

March 4, 1981

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THE MOOD IN LONDON

This section outlines the state of affairs in Government, the Conservative backbench, and the Labour Party. The Liberal Party, with 11 seats in the House remains firmly on side.

1. The Government

Within the last few weeks the Government has granted massive subsidies to British Leyland and the British Steel Corporation, to the threat of a miners strike over the closing of uneconomic pits (involving an additional massive subsidy to the Coal Board) and given a 12.3% increase to the waterworkers.

The anticipated 3 million unemployed by the end of '81 is causing the gravest concern and there is already talk of social unrest in the North of England. The Chancellor of the Exchequer (Sir Geoffrey Howe) has been driven to holding a series of pep talks at No 11 Downing Street for groups of Conservative backbenchers.

Additionally, the Committee for Social Democracy led by Shirley Williams and David Owen seems likely to draw as much, if not more, electoral support from the left wing of the Conservative Party as from the right wing of the Labour Party.

Against this background, which is extremely threatening to the unity and stability of the Government, the Canadian issue is at best a major irritant.

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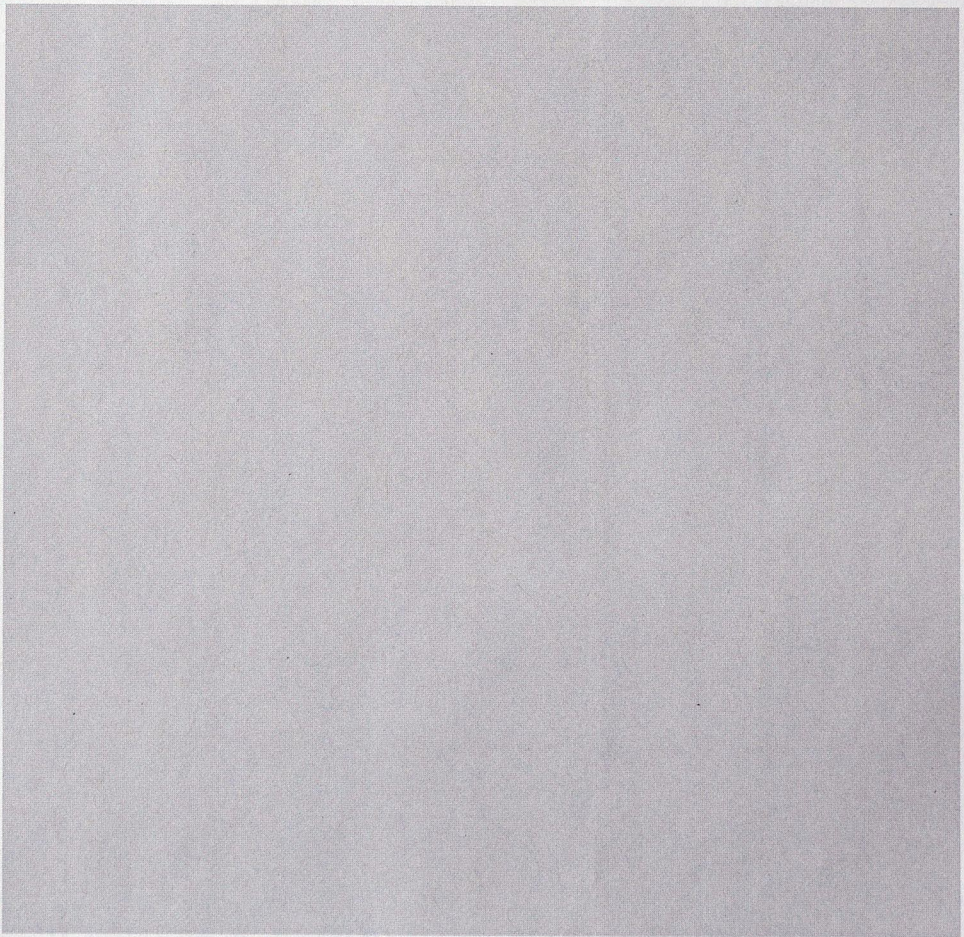
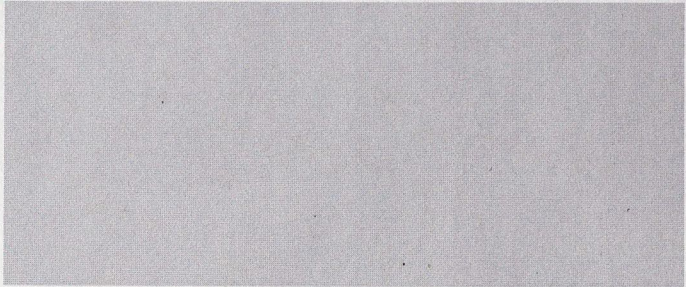
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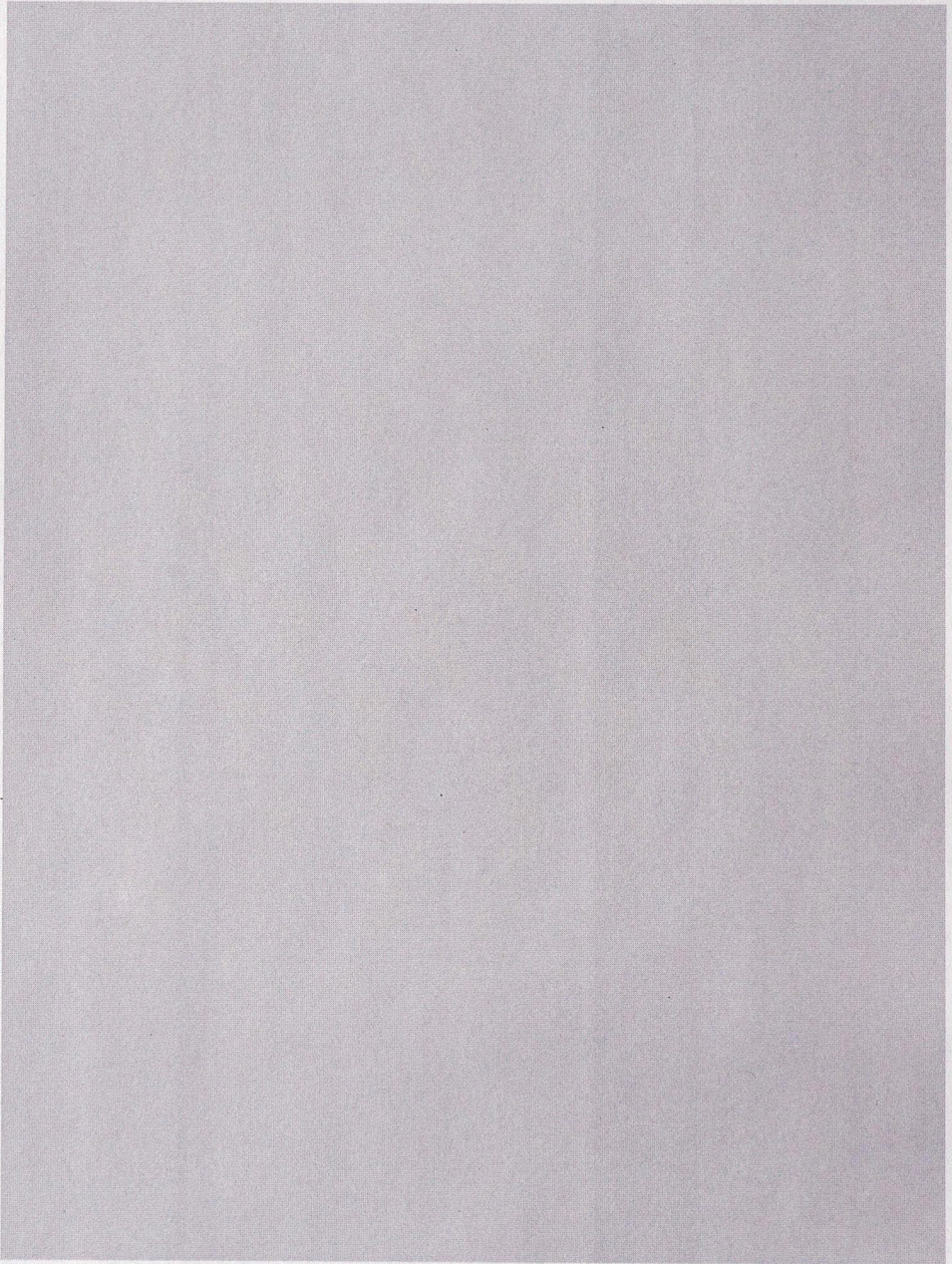


