



PRIME MINISTER

BRITISH ANTARCTIC SURVEY

On front of
file

I have seen the papers on this question and my private secretary wrote to yours on 22 July setting out my views. Since then Keith Joseph's private secretary has also written with a proposed draft letter for you to send to Sir Alec Merrison.

2. I recognise that at the meeting you had with Keith Joseph, Sir Alex Merrison and Sir Hermann Bondi it was agreed that "extra" money would be made available. However, Mrs Wilde's letter of 22 July also suggests that reductions in the remainder of the Science budget can now be ruled out. I believe it would be quite wrong for our decision on the BAS to be allowed to prejudice the forthcoming Public Expenditure Survey discussions of the Science budget itself.

3. Nor do I believe it need do so. I was not of course present at your meeting with Keith Joseph and the scientists concerned. But it seems to me from the record that Sir Hermann Bondi showed some recognition of the difficulties that face us when he proposed his formula of X + £5million. What is important for him and Sir Alex Merrison, is that the sum provided for the BAS is a Governmental and not a scientific decision. But this can be

satisfactorily achieved by the earmarking procedure. It does not require us to agree now that the remainder of science budget spending should be protected. Indeed while the scientists have a perfectly proper right to represent their views on scientific priorities, it is not for them to dictate what the spending levels must be within which those priorities are applied. If we conclude in the Survey that the science budget should be somewhat smaller, the total could still include an earmarked £5 million for the BAS.

4. I am also concerned at the proposal in the DES draft to "index" the sum of £5 million. I see no justification for indexing which would be quite contrary to the principles of cash planning

5. I should therefore like to propose that the DES draft letter be amended as follows:-

Para 2: delete "You also explained" to the end.

Para 3: last sentence: delete

6. The level of the Science Budget as a whole can then be left for decision in the Survey.

7. I am sending copies of this minute to Francis Pym, Keith Joseph, John Nott and Sir Robert Armstrong.

L.B.