

CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

19 March 1981

*Lee Ab*  
*cc: Lord Trenchard (RWD)*  
*TSY*  
*Trade Defence*  
*CO*

FRIGATES FOR PORTUGAL

The Prime Minister has seen the minute addressed to her on this subject of 17 March by the Minister of State in the Ministry of Defence. She has noted (paragraph 5 of Lord Trenchard's minute) that the Secretary of State for Industry does not feel that the Department of Industry can help. She has asked that this decision should be looked at again. She finds it hard to accept that, given the scale of Government assistance to industry, none of the existing schemes can be drawn upon to help Rolls Royce in this instance.

I am sending copies of this letter to Colin Balmer (Ministry of Defence), to the Private Secretaries to the other members of Ex and to David Wright (Cabinet Office).

*CJ*

M. O'D. B. ALEXANDER

I. K. C. Ellison, Esq.,  
Department of Industry.

CONFIDENTIAL