



2cc AH  
cc MOD

10 DOWNING STREET

From the Principal Private Secretary

29 July 1982

RESTRICTED

RF

Dear Jim,

SOUTH ATLANTIC FUND

When the Attorney General saw the Prime Minister this afternoon about another matter, he took the opportunity to mention that it was important that we should be very careful about what was said in public about payments from the South Atlantic Fund to the widows and other dependants of those killed in the Falklands campaign. Unlike the Penlee fund, the South Atlantic Fund was a charity, and this meant that payments from it could be made only on need. He understood that Mrs Jones, the widow of Lieutenant-Colonel Herbert Jones, had inherited £187,000, and at first sight it appeared unlikely that it could be shown that she was in need. It was therefore wrong to make statements to the effect that every widow would get £10,000, as press reports had suggested.

The Prime Minister said that this was very disappointing. She believed that the fund was intended to compensate dependants for the loss of their husbands and fathers and that they should all therefore be treated in the same way. She would be grateful if further work could be done to establish whether there was any way at all in which the fund could make payments of the kind she would like to see.

I am sending a copy of this letter to Richard Mottram (Ministry of Defence).

Yours ever,

John Major.

J. Nursaw Esq.,  
Law Officers' Department.

2cc  
MOD 6/85  
30/7

AH