

Mr Justice
Mr. B. [unclear]

10/12
Mr A South
CCD
10/12

SECRET
Previous [unclear] referred
to the [unclear] Finance Dept
at his request
11/12



S A m D
cc/PS (314)
PS/LPS
PS/M Lu
PS/PUS
Chief Clerk
Mr Day
Mr [unclear]
Finance Officer
Rmyl 9/12

re spoke. A silly letter. But
let us wait for the Treasury
to approach us.

10/12

Treasury Chambers, Parliament Street, SW1P 3AG

Brian Fall Esq
The Private Secretary to
Rt Hon Lord Carrington PC KCMG MC
Secretary of State for
Foreign and Commonwealth Office
Downing Street
London SW1A 2AL

7 December 1981

Dear Brian,

FALKLAND ISLANDS

(309)

The Chief Secretary was glad to note from your minute of 2 December addressed to the Prime Minister that there seem to be grounds for cautious optimism concerning the forthcoming talks in Geneva, [where there will be two representatives of the Islands on Richard Luce's delegation.]

I am concerned, however, to learn that you foresee that there could be yet another call for extra expenditure, should the Argentines interfere with communications. You suggest that the costs which might fall upon HMG could amount to some £6 million per annum; this might, I suppose, be for an indefinite period. In the circumstances I think it would be prudent if my Officials were to consult with yours concerning these "preliminary studies" of cost.

I am copying this minute to the Private Secretaries of members of OD, the Secretary of State for Energy, the Attorney General and to Sir Robert Armstrong.

Yours ever
Terry Mathews

T F MATHEWS
Private Secretary