the sum of 500 Mauritian rupees in compensation for personal possessions left behind. The UK Government agreed to fund the resettlement costs claimed by the Mauritian Government, which were paid to them in March 1973.	
33	The UK Government decided to lie to international organisations.	No finding of fact was made to that effect by Ouseley J.	J341-346
34	The UK Government lied to the United Nations	No finding of fact was made to that effect by Ouseley J	J344
34(i)	The islands were uninhabited when the UK first acquired them.	The UK acquired the islands by cession in 1814. It is not clear whether they were inhabited or not at that stage.	J2
34(ii)	The arrangements for BIOT were not freely worked out with the Governments and elected representatives of the people concerned.	The creation of BIOT was discussed and agreed to by the Governments of Mauritius and Seychelles which was the representative government for the territory at the material time.	J16
35 SFQ	False representations were made to the United Nations.	No finding of fact was made to that effect by Ouseley J. In fact, the Judge concluded at [J344] that there was no actual falsity in the gist of what had been said to the United Nations, but it could be characterised as displaying a lack of candour. A copy of the speech itself is at Exhibit VIII. The Government did not say that the copra workers had been consulted, but that consultation had taken place with the Governments of Mauritius and Seychelles. It did say that great care would be taken to look after the welfare of the few local inhabitants.	J344-345
36	Chagossians in Mauritius were refused passage to return.	See comments made in relation to paragraph 1 above.	J299-305; J738
41	The Prime Minister was made aware there was an indigenous population.	The Prime Minister was informed that there were permanent inhabitants in the islands, some of whom were second or third generation inhabitants.	A144-145
43(iii)	The Prime Minister knew that the Chagossians had legal rights to reside on the islands.	This is simply not borne out on the face of the two documents annexed by the Applicants. The paper accompanying the July 1968 Minute states that "none of [the Chagossians] owns any land and the houses in which they live are the property of the [plantation] owners." It was also noted that the owners had the legal right to remove anyone from the islands and there was not therefore a permanent right to reside on the islands.	A144-145; A236-238
43(iv)	The Prime Minister knew that to remove the population would breach International Law.	This is simply not borne out on the face of the two documents annexed by the Applicants. The Prime Minister was informed in the July 1968 minute that an argument would be raised at the United Nations that the rights of the	A144-145; A236-238

		local population were being ignored. Unsurprisingly, no finding to that effect was made by Ouseley J.	
44	The internal memoranda showed that the UK Government proposed to expel native islanders from their homeland.	The memoranda are addressed in detail by Ouseley J and cannot be summarised in these stark and simplistic terms.	A210-290
46	There was a lawyer at the FCO who was charged with drawing up legislation to evict the Chagossians.	The FCO lawyer in question, Mr Aust, gave advice on a draft immigration ordinance which contained a power to deport. The legislation was in fact principally drafted by the Attorney General for the Seychelles. As set out above, the powers available under the 1971 Ordinance as passed were not used in the initial relocation or subsequent evacuation of the Chagossians.	J316; A225; A258
50	The Commissioner of BIOT displayed his disregard for the Chagossians.	On the contrary, this memo was written to express concern about the resettlement prospects for the Chagossians in the Seychelles and to encourage suitable projects to be properly considered for their resettlement.	Attached
52 SFQ	The witness evidence of Mr. Mandary, including an allegation of villages being bull-dozed.	Mr. Mandary was not called to give evidence and Ouseley J rightly did not take into account this material as it had not been tested by cross-examination. A number of the other witnesses' recollections proved to be (at best) unreliable, as the Judge found. A temporary landing strip was built on Diego Garcia between March and June 1971.	J331; A328
54	The account of the removals by Marie Therese Mein.	This account was not accepted as accurate by Ouseley J who found inconsistencies in her evidence. He expressly found that threats of bombing or of being killed were not sustained in the evidence. In relation to Mrs. Mein, he found that: "She had no recollection at all of making her witness statement, though her daughter explained how carefully it had been done. She could not remember her age or when she was born, nor going to see a lawyer about a case." [J175]	J331; J36
55	This account was "corroborated" by Marcel Moulinie.	The Judge found that Mr. Moulinie's memory was "unclear at times," but that he did his best. However, the alleged timing of the arrivals of the US Navy construction crew is flatly contradicted by the documentary evidence which confirms that construction work was due to commence in March 1971.	J211; A362-370; A303, 317
59	The conditions on the voyage.	Findings were made on these conditions by Ouseley J, but it did not represent a pleaded cause of action.	J38; A332
63 SFQ	The payment to Mauritius was not released for several years.	It was released by the United Kingdom to the Mauritian authorities. It accrued interest of 25% while held by the Mauritian authorities. A resettlement scheme had been proposed by the	A416-418

