

NOTE FOR THE RECORD

This note records a telephone conversation which the Prime Minister and I had with Sir Austin Pearce, Chairman of British Aerospace at 1805 on 14 January.

Sir Austin agreed that No.10 could publish his letter. He confirmed that Sir Raymond was also in agreement and so was his Board. Publication of the letter, together with the Prime Minister's reply, could take place around mid morning tomorrow (say 11 a.m.). I warned Sir Austin that if his letter leaked overnight - and I wasn't suggesting it would - we would have to be ready to get our reply out quickly.

Sir Austin confirmed that he would not want Sir Raymond Lygo's transcript of his conversation with Mr. Brittan published. This was an internal working document for the company. The Prime Minister pointed out that she would have to make it clear, in answer to questions, that it was the company, not the Government, that objected to its publication. The Prime Minister told Sir Austin that she was considering with Mr. Brittan the publication of the Department of Trade and Industry's own note of the meeting with Sir Raymond. Sir Austin said that publication of that note was a matter for the Government's own decision.

N.L.W.

(N.L. Wicks)

14 January 1986