Discussed at S & S & Sfrice meeting laday. Amentical services of lead in pour 2 below agreed. Revised lee to BA Sent.

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## FALKLAND ISLANDS PQ

- 1. Mr Fearn's submission of 28 January, and Mr Ure's minute of today's date. Mr Ridley considers that the aim in answering this question should be:
  - to be as open as possible to MPs, and not to appear devious;
  - to avoid arousing the suspicions of MPs and Islanders (para 4 of the submission);
  - (c) to cause as little difficulty for Argentina as possible.
- He has discussed the draft answer attached to Mr Fearn's submission with Mr Day and Mr Fearn. He would prefer a different approach to the Question, answering it as follows:

'Since May 1979 there has been one round of formal talks on the Falkland Islands dispute with the Argentine government. In addition in the regular Acqueuk official contacts which we have with the Argentine government over the whole range of Anglo-Argentine relations many possible approaches to the solution of the Falklands dispute have been mentioned informally.'

Mr Ridley considers this to be a true answer, apparently open and also perhaps less likely to cause difficulty to the Argentines than the draft supplied by the Department. When he was in the Islands, and asked on several occasions whether leaseback would be acceptable to Argentina, Mr Ridley replied on the lines that through our contacts with the Argentines we had a shrewd idea of what might be acceptable; the draft answer he suggests is consistent with that assertion.

3. Mr Ridley would of course be happy to discuss this PQ with either the Secretary of State or the Lord Privy Seal if they should so wish. The telegram to Buenos Aires should not issue until a definitive answer has been agreed between Ministers.

> K D Temple PS/Mr Ridley

29 January 1981

PS/LPS Mr Ure cc: Mr Fearn PS/PUS Mr Day