		Mauritian Government, [A324] but was rejected by the Chagossians themselves in favour of a cash distribution.	
65	Moulinie was refused a lease by the UK Government.	There is no finding to this effect by Ouseley J.	
66	Moulinie believed the islands had a sound economic future.	His uncle, Paul Moulinie, who ran the plantations, advised the BIOT Government in 1972 that early closure of the plantations on economic grounds was desirable.	A371
67	The owners agreed that closure and evacuation was appropriate.	Moulinie & Co were by this stage the managers and not the owners of the plantations. They informed the BIOT Government that the management agreement was proving unworkable.	A372, 390
67	There were problems maintaining adequate food supplies.	Ouseley J's finding about certain food shortages were made in respect of Diego Garcia, not Peros Banhos.	A333
69	General description of conditions in Mauritius.	No evidence was called by the UK Government on this issue because the litigation in question involved an application to strike out the Claimants' case on legal grounds. The Judge found at [A423] that while the "general description" of the conditions in Mauritius could be accepted, the specific evidence given by the Chagossian witnesses was not reliable. Specifically he stated: "Failing memories, contradictions, exaggerations and omissions of relevant parts of the picture e.g. as to social security benefits, accommodation and medical treatment for what ailments were commonplace. It is again apparent that reliance cannot be placed on written witness statements, now or past, as being what the witnesses can say or meant to say."	A423
69	Evidence from Mrs Talate	The Judge made the following finding in relation to her evidence: "I concluded that Mrs Talate was not a credible or reliable witness, certainly on any matter of detail, and could be persuaded that things had happened which either did not happen to her or did not happen at all, or that she had seen things which she had not. Her witness statement bore no resemblance to any evidence which she could give in her own way; it drew conclusions e.g. over poverty, which were far too legalistic and sophisticated for her; its language was not hers, translation apart; so much of it she disagreed with that it cannot be taken, beyond the most general level, as an accurate or reliable piece of evidence."	J168
71	The evacuees to the Seychelles fared just as badly if not worse.	There is no finding by Ouseley J to this effect.	

72	No Chagossians have ever been employed on Diego Garcia.	This is not correct. Chagossians can work on Diego Garcia. Any Mauritian or Chagossian can apply for the jobs advertised locally in Mauritius provided they can demonstrate the required skills for the post. Selection, as everywhere, is based on the best candidate being identified. There are Mauritians, including Chagossians, working on Diego Garcia. The UK Government has told the Chagossians that it has always sought and it has obtained assurances from the US Government that there is no discrimination against the Chagossians when recruiting employees to work on Diego Garcia. The two Chagossian leaders in Mauritius - Olivier Bancoult and Ferdinan Mandarin - were briefed on job opportunities available on Diego Garcia by the Head of the US facility support operation in November 2007 and again in 2008.	
74 SFQ	The number of Seychellois Chagossians was 500 or so.	The number was identified as 200 by the Chagos Social Committee (Seychelles) Association in 1997.	J90
75	The extent of the participation of the Chagossians in the 1982 settlement.	The allegations made in this paragraph are entirely contrary to the findings made by Ouseley J. He found that a number of witnesses had given untruthful accounts of their level of awareness of the settlement negotiations, because they fully understood the significance of them.	J527-535; A568-614
76	The lack of knowledge of the Chagossians of the finality of the settlement.	The allegations made in this paragraph are entirely contrary to the findings made by Ouseley J.	J527-535; A568-614
80	The evidence from Olivier Bancoult.	Ouseley J found that Mr. Bancoult arrived in Mauritius in 1967, not 1968. On a number of matters of evidence the Judge found that he was not a "straightforward or truthful" witness.	J208-210
81	The 1971 Ordinance excluded the Chagossians from the islands.	The 1971 Ordinance required any person visiting the islands to obtain a permit and conferred a power of deportation on the BIOT Commissioner. In practice, it was not used to exclude anybody.	J34
82(a)	The UK Government gave the Chagossians a legal right to return to their homeland.	The 2000 Immigration Ordinance removed the requirement for a permit to be obtained by Chagossians prior to entry into parts of the BIOT.	B2[18]
84	The 2000 Ordinance provided for the return of Chagossians to Peros Banhos and Salomon.	It did not. In any event, the 2000 Ordinance has now been lawfully repealed.	B2[18-19]
88	Summary of the Feasibility Study.	An accurate summary of the finding of the Feasibility Study has been given by the House of Lords <i>per</i> Lord Hoffmann at §23, Lord Rodger at §110 and Lord Carswell at §132 in	B2[23];

