

PRIME MINISTER

MS

British Leyland

I have just received a report from Patrick Jenkin's office of the meeting he held this morning with the four union leaders.

This went very much as predicted. The union side accepted that Mr. Jenkin would not see them again after the ACAS talks; they also accepted that there was no extra money available. The worrying feature of the talks was that the union leaders seemed to be convinced that Michael Edwardes wishes to close BL down, and they went off to the ACAS meeting, apparently, in a fairly truculent mood.

I have arranged to receive a report of the ACAS talks around 5 o'clock this afternoon, and will keep you up-to-date.

31 October 1981

MICHAEL SCHOLAR