



10 DOWNING STREET

THE PRIME MINISTER

13 October 1981

Dear Lord Bunker,

Thank you for your letter of 22 September commenting further on the decision to withdraw HMS Endurance.

I would not dispute that the presence of HMS Endurance helps to underline our commitment to the defence of British interests in the South Atlantic. As I said in my previous letter, the decision to pay her off next year was not an easy one to take. But the Government has to see to it that the resources allocated to defence are spent to the very best effect. Given the reductions that are to be made elsewhere in the size of the surface fleet (including the paying off of a carrier, two assault ships and a number of destroyers and frigates) as part of the reshaping of our maritime forces, the relatively limited contribution made by HMS Endurance to our defence capability does not justify the continued expense of running her. I regret this as much as you do. I must also say that your suggestion that the ship be retained in service until she is replaced would simply represent a continuation of the status quo rather than the compromise you suggest; nor, I am afraid, is there any question of replacing her.

Without in any way belittling the useful work carried out by HMS Endurance over the years in support of our interests and in assisting the activities of the British Antarctic Survey, I think it is important not to over-estimate her role. Despite the valuable assistance rendered by her and her predecessors, she has not been indispensable for the effective conduct of BAS operations.

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I cannot accept your view that her paying off will be tantamount to surrendering any stake we may have in Antarctica's resources. By the same token, the Royal Marine Garrison will continue to provide an effective presence in the Falkland Islands the whole year round.

You raised the question of the future of the Naval Fuel Depot at Port Stanley. This has yet to be determined although there will be no Royal Navy requirement for it following the paying off of HMS Endurance. On the other hand, the Royal Navy has in recent years been only a minority user of this facility and we are hopeful of working out alternative arrangements for the management of the facility which will be convenient to the majority of users.

You suggest that the announcement of the withdrawal of Endurance has led to a claim by the Argentine Government to sovereignty over the Falkland Island Dependencies. Successive Argentine Governments have, of course, claimed the Dependencies, as they do the Islands themselves. It was indeed on the basis of that claim that Argentina, as you say, established a station on Southern Thule in 1977. The letter which the Argentine Foreign Minister addressed to our Ambassador in Buenos Aires at the end of July was a request for further negotiations on the Falkland dispute rather than any new claim.

I do not think that any useful purpose would be served in my repeating in detail the points I made in my previous letter. However, I should stress that the decision to pay off Endurance was a collective Government decision. As I have said, it was not taken lightly, not least because of the considerations to which you draw attention in your letter. But I would ask you to believe that this does not foreshadow any loss of interest on the Government's part in the Falkland Islands, their dependencies or our important stake in Antarctica.

Yours sincerely
Margaret Thatcher