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W0606

PRIME MINISTER

13 April 1988

SPACE

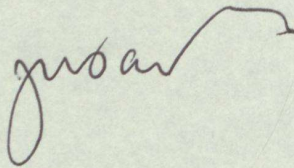
1. I support the proposals in the Chancellor of the Duchy of Lancaster's minute to you of 11 April. Earth observation certainly seems to me to be the right priority for the available headroom. As between the various projects, there are arguments as between Radarsat and Columbus. Radarsat would offer an alternative platform for international space ventures to ESA. It would start earlier and cost less. Columbus is a more international project and is likely to offer more data on earth resources and to be more relevant to our requirements. Industry support for it, whilst modest, is an important endorsement. And, unless we participate in a major European project such as Columbus, our ESA membership fee will go largely on overheads and offer very poor value for money. On balance I conclude with the Chancellor of the Duchy that the Columbus option is the right one. *with B*

2. The proposals in Mr Clarke's minute cover two of the issues in the longer term review of space which I proposed in my minute to you of 3 February and which you endorsed (your private secretary's letter of 5 February). The one outstanding issue for review is the structure and management of the BNSC. The Chancellor of the Duchy's proposals to you, if accepted, will provide a firm basis for space expenditure and activity over the next few years. It is equally important, in my view, that there should be a correspondingly firm structure for the BNSC. As you may recall, my predecessor proposed a number of different structures and budgetary arrangements for the Centre. This issue was set on one side whilst the Space Plan was prepared and considered. This now needs to be tackled and could effectively form the final part of the review which you asked the Chancellor of the Duchy to complete by the Summer Recess. Given the aim of

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increasing the level of industrial investment in space R & D, I would suggest it is particularly important that attention be given to a structure and management system for the Centre which ensures close liaison with industry.

3. I am copying this minute to the Foreign Secretary, the Secretaries of State for Defence and Education and Science, the Chief Secretary, the Chancellor of the Duchy and to Robin Butler.

A handwritten signature in dark ink, appearing to read 'John W. Fairclough', with a stylized flourish at the end.

JOHN W FAIRCLOUGH
Chief Scientific Adviser

AEROSPACE : Space : PE 3

