



10 DOWNING STREET

PRIME MINISTER

British Leyland

Two points in Treasury letter:

1. The Department of Industry don't like it: they say the important thing from the point of view of the BL's negotiating tactics is government funding rather than government funding plus bank funds. I suggest we tell DOI to ignore Treasury on this point.
2. DOI accept.

TL.

31 October 1980

I accept Richard
Lindwender's approach.
I understand that DOJ
will make it clear that
HMA is not committed
in any way to financing
the funds for the new
corporate plan. The matter
has yet to be considered.

MB.

Relayed to Ian Ellison,
Industry, at home 1/11/80 (a.m.)
N. Smith.