



Ref. A084/1140

PRIME MINISTER

Statement on the Defence Estimates

(C(84) 14)

BACKGROUND

The Secretary of State for Defence has amended the text of his draft White Paper to take account of the comments made in OD on 5 April, and previous correspondence. There are two glosses: in the fifth sentence of paragraph 203, the revised language is not exactly in the terms agreed: the words "in the Public Expenditure Survey" are omitted after the phrase "The cash provision for 1986/87". But the precise language agreed by the Committee will be included in the version sent to the printers. The last two sentences of paragraph 7 of the Essay on "The European Contribution to NATO" appear in square brackets (pages 5 and 6). These sentences reflect Mr Luce's suggestion at OD that there should be an indirect reference to the consideration currently being given to strengthening the role of the Western European Union. Mr Heseltine will no doubt explain whether or not he proposes to retain this language in the finally published text.

2. The Secretary of State for Defence proposes to publish his Statement on 23 May.

HANDLING

3. You will wish to invite the Secretary of State for Defence to introduce the Statement. Points to be established are:

(a) Is the Cabinet content with the text?

(b) Is it likely that the Secretary of State for Defence will shortly be announcing the choice of Harpoon to satisfy the Royal Navy's requirement for the next generation of surface-to-surface guided weapons. Should this decision be mentioned in the White Paper?

(c) Is any objection seen to the proposed date of publication?

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CONCLUSION

4. The Cabinet might be guided to -
- (a) Approve the Statement on the Defence Estimates 1984.
 - (b) Agree that it should be published on 23 May.

RA

ROBERT ARMSTRONG

11 April 1984

CONQUEROR

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