		<i>Bancoult 2</i> . Mr. Bancoult in the House of Lords did not challenge the Government's conclusion that anything other than short-term resettlement on a purely subsistence basis would be highly precarious and prohibitively expensive.	
88	The Feasibility Study was abandoned.	In the light of the conclusions reached on Phase 2 of the Feasibility Study, the next phase which would have led to detailed costings was not pursued.	<i>Culshaw 1 and 2</i>
89	The UK accepted before the UN Human Rights Committee in December 2001 that the prohibition of the return of the Chagossians was unlawful.	That acceptance was based on the domestic court having ruled that section 4 of the 1971 Ordinance was unlawful. Since then the 2004 Orders have been ruled to be lawful by the House of Lords.	<i>B2</i>
90	English law does not recognise a representative action.	A representative action is available in English law under rule 19.6 of the Civil Procedure Rules. But the <i>Chagos Islanders Litigation</i> was more appropriately brought under the auspices of a Group Litigation Order as not each of the claimants had the same interest in the outcome of the litigation.	
94	The 2004 Order abrogates existing rights to live in the BIOT which the Chagossians possess.	The Chagossians had and have no right to live in the BIOT. Their entry on Crown land would have been a trespass.	
95	The Feasibility Study was in favour of resettlement.	On the basis of the Feasibility Study, the UK Government concluded that anything other than short-term resettlement on a subsistence basis would be precarious and prohibitively expensive.	
95	No attempt has been made to identify the costs of resettlement.	The costs of resettlement have been estimated as being at least £100 million over a ten year period. A report commissioned by or on behalf of the Applicants costed resettlement at £25 million, with only £4 million being allocated for an airport.	
96	No Chagossians are permitted to enter the islands unless they become contractors on the American base.	The BIOT authorities gave permission for Chagossians to visit the islands in 2000, 2006 and 2008 and funded the costs of each visit.	
98 SFQ	Houses and villages were destroyed in the period from March to September 1971.	No finding to this effect was made by Ouseley J. While it would seem that some families were relocated to new homes in Diego Garcia to allow a temporary airstrip to be built, there is no evidence of any destruction to homes or villages on Peros Banhos or Salomon.	A328
99	Every Chagossian has lost his land.	The Chagossians never owned the land.	J219-220
100	Graves have been destroyed.	No finding of fact was made to this effect by Ouseley J.	
101	Description of housing	This description does not tally with the	J219-225

