



## 10 DOWNING STREET

*From the Principal Private Secretary*

Sir Robert Armstrong.

C.C.:

Mr. Wiggins (Cabinet Office)

Mr. Powell

Mr. Ingham

Mr. Flesher ✓

Sir David Wolfson told the Prime Minister on Friday evening that her statements to Parliament left unclear four questions on the affair of the disclosure of the Solicitor General's letter. He believed that if the Prime Minister could, in some way, answer these questions, the Government's position would be much strengthened and accusations about a "cover up" could be disposed of.

The Prime Minister indicated to Sir David that she was reluctant to give further detailed information to Parliament on these matters. Answers, however specific, could generate further questions; detailed answers might stimulate unhelpful glosses; and they might, in any event, suggest a spurious accuracy about recollections. She did, however, ask me to check with you whether answers could be found to Sir David's four questions which might, if necessary, be used in public.

The questions were as follows:

1. Why did the Prime Minister prompt the Solicitor General's letter?

The Prime Minister has dealt with this exhaustively in her statement last Monday (Col. 652 Hansard, 27 January), and I think this question can easily be answered by reference to that.

2. What is meant by "It was accepted ..." in the sentence "It was accepted that the Department of Trade and Industry should disclose that fact and that, in view of the urgency of the matter, disclosure should be made by means of a telephone communication to the Press Association" (Col. 450 Hansard, 23 January).

A possible answer here might be on the following lines:

The No.10 office accepted that it was within the authority of the Department of Trade and Industry to disclose certain contents of the Solicitor General's letter, and they were content to abide by DTI's judgement. No.10 saw no reason therefore to take any other decision on the disclosure. DTI officials, as the Prime Minister explained in the House on 27 January (Col. 655 Hansard), had a different understanding of the conversation.:

"They believed that they had the agreement of my office, and acted in good faith, in the knowledge that they had authority from their Secretary of State and cover from my office." (Col. 655, Hansard 27 January).

3. What is meant by the phrase "in general terms" in the sentence in the Prime Minister's statement "I was told, in general terms, that there had been contacts between my office and the Department of Trade and Industry" (Col. 657, Hansard 27 January).

A possible answer here is:

"The Prime Minister was told by her office that the Department of Trade and Industry had spoken to No.10 about publication, No.10 had declined to disclose the Solicitor General's letter, but they had not told DTI not to disclose it."

The problem with this answer is that it could suggest a somewhat spurious accuracy.

4. Why had the then Secretary of State for Trade and Industry not told the Prime Minister about his involvement in the disclosure for 16 days?

He had not raised the issue with the Prime Minister because he believed that No.10 knew the full circumstances of the disclosure. This was not the case because of the genuine difference in understanding between officials which the Prime Minister referred to in her statement of 27 January (Col. 655 Hansard).

For the reasons advanced in the second paragraph of this minute, I would not readily advise the Prime Minister to answer these questions. Nevertheless, we may find that we need to, and I should therefore be grateful for urgent advice, both from you and the other recipients of this minute, on the various answers suggested above.

N.L.W.

NLW

3 February, 1986.