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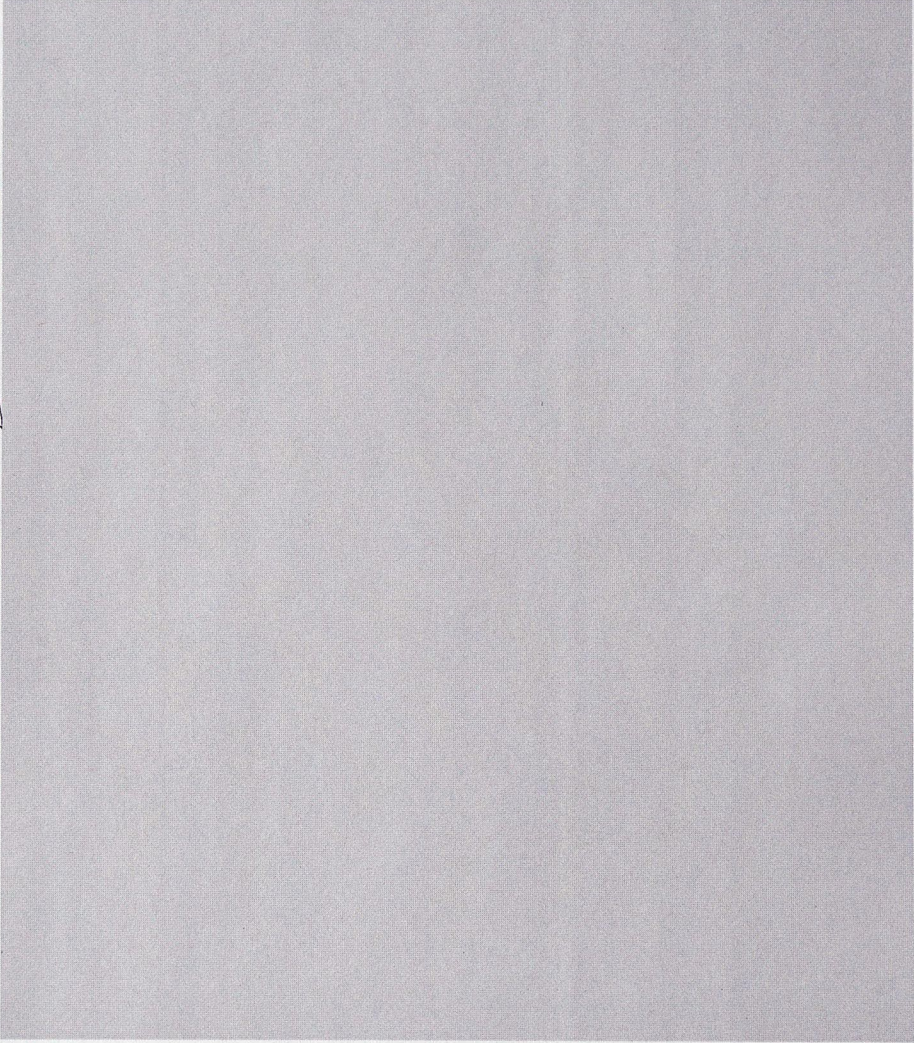


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ASSESSMENT

It is difficult to find anyone in London who believes that the Canadian measure, if brought to a vote in the Commons at Westminster, would not be passed by a substantial majority, at the end of a debate in which all stages would occupy no more than 3-4 days. The Lords are likely to have a longer debate but unlikely to defeat the measure.

