

PRIME MINISTER

MEETING OF NEDC ON 6 JUNE

*stroke to turn Economic Policy
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10/5*

I understand that the Chancellor spoke to you about the meeting of NEDC on 6 June. It is his intention to take the chair at least at the beginning of this meeting - he would stay for the first two items: an oral presentation of NEDO's work programme by the NEDO chairman and an industrial scenario paper by NEDO. The third item on the agenda, which the Chancellor would not stay for, is a paper by Mr. Prior on the performance of the engineering construction industry.

The question arises: who should take the chair after the Chancellor leaves. Apart from Sir Geoffrey himself, the Government have six places on the Council. These would naturally go to Sir Keith Joseph, Mr. Nott, Mr. Howell, Mr. Prior and two others. Under the previous administration, the Chancellor of the Duchy (Mr. Lever) and Mr. Hattersley filled these two places; but of course we do not have these additional "economic" Ministers. No doubt Sir Geoffrey will put forward names - Mr. Walker would be an obvious possibility since NEDO covers the food processing industries.

Sir Geoffrey has suggested either Mr. Prior or Sir Keith Joseph should take the chair after he leaves, and effectively be Deputy Chairman thereafter. It seems to me that Sir Keith would be the obvious choice. Do you agree? *Yes not*

I understand that you said that you might possibly want to attend the 6 June meeting yourself. The Treasury do not recommend this. They think it would be much better for you to attend a meeting

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in a few months time when the Government's position on NEDC etc is clearer and when we may want to give a political push to NEDO's work. (Although you obviously do not have to follow precedent, Mr. Callaghan used to attend the February meeting of the Council which reviewed the previous year's work and set guidelines for the coming year, and usually one other meeting during the year.)

R.

The Chancellor or I spoke last night,
We agreed I should not go.
Sir Keith will take the chair after.
S.P. has gone
art.

15 May 1979