SUBJECT



Tisz/n Phings Phing

10 DOWNING STREET

TIS2/80

THE PRIME MINISTER

30 July 1980

Dear Prime Minister,

Thank you for your message of 18 July. It was very helpful and timely to have your views on the South Pacific Forum meeting - and we were also grateful for the briefing that your officials gave to Mr. Rose in Tarawa, which enabled him to report on the meeting more fully than would otherwise have been the case.

I will not go into the New Hebrides situation in this letter. Your concern is understood and appreciated. I know you will welcome the fact that we have been able to stick to the date of 30 July for independence and the re-occupation of Santo Island by British and French troops on 24 July. But there are still matters to be resolved in the interest of a peaceful future for the people of the islands. I have asked Peter Blaker, the Minister of State at the Foreign and Commonwealth Office, who as you know will be representing the British Government at the independence celebrations, to come back via Canberra and to make himself available there to brief you, or any of your colleagues, should you so wish.

Peter Blaker would also be interested to hear the Australian Government's views on the broader aspects of our joint interests in the Pacific region, which you outline in your letter. As you say, Australia and the UK share considerable interests in the stability and progress of this important area. I was interested

/ to note your

C

E. H.

to note your suggestion at the South Pacific Forum in Tarawa that the 1982 regional Commonwealth Heads of Government Meeting might take place somewhere in the Pacific: and I know that you have specifically championed Pacific interests in the Commonwealth and other fora. We have also watched with interest the discussions on possible wider cooperation between Pacific countries themselves, in which Australia and you personally have taken an important part.

You mentioned in your letter the American proposal to store nuclear waste on the island of Palmyra. The acceptability of this particular proposal is a matter for the United States and South Pacific Governments. But we recognise that there could be non-proliferation advantages in having spent fuel from certain countries, which we do not wish to see develop national reprocessing facilities, stored under multinational arrangements. In general I agree that it would not be in western interests to allow nuclear questions in the Pacific to become contentious and to spoil our good relations with the Pacific countries.

Britain's role in the Pacific is of course less direct than your own, and our priorities, like yours, have to reflect our perceptions of our geographical and strategic position. Our aid programme to the area this year amounts to £27 million. We are members of the South Pacific Commission and have a wide spread of diplomatic representation in the area. These are evidence of our continuing interest in the region.

Yours sincerely,

MT

The Right Honourable Malcolm Fraser, CH, MP.

Foreign and Commonwealth Office London SW1A 2AH Type for signalure. 28 July 1980 Dear Michael, I attach a draft reply to Mr Fraser's message of 18 July to the Prime Minister (your letter of even date refers). If you return the text as approved by the Prime Minister to us we shall telegraph it to Canberra for delivery by Sir J Mason (we shall of course send a courtesy copy to Sir J Plimsoll). The Prime Minister may consider that it would be a good idea if Mr Blaker handed over the signed original; in this case could you send it to me by close of play on 29 July. Mr Blaker may also seek to deliver a message of political support to the Australians for URENCO's bid to take part in Australian uranium enrichment. The Department of Energy are writing separately about this. Mr Fraser's suggestion about the next CHOGRM was made in the South Pacific Forum communique (copy attached). yours ever (R M J Lyne) M O'D B Alexander Esq 10 Downing Street

28 JUL 1980

1

DSR 11 (Revised) DRAFT: minute/letter/teleletter/despatch/note TYPE: Draft/Final 1+ FROM: Reference Prime Minister DEPARTMENT: TEL. NO: The Rt Hon Malcolm Fraser CH Mp Your Reference SECURITY CLASSIFICATION TO: Parliament House Top Secret Canberra Secret Copies to: Confidential Restricted Unclassified PRIVACY MARKING SUBJECT:In Confidence Thank you for your message of 18 July. It was very helpful and timely to have your views on the South CAVEAT..... Pacific Forum meeting - and we were also grateful for the briefing that your officials gave to Mr Rose in Tarawa, which enabled him to report on the meeting more fully than would otherwise have been the case. I will not go into the New Hebrides situation in this letter. Your concern is understood and appreciated. I know you will welcome the fact that we have been able to stick to the date of 30 July for independence and the re-occupation of Santo Island by British and French troops on 24 July. But there are still matters to be resolved in the interest of a peaceful future for the people of the islands. I have asked Peter Blaker, the Minister of State at the Foreign and Commonwealth Office, who as you know will be representing the British Government at the independence celebrations, to come back via Canberra and to make himself available there to brief you, or any of your colleagues, should you so

wish.

Enclosures-flag(s).....

/Peter Blaker

the Australian

views on the broader aspects of our joint interests in the Pacific region, which you outline in your letter. As you say, Australia and the UK share considerable interests in the stability and progress of this important area. I was interested to note your suggestion that at the South Pacific Forum in Tarawa, that the 1982 regional Commonwealth Heads of Government Meeting might take place somewhere in the Pacific: and I know that you have specifically championed Pacific interests in the Commonwealth and other fora. We have also watched with interest the discussions on possible wider cooperation between Pacific countries themselves, in which Australia and you personally have taken an important part.

You mentioned in your letter the American proposal to store nuclear waste on the island of Palmyra. The acceptability of this particular proposal is a matter for the United States and South Pacific Governments. But we recognise that there could be non-proliferation advantages in having spent fuel from certain countries, which we do not wish to see develop national reprocessing facilities, stored under multinational arrangements. In general I agree that it would not be in western interests to allow nuclear questions in the Pacific to become contentious and to spoil our good relations with the Pacific countries.

Britain's role in the Pacific is of course less direct than your own, and our priorities, like yours, have to reflect our perceptions of our geographical and strategic position. Our aid programme to the area this year amounts to £27 million, and as you know we are also members of the South Pacific Commission. We are also members of diplomatic representation in the area. These are evidence of our continuing interest in the region.