

Treasury Chambers, Parliament Street, SWIP 3AG

Malcolm Rifkind Esq Parliamentary Under Secretary of State Foreign and Commonwealth Office Downing Street London SWIA 2AL

2 March 1983

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THE FUTURE OF CONCORDE

Thank you for sending me a copy of your letter of February 21 to Norman Lamont. I understand that the points you made about the draft PQ and the statement have been satisfactorily resolved and I do not wish to comment further about them.

However, I would like to make one point about your letter. You said that the ideal outcome would be for BA to accept that the decision about future Concorde operations should remain a matter for governments even after the handover of support costs. I would not agree. As I made clear in my letter of November 25 to Norman Lamont our objective is to withdraw completely from responsibility for Concorde. This means no continuing indemnities to manufacturers or British Airways and no responsibility for deciding whether Concorde continues to fly or not. Indeed the whole point of the exercise, as I understand it, is to ensure that decisions about Concorde's future are taken on commercial grounds.

That said, I would agree with your suggestion that the best solution is probably to negotiate with BA a reasonable period of notice if they wished to stop flying Concorde to allow for subsequent discussion between Governments. But the presumption would have to be that there would be no question of continuing with Concorde if BA had decided that the operation was no longer commercially viable.

I am copying this letter to the recipients of yours.

LEON BRITTAN

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