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FILE

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SUBJECT



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10 DOWNING STREET

From the Private Secretary

5 May 1982

Telephone call by Australian Prime Minister: Falkland Islands

Mr. Fraser rang the Prime Minister this morning. He expressed sympathy about the loss of the Sheffield, but said that we should take heart because we had many friends. The Prime Minister thanked Mr. Fraser for his message. The loss of the Sheffield was a blow but we were still on top of the situation. Mr. Fraser commented that from a distance it looked as though the operation was going well. Vice President Bush had just left Australia and he was in no doubt where the United States would stand in the crunch.

The Prime Minister said that, at present, there was a further move for negotiations through Mr. Haig and Peru. The problem which remained was that of persuading an invader to withdraw without obtaining half of his aims. Mr. Fraser said that it was important to do this if possible. But the main message he wished to convey to the Prime Minister was that there was much admiration in Australia for her actions at the present time.

I am copying this letter to David Omand (Ministry of Defence).

A. J. COLES

John Holmes, Esq.,
Foreign and Commonwealth Office.

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