

PERSONAL AND CONFIDENTIAL

*Spoken to  
Sir A Acland CDD  
20/9.*



Foreign and Commonwealth Office

London SW1A 2AH

Sir Antony Acland KCMG KCVO  
Permanent Under-Secretary of State

26 September 1984

C D Powell Esq  
No 10

*Dear Charles,*

ANGLO-CANADIAN RELATIONS

1. Sir Antony Acland has asked me to let you have, privately, the attached copy of a personal telegram he has received from Sir Derek Day, the High Commissioner in Ottawa. Sir Antony would like to have a word with you about it when you have had a chance to read it. On the face of it, the ideas in the telegram seem to Sir Antony to be sensible.

*Yours ever,*

*Michael Jay.*

M H Jay  
Private Secretary

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 FM OTTAWA 241540Z SEPT 84  
 TO IMMEDIATE FCO  
 TELEGRAM NUMBER 524 OF 24 SEPTEMBER

Amc 020/2.  
 RECEIVED  
 25 SEP 1984  
 TOP COPY  
 OFFICER  
 INDEX PA

(PERSONAL FOR PERMANENT UNDER SECRETARY)

ANGLO-CANADIAN RELATIONS

1. I WILL, IN DUE COURSE, LET YOU HAVE SOME GENERAL IMPRESSIONS OF MY FIRST FEW MONTHS HERE. I WILL DELAY THESE UNTIL I HAVE HAD A CHANCE TO VISIT SOME OF THE CONSULATES-GENERAL, WHICH I PLAN TO DO NEXT MONTH. THERE IS HOWEVER ONE ISSUE THAT IS CAUSING ME CONCERN AND ON WHICH I WOULD WELCOME YOUR HELP.

2. BEFORE I LEFT LONDON BOTH THE PRIME MINISTER AND THE SECRETARY OF STATE INDICATED THAT THEY WANTED TO GIVE MORE CONTENT AND SUBSTANCE TO ANGLO/CANADIAN RELATIONS. THE PRIME MINISTER'S MESSAGE TO MR MULRONEY (FCO TELNO 222) PICKED UP THIS THEME. IT LOOKED FORWARD TO A PRIME MINISTERIAL MEETING EITHER IN CANADA OR THE UK.

3. MULRONEY IS NOW IN THE CHAIR AND HE AND HIS COLLEAGUES WILL, OVER THE NEXT TWO OR THREE MONTHS, BE SETTING THE COURSE FOR THEIR GOVERNMENT FOR THE NEXT FOUR OR FIVE YEARS. THIS IS A CRITICAL TIME IF WE WANT TO INFLUENCE THE CANADIANS IN THE DIRECTIONS IN WHICH WE WOULD WISH TO SEE THEM GO.

4. I HAVE BEEN TRYING TO GET NO.10 TO GIVE ME AUTHORITY TO INVITE MULRONEY TO LONDON EVEN IF THE DATES ARE LEFT COMPLETELY OPEN. SO FAR I HAVE DRAWN A BLANK. NOEL MARSHALL CAN LET YOU SEE RELEVANT CORRESPONDENCE.

5. I AM ONLY TOO WELL AWARE OF THE DIFFICULTY OF PINNING NO.10 DOWN TO ANY FIRM COMMITMENT. THAT IS NOT WHAT I AM AFTER AT THIS STAGE. ALL I AM SEEKING IS AUTHORITY TO TELL MULRONEY, WHEN I SEE HIM, THAT THE PRIME MINISTER IS LOOKING FORWARD TO AN OPPORTUNITY TO MEET HIM, THAT SHE WOULD VERY MUCH LIKE TO WELCOME HIM TO LONDON AT A MUTUALLY CONVENIENT DATE AND HOPES IT CAN BE SOON, AND THAT PRECISE ARRANGEMENTS COULD BE SETTLED IN DUE COURSE.

6. LET ME REHEARSE BRIEFLY THE ARGUMENTS FOR SUCH A VISIT: WAD CAN FILL IN THE BACKGROUND.

(I) IF WE WANT TO GET MULRONEY TO ADOPT POLICIES THAT SUIT US, NOW IS THE TIME TO GET AT HIM BEFORE IDEAS BECOME SET AND POLICIES PUBLICLY ENUNCIATED.

(II) MULRONEY WAS PERSONALLY INVITED BY REAGAN TO WASHINGTON OVER THE TELEPHONE A DAY AFTER THE ELECTION. THE AMERICANS AND CANADIANS ARE MAKING MUCH OF THIS AS EVIDENCE OF A "NEW LOOK" IN US/CANADIAN RELATIONS. HE IS OFF THERE TOMORROW.

