

Tauson

NOTE FOR THE FILE

The channel link

M. Wahl of President Giscard's office telephoned me yesterday to say that he had been approached by someone whom he described as a very important figure in the French construction industry who had told him that the Prime Minister wanted to reopen the question of a cross-channel link. According to M. Wahl's contact, Mrs. Thatcher was talking about a channel bridge which would carry both trains and cars. The Prime Minister was said to be pressing to set up a Franco/British Committee to study such a project.

M. Wahl said that he would have to report this approach to President Giscard but before he did so, he would like to establish whether what had been reported to him about the Prime Minister's views was true.

After consulting the Prime Minister, I rang M. Wahl back later in the evening to tell him that there was no truth in what his contact had told him. Our belief was that the report he had received had originated from a private and informal meeting which the Prime Minister had had with Mr. Ian MacGregor, the new Chairman of the British Steel Corporation, in mid November. The discussion on that occasion had ranged very widely, and in the course of it Mr. MacGregor had advocated the construction of a channel tunnel (not a bridge). Obviously he was hoping that in any such project there would be substantial orders for BSC. The Prime Minister had, however, done no more than express interest in Mr. MacGregor's idea and had not in any way lent her support for it or committed herself to it. As far as she was concerned, the position on a possible channel link was as Mr. Fowler and his French colleague, M. Hoeffel, had left it at their meeting shortly before Christmas. It was not clear how much M. Wahl knew about this meeting, and I therefore recounted to him the essentials of Mr. Fowler's minute of 22 December 1980 to the Prime Minister.

/ M. Wahl



M. Wahl said that he was grateful for this explanation of the Prime Minister's attitude to a possible channel link and he would report accordingly to the President, making it clear that the account he had been given of the Prime Minister's views had been heavily embroidered. I said that I was glad that he had felt able to check the story with us before mentioning it to President Giscard.

*MW.*

21 January 1981