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RH
Foreign Policy

see CST's office.

10 DOWNING STREET

From the Private Secretary

4 August, 1982

BRITISH ANTARCTIC SURVEY

The Prime Minister has seen your letter of 22 July and has also seen Terry Mathews' letter of the same date.

Mrs Thatcher has said that the conclusion of her meeting with your Secretary of State, Sir Hermann Bondi and Sir Alec Merrison on 12 July was that, whatever the science budget would have been, it should be reduced by £5m which would then be added back for the British Antarctic Survey.

The Prime Minister also agrees with the Chief Secretary that it would be wrong to commit the Government to annual indexation of the £5m earmarked for BAS.

I should be grateful if your Department could now agree with the Treasury a new draft of a letter for the Prime Minister to send to Sir Alec Merrison. It would be helpful if such a draft could reach us this week.

I am copying this letter to Francis Richards (FCO), David Omand (Ministry of Defence), John Kerr (HM Treasury) and Richard Hatfield (Cabinet Office).

A. J. COLES

Mrs I Wilde
Department of Education and Science

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