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(III) THE FRENCH MAY WELL HAVE AN INVITATION IN THE PIPELINE. MULRONEY IS A QUEBECKER. WHAT WILL MULRONEY AND HIS ANGLOPHONE COLLEAGUES THINK IF THEY HEAR NOTHING FROM US ? THE FRENCH WILL GROW IF THEY BEAT US TO THE PUNCH.

(IV) IF WE MEAN WHAT WE SAY ABOUT WISHING TO CONSOLIDATE OUR RELATIONSHIP WITH CANADA (E.G. MRS THATCHER'S MESSAGE TO MULRONEY) WHAT BETTER WAY OF INITIATING THIS THAN A MEETING AT PRIME MINISTERIAL LEVEL ?

7. NO.10 MAY ASK "WHAT IS THERE TO DISCUSS?". WE ARE WORKING ON A LIST OF SUGGESTIONS FOR THICKENING UP BILATERAL CONTACTS. IN THE MEANTIME, THERE IS PLENTY TO TALK ABOUT. WE PRESUMABLY WANT TO ENCOURAGE CANADA TO BEHAVE AS A RELIABLE AND RESPONSIBLE ALLY AND TO PROVIDE AN OPEN MARKET FOR BRITISH EXPORTS. THE AGENDA FOR A PRIME MINISTERIAL MEETING COULD INCLUDE:

(I) DEFENCE

WHAT IS MULRONEY'S DEFENCE POLICY GOING TO BE? WILL HE BE ABLE TO DELIVER THE PROMISED INCREASE IN DEFENCE EXPENDITURE AND INCREASE THE SIZE OF THE FORCES ? WHAT ABOUT PURCHASES OF DEFENCE EQUIPMENT ? OPENINGS FOR THE UK ? POSSIBILITY OF JOINT UK/CANADIAN VENTURES (HELICOPTERS, AIR DEFENCE EQUIPMENT)?

(II) TRADE AND FINANCE.

WHAT ABOUT THE CANADIAN DEFICIT/INTEREST RATES ? WILL FIRA BE ABOLISHED? ENCOURAGE THE CANADIANS TO RESIST PROTECTIONIST PRESSURES.

(III) DISARMAMENT.

SEEK TO PERSUADE MULRONEY TO PURSUE LESS INDIVIDUALISTIC POLICIES THAN TRUDEAU. NEED TO DISCUSS IDEAS IN ADVANCE WITH ALLIES. WHAT DOES CLARK'S UNPUBLISHED REVIEW ON DISARMAMENT CONTAIN ? MAKE SURE MULRONEY UNDERSTANDS THE COMPLEXITIES OF DISARMAMENT AND CONSULTS ALLIES BEFORE MAKING POLITICAL COMMITMENTS.

(IV) EAST/WEST RELATIONS.

GIVE MULRONEY THE BENEFIT OF OUR EXPERIENCE. DETER HIM FROM THE TEMPTATION OF TRYING TO CARVE OUT SOME NEUTRAL POSITION BETWEEN EAST AND WEST (OR NORTH AND SOUTH). -2-

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8. THERE IS MORE I COULD ADD BUT WON'T AT THIS STAGE. WHAT I HOPE YOU MIGHT BE ABLE TO DO IS TO TAKE ADVANTAGE OF ANY OPPORTUNITY THAT YOU OR THE SECRETARY OF STATE MIGHT HAVE TO OBTAIN FROM NO. 10 AN AGREEMENT THAT A VISIT BY MULRONEY WOULD GENUINELY BE IN BRITISH INTERESTS AND THUS TO ALLOW ME TO ISSUE AN INVITATION. THIS IS THE FOUNDATION WE NEED IF WE ARE TO BUILD UP THE KIND OF RELATIONSHIP EVERYONE SEEMS TO WANT WITH CANADA AND ITS NEW GOVERNMENT.

DAY

LIMITED  
HD/NAD  
SIR W HARDING  
MR DAVID THOMAS

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DESKBY 180900Z  
FM OTTAWA 172200Z SEP 84  
TO IMMEDIATE FCO  
TELEGRAM NUMBER 507 OF 17 SEP 84  
INFO SAVING WASHINGTON

