CONFIDENTIAL

Prime Minister

Mw 5/9

Malcolm Rifkind Esq MP
Minister of State
Foreign & Commonwealth Office
LONDON SW1

5 September 1983

Dear Minister,

DRAFT EC DIRECTIVES ON EMPLOYEE PARTICIPATION

Thank you for your letter of 24 August about the two draft Directives on employee participation.

I am glad that you agree that we should consult about these two draft Directives together, though it will entail some delay. There is of course no doubt about industry's general reactions. CBI officials have already been to see mine to emphasise that industry's opposition to the revised text of the Vredeling Directive remains unabated, as does that of UNICE who are maintaining a solid front of opposition to it.

It is clearly sensible that the handling of the official discussions in Brussels should be considered in EQO and my officials will shortly be circulating papers relevant to the first meeting of the working party on 13 September.

I am not sure what you mean by constructive opposition in this instance. We are opposed to legal enforcement of the particular measures proposed in the draft Directive and we are opposed in principle to European legislation on such matters generally. That leaves little room in which to be constructive! It is crucial that our representatives on the working party should leave other Governments and the Commission in no doubt that the Government's opposition on grounds of principle to this and the draft Fifth Directive remains undiminished - an opposition to which we are now further committed by our Manifesto. As you know, I have spelt out our principled objections to other Employment Ministers on more than one occasion, and I am hopeful that our sustained opposition will attract an increasing measure of support.

I am sending copies to the same recipients as before.

Your sicuely.

/ Approved by the Secretary of State
and signed in his absence_7

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