



Prime Minister.

Agree that the Defence Secretary should announce the enhancements to BAOR (para 3(c) below) on 14 May, when the statement on the Defence Estimates is published.

MO 16

PRIME MINISTERARMY MANPOWER

A.S.C. 2/5.

Yes no

I have already made clear that it is my objective to make the most effective use of the very considerable resources which we devote to defence. Within these resources of both money and manpower, I am seeking to bring all three Services to the highest possible level of fighting effectiveness, enhancing not only their deterrent value but also their conventional staying power.

2. In the case of the Army, we have in hand studies to identify 4,000 existing posts in the training and support area which can be transferred forward into fighting units and their immediate logistic support. The transfer of these posts from tail to teeth will enable the Army to man a number of significant and urgently needed improvements to our NATO, Home Defence and Out of Area capabilities.

3. This will permit:

a. For our NATO Capability in BAOR:

(1) The formation of an extra Armoured Regiment (bringing the total to twelve) which together with other changes will provide much needed improvements to the strength of the 1st British Corps reserve Division (3rd Armoured Division).

(2) The creation of a new air defence High Velocity Missile regiment which will fill a need already adversely commented on by NATO.



(3) More effective use to be made of the Army's helicopters.

(4) An increased capability for electronic warfare.

(5) The deployment of new combat vehicles for the infantry and supporting arms, and the Multiple Launch Rocket System for the artillery.

(6) New equipment to speed increased war stocks to the battlefield.

b. For Home Defence:

(1) The formation of a new Territorial Army brigade, probably in the North East of England.

(2) More regular support for the expanded Territorial Army.

c. For Out of Area Operations: There will be improved command, communications and logistic arrangements.

4. These and other smaller scale enhancements will enable us to make the best use of the excellent new equipment coming into service, as well as to make good a number of deficiencies in the Army's current order of battle. They will be widely welcomed by our allies and can be positively presented publicly at the appropriate time.

5. By redeploying men from the 'tail', these improvements will be manned within the Army's overall manpower ceiling. Part of the planned redeployment is to Germany, and as a result there will be a small increase of up to 1,000 in the number of troops in the theatre. Without this addition, the essential new capabilities could only be deployed to the British Army of the Rhine if we were to remove some of



our existing in-place combat forces, which would defeat the whole purpose of the exercise. For example, to make the necessary headroom we would be forced to withdraw all or part of 6th Brigade from Germany to the United Kingdom. Not only would this remove forces we consider essential to have on the Continent but it would attract direct criticism from our allies and it would seriously detract from the otherwise favourable impression of the new enhancements.

6. In Cmnd 8288 "The Way Forward" my predecessor announced that we would hold BAOR's manpower at 55,000, which is the minimum consistent with our obligations under the Brussels Treaty. In practice we never achieve this figure and the actual numbers in theatre are always several thousand below the ceiling. This is because of our commitments in Northern Ireland, the Falkland Islands and Belize which necessitate the removal of troops from BAOR for emergency tours and, of course, because there are always many troops on courses and leave in the UK. Under my proposals we should still remain significantly below 55,000 troops in Germany in peacetime but by adopting an establishment figure of 56,000 we would come closer to a real figure commitment. The only time in the future, as now, when the 55,000 figure would be achieved let alone exceeded would be during special exercises.

7. Providing for the additional soldiers and their families will give rise to limited extra costs of some £2-3M per annum, since they will for the most part, be supplementing the strength of existing units, and deploying to garrisons where sufficient accommodation and other facilities can be made available. These extra costs will be significantly offset by savings arising out of our continuing drive for economy in the administrative overheads of BAOR, and will be accommodated within the planned defence budget.

8. I should like to be able to announce the enhancements we plan to make in BAOR when the Statement on the Defence Estimates 1984 is published on 14th May; however, I would see no need to draw particular



attention to the increase in BAOR manpower at that time. Indeed I would be content to explain the position as outlined in this note making it clear that we would not be increasing the 55,000 in practical terms. I would be grateful, if possible, for confirmation of my proposed explanation by close of play on Thursday.

9. I am copying this minute to other members of OD and Sir Robert Armstrong.

WJH

Ministry of Defence
8th May 1984



file
bc PC

10 DOWNING STREET

From the Private Secretary

11 May 1984

ARMY MANPOWER

As I told you on the telephone, the Prime Minister has seen your Secretary of State's minute of 8 May and agrees that Mr. Heseltine should announce the planned enhancements to BAOR when the statement on the defence estimates is published on 14 May.

I am copying this letter to other members of OD and to Sir Robert Armstrong.

Nick Evans, Esq.,
Ministry of Defence

CONFIDENTIAL



Treasury Chambers, Parliament Street, SW1P 3AG

May 1984

Rt Hon Michael Heseltine MP
Secretary of State for Defence
Ministry of Defence
Main Building
Whitehall
London SW1A 2HB

N.D.P.R.

A.J.C. 14/5

Dear Secretary of State

ARMY MANPOWER

In your minute to the Prime Minister of 8th May you outlined your plans for identifying 4000 existing Army posts which can be transferred from tail to teeth areas. This is a constructive move which will enhance capabilities and increase effectiveness; I am pleased to see that it can be achieved at only marginally increased costs and within the existing planned defence budget.

I am copying this letter to the recipients of your minute.

Yours Sincerely
Peter Rees

PETER REES
(Approved by the Chief Secretary and signed in his absence)

Defense Budget: Pt 17

14 Nov 63

11 2 3 4 5
9 8 7 6