MIPT: THE NEW CANADIAN CABINET

1. BY EXPANDING THE CABINET TO 40 - THE LARGEST EVER IN CANADA - MULRONEY HAS MADE ROOM FOR AMPLE REPRESENTATION FROM THE REGIONS (13 FROM THE WEST, 11 FROM ONTARIO, 11 FROM QUEBEC AND 5 FROM THE ATLANTIC PROVINCES). THIS GIVES THE GOVERNMENT A NATIONAL FLAVOUR. NONE OF THE PROVINCES IS WITHOUT A VOICE IN THE CABINET, WHICH SHOULD IMPROVE THE CLIMATE FOR THE NATIONAL DISCUSSIONS OF FEDERAL/PROVINCIAL CONFLICTS OF INTEREST.
2. SIMILARLY MULRONEY HAS MADE ROOM FOR A RECORD NUMBER OF WOMEN IN THE CABINET - 6.
3. EXTERNAL AFFAIRS.  
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JOE CLARK, HAS GOT THE POST HE SOUGHT, THE ONE PROBABLY BEST SUITED TO HIS POSITION AS EX-PRIME MINISTER, BUT NOT ONE FOR WHICH HE IS ESPECIALLY WELL QUALIFIED IN TERMS OF EXPERIENCE. HIS EARLY DAYS AS LEADER OF THE PARTY ARE ASSOCIATED WITH AN UNSUCCESSFUL WORLD TOUR AND THE HASTY DECISION (SUBSEQUENTLY REVOKED) TO MOVE THE CANADIAN EMBASSY IN ISRAEL TO JERUSALEM. HE DID A LOT OF HOMEWORK WHILE TRACKING THE TRUDEAU INITIATIVE LAST YEAR, AND MAY NOW BE BETTER BRIEFED ON A NUMBER OF MAJOR ISSUES. HE DOES NOT APPEAR TO HAVE BEEN PARTICULARLY KEEN, AS LEADER OF THE PARTY, ON THE ANGLO-CANADIAN LINK: BUT THIS MAY HAVE BEEN A RESULT OF HIS DETERMINATION TO AVOID LETTING THE PARTY APPEAR MERELY THE PARTY OF ANGLOPHONES.
4. HE IS LIKELY TO WISH TO APPEAR RELIABLE, SERIOUS AND STATEMANLIKE: BUT WILL ALSO NEED TO SHOW THAT HE IS NOT A CYPHER, OR A YES-MAN FOR THE AMERICANS OR THE ALLIANCE. IT WILL BE WORTH FEEDING THOUGHTS IN TO HIM AT AN EARLY STAGE, SO THAT THEY CAN BECOME, AND EMERGE AS, HIS OWN.
5. NEITHER OF HIS DEPUTIES - JAMES KELLEHER (MINISTER FOR INTERNATIONAL TRADE) AND MONIQUE VEZINA (MINISTER FOR EXTERNAL AFFAIRS) APPEARS TO HAVE MUCH EXPERIENCE RELEVANT TO THEIR PORTFOLIOS. THEY ARE BOTH NEW M.P. 'S

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16. DEFENCE



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### 6. DEFENCE

ROBERT COATES, A BARRISTER, HAS BEEN A MEMBER OF PARLIAMENT SINCE 1957. HE IS A PAST NATIONAL PRESIDENT OF THE PROGRESSIVE ASSOCIATION (A LESS IMPORTANT POSITION THAN PARTY CHAIRMAN IN BRITAIN). HE HAS NOT SHOWN A LOT OF INTEREST IN DEFENCE MATTERS IN THE PAST, (THOUGH HE IS A MEMBER OF THE NATO PARLIAMENTARY ASSOCIATION AS WELL AS THE CPA). HE PROBABLY OWES HIS NEW POST (WHICH HAS SURPRISED OFFICIALS) TO HIS LOYALTY TO MULRONEY AND TO REPRESENTING A CONSTITUENCY (IN NOVA SCOTIA) WHERE DEFENCE MATTERS, ESPECIALLY NAVAL, ARE IMPORTANT. HE IS SAID TO BE SHREWD, AND UNLIKELY TO MAKE POLITICAL BLUNDERS. HIS ABILITY TO MASTER THE POLICY ISSUES IS LESS CERTAIN.

### 7. FINANCE.

MICHAEL WILSON WAS THE STRONG FAVOURITE. HE HAS A BACKGROUND IN BUSINESS AND HIS APPOINTMENT WILL BE VERY WELCOME IN FINANCIAL AND COMMERCIAL CIRCLES. LIKELY TO BE CAUTIOUS IN HIS INITIAL APPROACH TO CANADA'S FINANCIAL PROBLEMS.

### 8. ENERGY.

PAT CARNEY, A FORMER ECONOMIC JOURNALIST, WAS AN AFFECTIVE OPPOSITION SPOKESMAN ON ENERGY. IT IS A TOUGH ROW TO HOE, BUT ON PAST FORM SHE COULD WELL PROVE AN EFFECTIVE MINISTER.

### 9. FURTHER COMMENTS AND BIOGRAPHIES FOLLOW BY BAG.

FCO PASS SAVING TO WASHINGTON

DAY

(REPEATED AS REQUESTED)

FCO/WHITEHALL (PALACE)

NAD

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