The key question in the Commons is of amendability. The long title of the Bill, "An Act to give effect to a request from the Senate and House of Commons of Canada" should mean that no amendments can be accepted by the Speaker. It would, however, be possible for an amendment to be made in the long title which would in turn open the substance to amendment. The British Government is aware of this trap and must be prepared to see to it that such an amendment is defeated.

Another possibility has been raised, namely that an amendment be proposed at second reading to keep the bill on the order paper, delaying the committee stage until the Supreme Court has given its opinion as to the propensity of the procedure followed in Canada.

Realistically, though, it is likelier that the British Government will put pressure on us to accept delay until the Supreme Court has spoken, on political rather than legal grounds.

What has been said above about the problems the British Government is facing now suggests very strongly that we insist upon immediate passage of the measure. The British Government is not about to collapse and most observers would agree that it is safe at least until the late fall when increasing unemployment begins to bite.

On our side is the apparent wish of Mrs. Thatcher to have the matter settled before she arrives in Ottawa for the Summit in late July.

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Conflicting advice about time-table problems for the rest of this session continues to reach us. The best judgment we can make is that there is enough time to fit in the Canadian measure if the British Government wishes to do so.

As always in trying to reach an assessment there are a number of unknowns and a good deal of conflicting evidence.

It seems likely, however, that if the measure reaches Westminster and is read a first time before the Easter vacation the other stages of the bill and debate in the Lords could be completed in May or June or, at worst, by the middle of July.

Touching upon yet another difficult area of judgment it may well prove that the relatively intense activity at and around Westminster since December of last year may have dissipated a lot of the pressure behind the opposition to the measure, meaning that the debate itself may be something of an anti-climax and may pass by without any great difficulty.

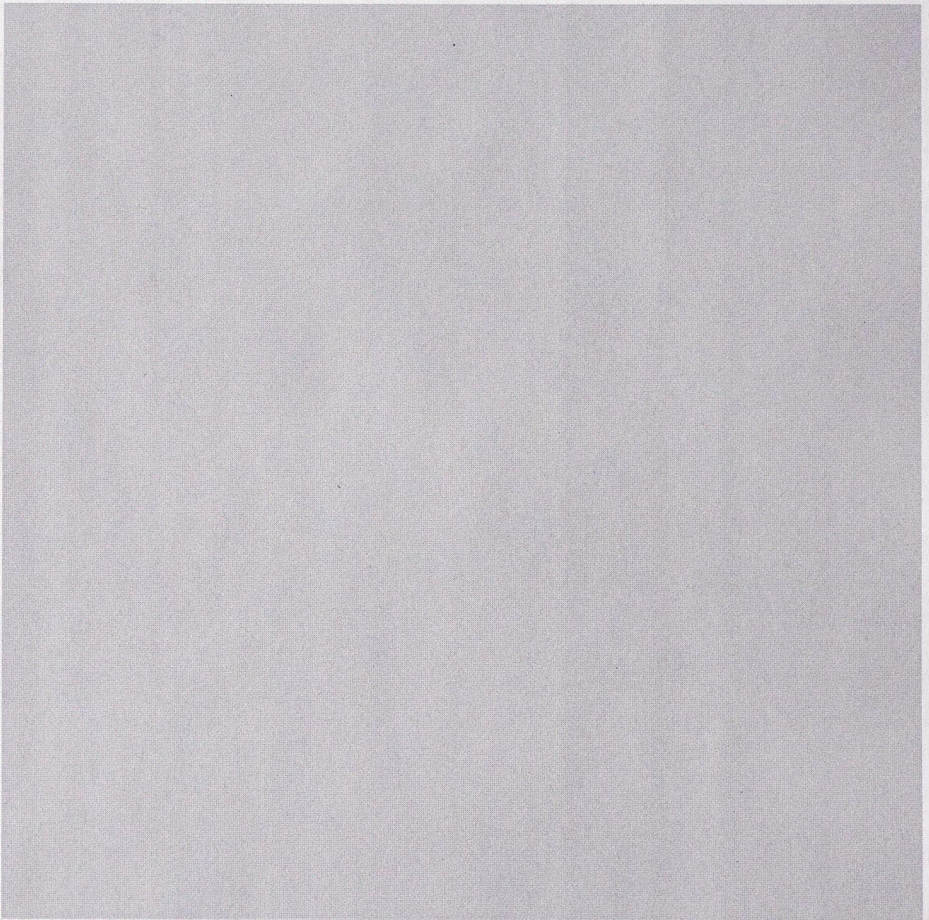
|| All the indications strongly suggest that a maximum of pressure be put on the British Government to have the measure dealt with without any delay. ||

