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Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

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Dear Tim,

It seems likely that the TUC will exploit the NEDC meeting on Wednesday to make a determined attack on ^{the Government's} ~~our~~ policies and to get publicity for it. They will do so, presumably, under the item on industrial matters which is first on the agenda. We understand that they are likely to base their attack largely on their own economic review, which is being published today, and which was circulated in proof form last Friday as NEDC(81)8.

To a large extent, this is inevitable and the Chancellor does not think the Government need to be too concerned. I gather that Mr. Chandler, when he sees the Prime Minister this afternoon, may suggest that the Government should offer to meet the TUC to discuss their economic review. This could be a useful ploy, but it has its dangers - obviously it would ~~be~~ be undesirable for it to look like a Government initiative for a discussion with the TUC about economic policy. The Chancellor suggests, therefore, that if the TUC provide an opening, e.g. by saying that they would like to discuss their document with the Government or complain that they had no opportunity to do so, the Prime Minister should reply that the Chancellor would naturally be willing to discuss their Budget representations before framing his Budget, and on this basis would be prepared to arrange the earliest possible meeting with them.

Yours

John

A.J. WIGGINS

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