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10 DOWNING STREET

From the Private Secretary

22 December 1980

Ind Pcl
cc HMT JS
CO 5
AW
cc. A. Duguid.

Dear Ian.

At the meeting on nationalised industries this afternoon, Sir Keith raised briefly the question of British Leyland. He suggested that his officials should get together with Robin Ibbs and John Hoskyns to look in detail at the employment and PSBR implications of the liquidation option proposed by the Secretary of State for Trade. The Prime Minister said that she did not see this option as a starter, and therefore she did not believe such a meeting would be worth while. She was, however, most concerned to ensure that Sir Michael Edwardes carried out the Government's chosen strategy for BL including, in particular, the need to look for potential purchasers of different parts of the business as vigorously as possible; she might well wish to see Sir Michael personally to bring home this point.

I am sending copies of this letter to John Wiggins (HM Treasury) and David Wright (Cabinet Office).

~ ~

T. L. L.

Ian Ellison, Esq.,
Department of Industry.

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