

Defence minister signals acceptance of blame on Merlin

THE Ministry of Defence appeared to concede yesterday that it was partly to blame for rising costs of the EH101 Merlin helicopter after criticism of its handling of the collaborative project by a select committee.

Michael Neubert, Under-Secretary for Defence Procurement, said that the ministry shared the concern expressed last week by the Select Committee on Defence over the "original contractual arrangements" made with the Westland helicopter company and the Italian company Agusta.

Opening the annual Navy debate in the Commons, he went on: "We intend to improve these by negotiating a maximum price with Westland for their share of developing the airframe, and by appointing a prime contractor next year to be responsible for the overall performance of the helicopter, including all its mission system equipment."

The select committee reported a one-year delay in the programme, and a cut in the Royal Navy's original plans for 74 Merlins to 50 — at the Treasury's insistence — to reduce the overall bill from £2.2bn to £1.5bn.

The minister welcomed the committee's "recognition that it would be wrong for the MoD to commit ourselves to production until we are fully satisfied about the performance of the helicopter and its cost."

"Our proposed new arrangements will ensure that when it enters service with the Navy, the EH101 will be the most advanced and capable anti-submarine warfare helicopter in the world."

However, the minister's initial response failed to satisfy some MPs. **Anthony Nelson** (C, Chichester) said the Government's staff targets for the project changed "faster than traffic lights". "Time after time, they do seem to bring a windfall to the defence contrac-

The Royal Navy

Commons debate

tors and a licence to print money at the expense of the taxpayer."

Paddy Ashdown, leader of the Liberal Democrats, whose Yeovil constituency includes the Westland headquarters, accused the minister of trying to duck the report's central conclusion: "It was the MoD's delay, indecision and changing of targets that has substantially caused this over-run in both cost and time."

From Labour's front bench, **Allan Rogers** urged the Government to "come clean" and admit it still had not provided Westland with the final specifications for the Merlins.

Mr Neubert insisted that it would have been folly for the Government to have ignored technological advances made since the project was originally approved in 1983. The questions of costs remained under negotiation and the Government would give a full response to the select committee report in due course.

The minister agreed with **Edward Leigh** (C, Gainsborough and Horncastle), who told MPs: "However events unfold in Eastern Europe, and if the unthinkable were to happen and the British Army were to withdraw from the Rhine, nothing can affect our reliance on maritime defence."

Mr Neubert declared: "The Royal Navy is as necessary today to our peace and prosperity as it has ever been."

Roland Boyes, a Labour defence spokesman, challenged the Government over reports that cracking had been discovered in the cooler circuit of one of the Polaris nuclear-powered submarines. He said he was not satisfied with letter he received yesterday from Archie Hamilton, Minister

of State for the Armed Forces, in which the minister said that no radiation leak had occurred as a result of the defect.

Mr Hamilton had written: "The necessary action has been taken to deal with it and as a prudent precaution, we are inspecting other nuclear-powered submarines as they come alongside from their operational duties."

Mr Boyes told MPs: "I am not at all convinced, from the evidence I received over the weekend that the boats are as safe and secure as the Government wants us to believe. I am still of the view that some of these boats should be taken out of service, and that people are in danger."

He called on Britain and the United States to allow their navies to be brought within the scope of arms reductions talks. He said that nuclear depth bombs on Navy helicopters and RAF Nimrod aircraft served no tactical purpose and should be scrapped.

Sir Anthony Buck (C, Colchester N) interrupted to ask how he could justify the decision of the last Labour government to update the Polaris nuclear warhead without disclosing it to the House. Mr Boyes replied, to Tory jeers: "I am not responsible for what happened many years before I joined this House."

Michael Mates (C, Hampshire E), chairman of the Select Committee on Defence, criticised Mr Boyes: "He wants defence cuts now but he is not prepared to tell us where and how it should be done. We should take that assertion as meaningless." Mr Mates also expressed concern at the "growing gap" which appeared to be developing between orders for the Navy and the start of construction.

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