

time: 11.00 date: 29.1.80

## PRIME MINISTER'S ENGAGEMENTS

A meeting of the Defence and Oversea Policy Committee began at 1000.

Present:

Prime Minister

Foreign Secretary
Home Secretary
Chancellor of the Exchequer
Lord Privy Seal
S/S for Defence
S/S for Industry
Chief Whip

Attorney General
M/S Foreign Office (Nicholas
Ridley)
M/S Civil Service Dept.
(Paul Channon)
M/S Trade (Cecil Parkinson)

The Prime Minister will be in the House for Questions this afternoon.

At 1700 she will receive the Italian Prime Minister, Francesco Cossiga at Downing Street. They will meet initially a deux and will be joined later by Lord Carrington and Signor Attilio Ruffini (Italian Foreign Minister).

The Prime Minister will host a dinner in Signor Cossiga's honour tonight at Downing Street (guest list available).

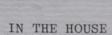
The talks will continue in Plenary Session tomorrow morning between 1000 and 1200 and will be followed by a joint press conference at Church House, Westminster starting at about 1215. Signor Cossiga will then return to Downing Street for a working lunch and travel back to Italy tomorrow afternoon.

Signor Cossiga comeshere as current President of the European Council and will obviously have an important role to play on the question of our EEC budget contribution. Signor Cossiga has just returned from a visit to the United States and so his talks with the Prime Minister will be of a wide-ranging nature, including the EEC, his talks with President Carter, East/West Relations, etc.

### PRESS NOTICES

The Venerable John Bernard Taylor (Archdeacon of West Ham) to be Bishop of St. Albans.

The Rev. David Lawes to be Vicar of Sacriston, County Durham.



Supply Day Debate until 1900 on Gas Prices (and then a 3-line vote).

Speakers: D. Howell, N. Lamont, D. Owen and J. Ashton.

#### EEC BUDGET

We hoped that the possible timing of the special council to discuss our budgetary contribution might be a little clearer after Signor Cossiga's visit but correspondents were reminded that this visit was only one ingredient in a possible solution. The European Council at Dublin had given the Commission a remit to put forward proposals on ways in which Community expenditure in the UK - the receipts side of the problem - could be increased. The Commission's proposals were expected in early February and we and our partners would need some time to consider them. We still wanted an early solution to our budgetary problem and we would prefer a Summit sooner rather than later. But the most important thing was that the ground should be properly prepared before it took place so that there were reasonable prospects for a positive decision.

## STEEL : EEC SOCIAL FUND

We found today's Guardian story quoting Commissioner Vredeling's remarks very curious. There was no evidence at all to suggest that we had failed to apply for help from the EEC Social Fund for the steel industry. The opposite was the case. We had received Social Fund money for the run-down at Ebbw Vale last year and there was no less than £7 million on deposit in Britain from the Social Fund to facilitate the run-down at Shotton. Of course, this money could not be paid out until we knew exactly who would be made redundant, etc. Furthermore, Commission officials working under Vredeling had given absolutely no intimation that Britain had failed to apply for funds and, if this had been the case, surely



the right way to tackle it was through official channels rather than through the press.

# OLYMPICS

Those supporting a change of site for the Games included US, UK, Canada, Australia, New Zealand, Netherlands, Iran, Egypt, Saudi Arabia and Bahrain.

We had not yet received a final reply from the Canadian Government about resiting the Games in Montreal - Canadian consultations were still taking place.

CVA

# LOBBY BRIEFING

time: 4.00 date: 29.1.80

This morning's briefing was repeated.

#### STEEL

We said that Ministers had not considered taking any action concerning Scargill's remarks calling on strikers to defy the Appeal Court ruling - this was a matter best ignored.

## OLYMPIC GAMES

We could not say exactly when the British Olympic Association would send a full reply to the Prime Minister. However, Sir Dennis Follows had indicated that he wished to consult both the other members of the British Olympic Committee as well as the International Olympic Committee before giving the Prime Minister a considered reaction. We understood that there was to be a meeting of the International Olympic Committee on 13 February in Lake Placid at which the siting of the summer Games would no doubt be discussed, so we did not expect the BOA to come back to us before that date.

We confirmed that the CCPR had asked for a meeting with the Prime Minister (details circulated).

CVA