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10 DOWNING STREET

*From the Private Secretary*

DR. NICHOLSON

Working Group on Technology, Growth and Employment

The Prime Minister has seen your minute of 8 October in which you sought her views on the approach which the UK delegation is adopting in the Working Group.

Mrs. Thatcher has commented as follows: "I have the feeling that we are once again losing out to the French and that the objective of the working party has now been changed by them to facilitate some of their own projects in the guise of "co-operation". We must not be taken along this road. At present, I am not happy with our own choice of subject. We do not excel in it sufficiently".

The Prime Minister also made one or two marginal comments on your minute. With regard to paragraph 6(d), she minuted that our positive attitude to the working party's activities, and our support for the French chairmanship, must depend on their acceptance of our own objectives. Mrs. Thatcher also queried the reference to maintaining "a positive position where the studies of the Working Group relate to developing countries".

The Prime Minister expressed doubt as to whether, as your paragraph 12 suggests, there would be significant commercial advantage to the UK in taking the lead in stimulating trade and use of new materials.

On paragraph 13, the Prime Minister commented that she did not like the idea of France leading in the field of biotechnology when most of the fundamental research had been done in this country.

You may wish to let the Prime Minister have further advice in the light of the above comments.

I am copying this minute to Richard Hatfield (Cabinet Office).

A. J. COLES

11 October 1982

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