

CONFIDENTIAL

MR SCHOLAR

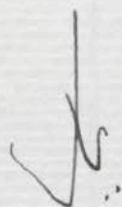
PA

cc Mr Rickett
Mr Mount
Mr Ingham

MACGREGOR

Ferdie Mount is worried about the danger of the Government seeming to climb down, if we confirm now that we have approached MacGregor but MacGregor subsequently proves too expensive; and, on reflection, I think he is right. If our best judgement is that we are almost certainly going to end up getting him, then I see no point in denying that we are after him, and some benefit in explaining why - that he is the best man for a difficult job. But if we think there is a significant possibility that we shall be unable to agree terms with him, we must be more cautious, because otherwise Scargill will certainly be able to claim that the failure of MacGregor to materialise is his doing. So in the latter case we suggest a reply along these lines:

"The Right Honourable Gentleman has referred to Mr Ian MacGregor. I have the greatest respect for Mr MacGregor, who is doing a difficult job most successfully at British Steel. [examples] As to the Chairmanship of the National Coal Board, the appointment has not yet been made and we shall of course inform the House when it is. The House will understand that any discussions the Government may have of possible major appointments are held in confidence."



3 March 1983

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