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SECRETARY OF STATE FOR DEFENCE

HMS Endurance

(14)

1. In your minute (MO 26/9/2) of 3 February, you confirmed your inability to keep HMS Endurance in service on the defence budget. You also sought my view on the scope for an approach to OD for new money to keep the ship going.

2. I remain concerned at the strength of public and Parliamentary opposition to HMS Endurance's withdrawal and at the consequences for our position on the Falklands. I would not therefore wish to rule out an approach to OD for additional finance. It would however seem best to take a firmer view on this after the next round of Anglo-Argentine talks on the Falklands on 26-27 February, when we shall have a clearer picture of Argentine intentions and of the defence implications. I will consult you again in due course.

3. One outstanding matter on HMS Endurance is the need to inform the Brazilians soon of our inability to sell the ship to them. I understand that Peter Blaker intends to discuss this shortly with Richard Luce.

Mr Smith
17/2

(CARRINGTON)

17/2

Foreign and Commonwealth Office
17 February 1982