



Trade
cc Incl Pd: A2
Mtg with TIC 2
Dennis Smith

From the Secretary of State

Clive Whitmore Esq
Principal Private Secretary
10 Downing Street
SW1

I am sure that
Mr Nott is
right on X.

2 June 1980

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3/5

Dear Clive

IMPORT CONTROLS: AND CONSULTATIONS WITH THE TUC

My Secretary of State has seen the record of the suggestion put to Sir Robert Armstrong by Sir Arnold Weinstock on 19 May. He has also seen Mr Prior's views in the private secretary letter of 23 May.

X On import controls, Mr Nott agrees with Mr Prior's thought that no reliable counterweight could usually be expected in return for Government action - action that would be difficult enough to get agreed in the Community and internationally and could not anyway cover imports from the Community itself. But Mr Nott also feels that any idea of temporary control on imports as part of restructuring schemes for particular industries would be very dangerous. Because we should replace a real impulsion on both management and the unions - to seek and agree improvements - by much more comfortable paper planning agreements which could anyway hardly be expected to cover pay settlements over a period of years.

On a dialogue with the unions, Mr Nott would draw a distinction, as does Mr Prior, between consultation with unions on particular problems (unions have been in 1 Victoria Street on a number of occasions recently) and discussions about how the Government should run its policies.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, the Secretaries of State for Industry and Employment and Sir Robert Armstrong.

Yours sincerely,
Stuart Hampson

S HAMPSON
Private Secretary