

LOBBY BRIEFING

time: 11.00 date: 21.1.80

PRIME MINISTER'S DAY

At 0945 the Prime Minister had received a courtesy call from the newly arrived Canadian High Commissioner, Mrs. Jean Wadds.

At 1030, accompanied by the Secretaries of State for Industry and Employment, the Prime Minister had met Mr. Bill Sirs of ISTC and Mr. Hector Smith of NUB. (Saturday's meeting with Mr. Prior and Sir Keith Joseph had been a precondition for this meeting.)

This afternoon - at 1415 - the Prime Minister will meet Sir Charles Villiers and Mr. Bob Scholey in the second leg of the 'steel talks'.

Tonight she will host a dinner for Sir Kenneth Keith (marking his service as Chairman of Rolls Royce); about thirty guests, predominantly from the world of aviation.

IN THE HOUSE

One PNQ was running:

Mr. Jock Bruce-Gardyne to ask the S/S for Trade

What considerations he has given to the deal being currently negotiated by the Export Credit Guarantee Department, for credit to finance the export of 30 million dollars of grain to Poland, and if he will make a statement.

PUBLIC EXPENDITURE

We told the Lobby that the 1981/84 White Paper would be published before 25 March - Budget Day.

The options for the further exercise for 1980/81 were:

- i) these would be incorporated in the 1981/84 White Paper;
- ii) may be able to announce them separately a little earlier.

BUDGET

As far as we were aware, there were no plans to change the date of the Budget - which clashed with the enthronement of the Archbishop of Canterbury. Any questions on possible movement of the date should be put to the Treasury. We had no knowledge of any approach from the Church to the Prime Minister on the date.

JL

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Morning Lobby was repeated.

OLYMPIC GAMES

We said that consultations were still continuing with the Canadian Government on the suitability of Montreal as a possible venue for the Games.

There was no Government reaction yet to President Carter's "one month deadline". The Government was not "hanging back" following President Carter's announcement - his letter to the United States Olympic Committee had been released less than 24 hours ago. There would be a meeting of Ministers this week at which the overall Afghanistan situation would be discussed - including the Olympic Games. We could not confirm whether there would be an announcement or statement on this this week.

We reminded the Lobby that the PM had made our position clear last week in Questions, i.e. we would prefer the Games to be resited.

STEEL

The PM had met Mr. Sirs and Mr. Smith this morning (1030 - 1215 approx.) and Sir Charles Villiers and Mr. Scholey this afternoon (1415 - 1535 approx.). The Secretaries of State for Employment and Industry had attended both meetings. Following the meetings both the trade unions and BSC had made clear that they had not been here to negotiate or to ask for money. At the press conference after the meeting, Sir Keith Joseph had reaffirmed the £450m. which was allocated for:

1. reduncancies;
2. investment; and
3. working capital.

It was for BSC to look at the allocation between these three. The £450m. had no bearing upon wages. BSC had announced that they would be in touch with ACAS again. The Prime Minister had made it clear that the only way to reach a settlement was for BSC and the unions to negotiate and urged them to get on with it.

Both the steel unions and BSC had appreciated the chance to put their cases to the Prime Minister. It ensured that the Government was in full possession of the details. There was no change on the part of the Government.

There were no plans for any future meetings with Ministers.

The question of secondary picketing was not discussed (although it was mentioned in passing by BSC).

JL