

SUBJECT

cc Master

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10 DOWNING STREET

13 January 1986

From the Private Secretary

Dear John,

WESTLAND

The Prime Minister held a meeting this morning to consider the handling of requests for a statement to the House on Westland, as well as outstanding correspondence with Sir John Cuckney. The Trade and Industry Secretary, the Lord Privy Seal, the Defence Secretary, the Attorney-General, the Chief Whip and Sir Robert Armstrong took part. Sir Clive Whitmore and Mr. Michelle were also present.

It was agreed that the Trade and Industry Secretary should make a statement to the House today. Because of the sensitive commercial negotiations in progress, the statement should rely as far as possible on previous statements of government policy. It should be made clear that it would not be right to put a gloss on these statements, which were central to the issues faced by shareholders.

It was also agreed that if the Opposition decided on a debate on Westland on 15 January, the Prime Minister would speak.

It was further agreed that, to avoid any risk of seeming to put a gloss on statements already made, Sir John Cuckney's letter of 10 January to Sir Brian Hayes on the National Armaments Directors' recommendation should be answered by reference to the Trade and Industry Secretary's statement to the House of 16 December (ie we should use the draft reply circulated under cover of Mr. Startup's letter of 10 January to Mr. Stark, less the last sentence).

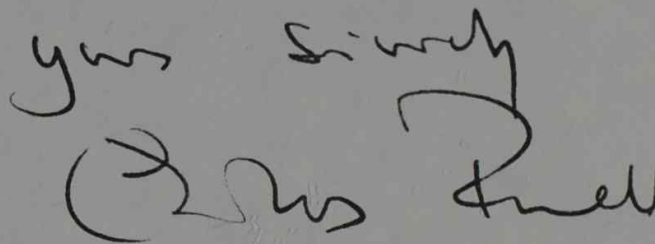
Finally agreement was also reached on the line to be taken in replies to further letters from Sir John Cuckney to Sir Clive Whitmore. In response to Sir John's question about the possible order for six additional Sea-king helicopters, the line should be that the Government could not guarantee the order, but that if plans for a 4-nation battlefield helicopter project were approved, the order would be placed; and this would apply whichever of the proposals currently before Westland was accepted. Sir John's further question whether a number of letters sent by

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the Ministry of Defence to the European Consortium continued to represent Government policy should be answered by reference to the Trade and Industry Secretary's statement of 16 December, the Prime Minister's of 19 December and the Prime Minister's letter of 7 January to Sir John Cuckney.

I am copying this letter to David Morris (Lord Privy Seal's Office), Richard Mottram (Ministry of Defence), Henry Steel (Law Officers' Department), Murdo Maclean (Chief Whip's Office), to Sir Clive Whitmore, Mr Michelle and to Michael Stark (Cabinet Office).

Yours sincerely


(CHARLES POWELL)

John Mogg, Esq.,
Department of Trade and Industry.