	rights.	findings made by Ouseley J. Housing in the Chagos Islands was granted by the plantation owner and held with the plantation owner's permission, as the Chagossians' own witness, Mr. Marcel Moulinie, stated.	
108	The Chagossians in Mauritius suffered from poor health compared to their conditions in the BIOT.	Mr. Culshaw in his 2 nd witness statement exhibited a copy of a letter to The Times newspaper from Dr. Richard Grainger, setting out the poor social conditions and physical health of those returning from the outer islands in 1973.	
214	At a meeting on 23 January 1971 the Chagossians were told they were to be removed.	They were informed at a meeting on 24 January 1971 by the BIOT Administrator (Mr. Todd) that they were to be relocated to Salomon or Peros Banhos as Diego Garcia was closing. Some Chagossians indicated at this stage a desire to go to Mauritius and the BIOT Government was not in a position to stop them, although it wanted arrangements for their resettlement to have been finalised first.	J32; J315; A303
214 SFQ	Bulldozing of houses, gardens and grave yards.	There is no evidence that this took place prior to the closure of Diego Garcia. Mr. Mandary was not called as a witness by the Chagossians. Ouseley J expressed strong doubts about the reliability of the Chagossians' testimony about the removal process.	J331
216	The Applicants were packed into boats with horses.	There was only one sailing from Diego Garcia in which horses were carried on the deck. The number of Chagossians affected were 7 men, 6 women and 17 children. There are no findings made by Ouseley J of the conditions on other voyages in 1971 or of the conditions of the final voyage in 1973. The Judge found that the voyages were conducted by Moulinie & Co and not by the BIOT Government.	J37-38 J298
218	No provision was made by the Government for their arrival in Mauritius.	The Government paid the Mauritian Government the sum it had requested for resettlement costs prior to the closure of Peros Banhos. It had sought to discourage the return of Chagossians to Mauritius before these arrangements were finalised.	A303-305
218	Descriptions of the conditions in Mauritius.	Ouseley J found the witness statements containing these descriptions to be unreliable.	A423
219 SFQ	No arrangement was made with the Seychelles.	The UK Government arranged to fund the construction of a civil airport in the Seychelles. Far fewer Chagossians settled in the Seychelles than in Mauritius. Those that did often had a Seychellois connection, such as Mr. Raymond Mein who was a Seychellois who had married a Chagossian (Mrs. Mein). The Seychelles had still been a colony when the plantations had been closed, had still received sizeable grant aid and substantial compensation for the detachment of its islands (which had not been	J254 A420; A456

		evacuated) and did not face such severe economic problems. Ouseley J found that the Seychellois Ilois did know about the 1982 negotiations but did not choose to attend.	
226	The English Courts have ruled that the removal of the Chagossians was unlawful.	This is not accurate. Section 4 of the 1971 Ordinance was declared to be unlawful, but the Ordinance was not used to effect the removals. Furthermore, the reasoning used in <i>Bancoult 1</i> on this point cannot withstand the decision of the House of Lords in <i>Bancoult 2</i> .	J316
227	The Chagossians' homes were destroyed.	There is no evidence of destruction of any property on Salomon or Peros Banhos.	
230	The Chagossians are an indigenous people.	No finding to this effect has been made by the national court. The Government rejects the suggestion that the Chagossians should be classified as an indigenous people. The Government notes that its Treaty obligations with Mauritius require the United Kingdom to cede sovereignty over the BIOT to Mauritius when the territory is no longer required for defence purposes.	
249	The BIOT 2000 Immigration Ordinance recognised the Chagossians had a right to remain on the islands.	The 2000 Immigration Ordinance removed the need for a Chagossian to obtain a permit to enter the outer islands. However, the Chagossians would still have needed the Crown's permission to enter or stay on the land in its capacity as the landowner, if the Chagossians were not to commit the common law tort of trespass to property.	
252	There was delay in the Feasibility Study.	This is denied. The circumstances behind the Feasibility Study are set out in the witness statements of Robert Culshaw dated 7 December 2004 and 30 September 2005.	
252	By June 2004, the Applicants were still unable to exercise their constitutional rights.	The Applicants had been able to enter the BIOT without a permit between November 2000 and June 2004 but did not do so. They have no constitutional right to enter the territory.	
274	The Government concealed facts from the Chagossians.	The same or very similar arguments were raised before Ouseley J and rejected. Very detailed reasons for doing so were given.	J615-686
B. Further submissions of the Applicants undated but received by the Court on 17 November 2005			
Para	Applicants' assertion	Respondents' response	Reference
1.6	An extension of the Convention is not unnecessary in other British Overseas Territories.	There are a number of British Overseas Territories which have no settled populations and very few inhabitants, such as SSGSI and the British Antarctic Territory. There is no legal or constitutional basis for distinguishing between these territories and territories which pass the Applicants' definition of "autonomous."	



