

PRIME MINISTER

Blow 20

NEDC AGENDA AND SUGGESTED HANDLING

Item 1: Technological Change, Industrial Adjustment and  
Employment (1½ hours)

(A1)

- (i) TUC papers (Flags A and B) on Employment and Technology  
to be introduced probably by Mr. Murray - if not by  
Mr. Basnett
- (ii) Department of Employment paper on Microprocessor  
Technology and Employment Policy (Flag C)  
to be introduced by Mr. Prior
- (iii) CBI paper on Manpower Implications of New Technology  
(Flag D)  
to be introduced by John Greenborough
- (iv) NEDO paper on "Industrial Performance: Industrial  
Applications of Advanced Technologies - EDC/SWP Work  
in 1979" (Flag E)  
to be introduced by Mr. Chandler
- (v) NEDO paper on "Industrial Performance: Manpower Issues -  
EDC/SWP Work in 1979" (Flag F)  
to be introduced by Mr. Chandler

You might then ask for comments on the papers from the TUC, CBI, and other non-Ministerial members. On past form, Frank Chapple can be expected to make an interesting contribution for the TUC; David Basnett, if he has not introduced their papers, will almost certainly want to speak; so will Moss Evans. For the CBI, John Methven will certainly comment. He has told me that he believes Len Murray will press the idea of technology agreements.

/These are

These are described on page 64 of the green report by the TUC. Methven is very concerned about this proposal - because there is no reference to bringing down unit labour costs, improving productivity, etc. He sees it as likely to be a block, rather than a stimulus, to change. If Murray does press the point, he will come down strongly against. I am sure he is right to oppose the idea, but I suggest it would be best if you and other Ministers refrained from joining this particular battle. Otherwise the temperature of the meeting may brew over. Also for the CBI, Ray Penock and Alex Jarratt can be expected to contribute. Richard O'Brien, Chairman of the MSC, will want to comment on the manpower aspects.

When the non-Ministerial members have commented, I suggest you ask Ministers to comment on specific points which have been raised. These can be structured as follows:

- macroeconomic points: the Chancellor
- new technology and jobs and SWP work on manpower issues: Mr. Prior
- the role of Government in encouraging awareness of micro-technology, industrial applications and UK manufacture: Sir Keith Joseph
- the role of Government in relation to training, redundancy arrangements, social security: Mr. Prior
- SWP work on micro-electronic applications: Sir Keith Joseph.

Then you might sum up drawing on the points in paragraph 4 of the brief.

/Item 2:

Item 2: Sectoral Report: Process Plant Industry (30 minutes)

To be introduced by the Chairman of little NEDDY, Sir Cyril Pitts.

Sir Keith Joseph should then reply.

Then you should ask for any comments.

You can conclude by drawing attention to any particular points or follow up action for which the Council has shown support.

Item 3: Progress Report: Engineering Construction (15 minutes)

Mr. Prior will give an oral report.

You can then ask for any comments.

Item 4: Any Other Business

It is unlikely that any other points will be raised. You should seek confirmation from the TUC and CBI that their papers can be released to the Press after the meeting.

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