

# Premier orders Heseltine to shut up

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## CABINET BACKS WESTLAND

## RESCUE BID BY U.S. FIRM

THE row over the future of the Westland helicopter firm between Mrs Thatcher and Defence Secretary Michael Heseltine came to a head yesterday.

The Premier twice told Mr Heseltine to shut up — once in Cabinet and once in the Commons.

She left him the choice of piping down and accepting her authority,

or resigning. Last night it looked as though Mr Heseltine would stay — at least for the time being.

Mrs Thatcher brought the issue to a head by bringing it up unexpectedly in Cabinet. The discussion

— if that is what an assassination can be called — lasted ten minutes.

The Premier spoke briefly. Her point was that it was no part of the Government's policy to interfere with the commercial judgment of the firm.

Later, in the Commons Mr Heseltine sat tight-lipped as Mrs Thatcher told the House that 'Yes, the Cabinet decision to allow Westland to decide its own future is the position of the whole Government.'

Meanwhile, Westland released details of its Sikorsky deal and figures for the past year that showed the company was in a far worse financial state than had been realised, with losses of £90.5 million.

Westland chairman Sir John

Cuckney said that the company would have had to go into receivership if a solid rescue deal had not been found in the Sikorsky offer.

Westland also revealed that its major shareholders already preferred the Sikorsky deal—another blow for Mr Heseltine.

The proposed U.S. rescue package will inject an immediate £72 million into Westland.

Sir John described the offer from a European consortium as 'distinctly deficient in commercial appeal'.