

CAROLINE

Tebbit TP

please see para 7

Is.

17/10/79.

PRIME MINISTER

1. I am dictating this note having lunched with Norman Tebbit.
2. He thinks (see John Biffen's speech at Southport last Thursday) that the economic/industrial output story over the next few years is unlikely to show any marked improvement, and that, as you said at Blackpool, time is needed for our policies to result in any real improvement in our economic/industrial performance.
3. He thinks, therefore, that we ought to concentrate on the presentation of those non-economic/industrial themes, where we will be able to identify success in the public mind. He suggested:-
 - (a) Immigration.
 - (b) Housing.
 - (c) Standing up to Trade Union militants.
4. So far as immigration is concerned, Norman hopes that there will be no watering-down of our Manifesto commitment, although he sees signs of this happening.
5. So far as housing is concerned, we have two outstanding Ministers in Michael Heseltine and John Stanley. It is impossible to over-state the potential importance of our policy for the sale of Council houses and flats, nor the effect which a really successful sale policy will have on our prospects at the 1983 Election.
6. Norman was most enthusiastic about that passage in your Blackpool speech which dealt with the Trade Unions. He believes,

as I do, that even if the public is not able to sense that our economic policy is succeeding, there will be a real recognition of success when our Trade Union Reform Bill reaches the Statute Book and, not less important, if the whole Government commits itself to the strongest line against Union militants.

7. Norman will be abroad for a week from Sunday, but he would welcome the chance of half an hour with you, when he gets back, and we will fit this into the diary.

17th October, 1979

Ian Gow