OD(82)17 30 March 1982

COPY NO

46

CABINET

DEFENCE AND OVERSEA POLICY COMMITTEE

FALKLAND ISLANDS: HMS ENDURANCE

Note by the Secretaries

- 1. Attached for the information of the Committee are copies of a minute from the Secretary of State for Foreign and Commonwealth Affairs to the Secretary of State for Defence dated 24 March 1982 and of a minute from the Parliamentary Under-Secretary of State for the Armed Forces to the Secretary of State for Foreign and Commonwealth Affairs dated 26 March 1982.
- 2. These minutes are relevant to the Committee's discussion of Item 3 at their meeting on 1 April.

Signed ROBERT ARMSTRONG R L L FACER

Cabinet Office 30 March 1982



FCS/82/55

THIS IS A COPY. THE ORIGINAL IS RETAINED UNDER SECTION 3 (4) OF THE PUBLIC RECORDS ACT

SECRETARY OF STATE FOR DEFENCE

Falkland Islands: HMS Endurance

- 1. As you know, we may be at a critical stage on the Falklands dispute. I am minuting separately to the Prime Minister and OD colleagues, setting out the present position and seeking political and financial authority to carry our civil contingency planning forward. In advance of an OD meeting on the Falklands, you may wish to consider whether it would also be helpful at this stage to circulate to colleagues the contingency paper which your officials have prepared on the defence aspects.
 - 2. While we may still hope that a continuation of negotiations with Argentina will be possible, we must, I think, accept that this is unlikely.

 Indicates that the Argentines may be prepared to take early action to withdraw Argentine services to the Islands. If they do, there will be two main problems: how to replace them; and how to demonstrate to public opinon here and to the Islanders our commitment to support them. Detailed arrangements for a replacement of Argentine services will inevitably take some time. We must recognised that we could face criticism if we appear unable to step into the breach quickly.
 - 3. There is one action we could take which would be an immediate demonstration of our support for the islands: that is to maintain HMS Endurance on station in Falklands waters for the time being. This would serve as a visible sign of our commitment, would be an appropriate signal to the Argentines and could allow us to provide practical assistance if necessary. I appreciate that this would cause difficulties, not least for the captain and crew of the ship at the end of their long season, and that such a solution could only be temporary. But the latest incident, on

/South Georgia



indicates how vulnerable v

South Georgia, indicates how vulnerable we are and how important a role HMS Endurance can play. I think therefore that it would be of the greatest assistance if contingency plans could now be made for HMS Endurance to remain on station in the area of the Islands after the rotation of the Marine Garrison is completed at the end of this month. Indeed I suspect that our position, both here and in the Islands, would become politically untenable if HMS Endurance were not to remain on station beyond the date of her scheduled departure.

- 4. This of course leaves on one side the broader question of HMS Endurance's future. As you know, I believe that it must be retained for at least another year. The South Georgia incident has obviously reinforced the case for this. This is something we shall need to look at in OD fairly soon.
- 5. I am copying this minute to the Prime Minister and to the Chancellor of the Exchequer.

(CARRINGTON)

Foreign and Commonwealth Office 24 March 1982



PARLIAMENTARY UNDER-SECRETARY OF STATE

D/US of S(AF)/JW/25/5/7 92/82

FOREIGN AND COMMONWEALTH SECRETARY

Falkland Islands: HMS Endurance

I am replying in John Nott's absence, but with his knowledge and agreement, to your minute of 24 March. This minute also confirms my telephone conversation earlier today with Richard Luce. The contingency paper on the defence of the Falkland Islands is being circulated today.

You asked whether as a temporary solution HMS Endurance could remain on station in the Falklands area beyond heredapped departure date. It would be possible to defer HMS Endurance's departure from the area by up to two months. After this period we would begin to run into serious manpower problems (not least because the members of her ship's company have been reappointed).

Ship's future. He would I know wish me to make the following points. There is some urgency about reaching a final decision. To keep the ship in service for even one more year it would be necessary to take an early decision to set arrangements in hand for her annual maintenance which, because of the planned rundown in dockyard capacity, might have to be put out to commercial

contract. My officials are exploring the practical implications of the ship's retention, including the provision of a new ship's company, on a contingency basis.

The pressures to reprieve Endurance have obviously been intensified by the South Georgia incident, but the necessary money would have to be found for this, in the same way as for the other contingency measures referred to in your minute to the Prime Minister. No provision has been made within the defence budget. And while I accept that Endurance's annual deployment to the South Atlantic has great symbolic importance as a demonstration of our commitment to the Falklands, the fact remains that were the Argentinians to bring to bear the sizeable naval resources they have available, Endurance could make only a very limited contribution to the defence of the Falklands. In defence terms, her utility is marginal and the pressure on the defence budget is such that we cannot see our way to pay for her retention

For the reasons I have mentioned there is everything to be said for a very early discussion by OD, hopefully before Easter.

In the meantime, contingency planning is being set in hand to retain Endurance on station. We are separately arranging to sail a support vessel on 29 March against the possibility that Endurance might be required to remain off South Georgia for the foreseeable future.

I am copying this minute to the Prime Minister and to the Chancellor of the Exchequer.

16 March 1982

Jerry Wiggin