(58)

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16 MAR 1971
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17th February 1971

I returned on the evening of 2nd February from my visit to Chagos. In addition to the nine members of the U.S. reconnaissance party, Paul Moulinie also came along.

2. We left Mabe on 19th January and arrived in Diego Garcia on the 23rd. The reconnaissance party, helped by a boat and a tractor and trailer from the plantation, got down to work whilst I collected the various details necessary to arrange the evacuation of the island. On the 24th January I told all the inhabitants that we intended to close the island in July but, that for some time, we would be continuing to run Peros Banhos and Salomon and that we would send as many people as possible from Diego Garcia to these two islands. This drew no comment from the Seychellois but a few of the Ilois asked whether they could return to Mauritius instead and receive some compensation for leaving their own country. I played this one into touch by saying that our intention was to cause as little disruption of their lives as possible and that due to the difficulties of communications with Mauritius it would not be possible to arrange a return there until towards the middle of the year when the M.V. Mauritius would resume its calls at Mabe.

3. Paul Moulinie and I left Diego Garcia on the evening of 24th January and went first to Salomon and then to Peros Banhos where we obtained details of those on the islands and the accommodation available. We returned to Diego Garcia on the 27th January.

4. The detailed position on the islands is shown in the attachment to this letter. As you will see we shall in July have on Diego Garcia 36 Ilois families (36 men, 37 women and 64 children), 1 Mauritian and 45 Seychellois families (45 men, 17 women and 30 children). The 36 Ilois families and the single Mauritian should then go to Peros Banhos and Salomon. Only 10 families will have left these islands by then but by reorganizing the allocation of some quarters and carrying out limited repairs on others, we will be able to absorb the 37 Diego Garcia families without prematurely terminating the contracts of Seychellois on these islands. The Ilois will be able to be economically employed on the islands and indeed, some further labour could be absorbed if the running of the plantations was the only consideration

Copied to:
Mr. Thomas (Dep. Dir.)
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Mr. Findlay (Finance Dept.)
Miss Reed (UN (Gen) Dept.)
Mr. Hughes (O.E.A.)

Mr. Gannon (File Air - nos.)
Mr. Guyon (Treasury)
Mr. Willie (D.S. - nos.)

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5. To absorb further labour would however mean building more houses, which economically we cannot justify for a short period, and it will therefore be necessary to terminate the contracts of those Seychellois labourers left on Diego Garcia in July 1978. There are 45 families involved and the cost of compensation will be some £3,000. The cost of repairing houses on Peros and Salomon can be met from the normal running costs of the plantations and the transport costs are also a fair charge on this, as we can combine the movements with normal commercial visits. It would, I consider, be fair to pay each of the Ilois families who are moved to Peros Banhos Rs500 to compensate them for the move which will involve them in some expense as they will have to leave some of the fittings which they own in their houses. This would add a further £1,350 to the cost of the move, bringing the total to £4,350.

6. One problem we shall have to face is that mentioned in paragraph 2, the problem of those Ilois who would prefer to go to Mauritius or Agalaga. Moulinia has agreed to transfer any who wish to go to Agalaga to that island. This leaves the more difficult problem of those who wish to return to Mauritius. Under the terms of their employment we cannot refuse to allow them to return if they so wish, as they have all completed their contracts. At the same time it would obviously be embarrassing for us if they arrived in Mauritius with at most their Rs500 disturbance payment in their pockets. All we can do is to encourage them to go to Peros Banhos and Salomon. The offer of the Rs500 only to those who did so would help, but it would be more helpful if we could at that stage tell them that the move to the other islands was intended as a temporary one whilst we worked out a detailed scheme to provide adequately for their future.

7. Moulinia remains hesitant about any definite scheme for Agalaga. All I have been able to get out of him is a general statement on the island, a copy of which I am attaching to this letter. I will continue to press him when suitable opportunities present themselves, but I can hold out little hope of a firm practical plan emerging unless we can make the first move by making a concrete offer of assistance. This could only be done after a visit to the island by an expert which would mean obtaining the agreement of the Mauritius Government. This changes round our proposed approach and may well complicate your position with the Mauritius Government, but I think it is the only approach which will effectively get anything constructive out of Moulinia.


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