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ACTIVITIES IN LONDON, MARCH 1st TO PASSAGE OF MEASURE

1. Introduction



2. The Plan



Visits

A) Mr. Chrétien

When Mr. Chrétien comes to London for the Canada Club speech on March 25 three other important opportunities present themselves:

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- a) to meet with the Foreign Affairs Caucus Committee of the Conservative Party;
- b) to meet with the Foreign Affairs Caucus Committee of the Labour Party;
- c) to meet with the Commonwealth and Diplomatic Writers Association.

Of these the first two should be met if humanly possible. These are not hearings. Mr. Chrétien will not be giving evidence but will have a chance to make a brief presentation followed by a period of questions and answers. The meetings are off the record.

These appearances could go further than anything else to offset the effect of the Kershaw Report and the work of the Aitken/Foulkes group.

The invitation to meet the Commonwealth and Diplomatic Writers would have real advantages but this matter could be settled otherwise.

In addition, Mr. Chrétien should meet the Attorney-General, Sir Michael Havers, [REDACTED]

Mr. Chrétien be unable to include a visit to the Attorney-General we should try to arrange a meeting with him for Roger Tasse [REDACTED]

Other Visits

We assume that other Ministers, including Mr. MacGuigan, will come to London about the time the Address arrives. Mr. MacGuigan will of course see Lord Carrington and Sir Ian Gilmour.

The question of ministerial contact with Francis Pym is a more delicate one, and one upon which we would prefer to advise after the High Commissioner's meeting with Mr. Pym scheduled for Friday, March 13 at 10:30 a.m. To the best of our understanding Lord Carrington and Sir Ian Gilmour largely share our interest in having the measure pass Westminster rapidly and harmoniously. Mr. Pym on the other hand is responsible for the legislative program and has wide responsibilities toward the Parliamentary Party as a whole. [REDACTED]

Other visitors we would like to see in London include Serge Joyal, as Chairman of the Joint Committee and another authentic Quebec voice, also perhaps Gordon Fairweather who is uniquely qualified to deal with questions arising from the Charter.

We also see real advantage in having Roger Tasse come to speak to some of the Law Lords and "constitutional experts" in the Houses.

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Members of Parliament

Doug Frith passed through London on his way home from a North-South meeting in Dacca and we were able to arrange for him to see Nigel Foreman, a very junior minister in the Foreign and Commonwealth Office.

David Smith is now in London and will be here for three weeks. With our assistance he will continue the good work.

While we are not seeking a flood of MPs we would like to know who is coming when (including NDP) so that we can make use of them.

Distribution of Material

So far the only piece of material we have sent to all MPs and active Lords is Mr. MacGuigan's Edmonton speech which was sent with a letter personally signed by the High Commissioner. In her letter she undertook to send to all the same addresses the considered response to the Kershaw Committee (the so-called Dale Gibson paper). This should be sent well before the end of this month. The response to the first mailing has been quite remarkable and suggests that we should continue to be very conservative and send only essential papers to the legislators.

The third general mailing we have in contemplation is an explanatory piece on the measure, the context in which it is being presented, which also contains a section entitled "Dispelling some myths" (the so-called Geller-Schwartz paper). This again would be sent to all MPs and active Lords with a covering letter from the High Commissioner when the measure reaches Westminster.

In addition to these papers the Foreign and Commonwealth Office has in preparation a response to the Kershaw Report which will also be timed to reach Westminster when the measure arrives. We are in touch with FCO about this paper and will be given a sight of it before it is printed. This may call for a visit by an officer of Justice to ensure that error is avoided.

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Summing up

