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LONDON SWIA 2AA

From the Private Secretary

3 March 1988

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PRIME MINISTER'S MEETING WITH MR. MULRONEY

The Prime Minister had a talk in Brussels this morning with the Canadian Prime Minister. Mr. Mulroney was accompanied by Mr. Burney, his Chief of Staff.

Televising Parliament

Mr. Mulroney told the Prime Minister about Canadian experience with televising Parliament. He advised the Prime Minister to ensure that there were stringent rules about the use made of film footage of the House. There was a tendency in Canada to juxtapose film footage to create a scenario, highlighting confrontation. The Prime Minister commented that it might be useful for members of the Select Committee being established by the House to visit Canada, to see what lessons could be learned.

Economic Summit

The Prime Minister said that she was content with the proposed format for the Summit which had emerged from the recent meeting of Sherpas. Mr. Mulroney said that he wanted to give the Summit a degree of informality, and not have the communique dominate discussion. President Reagan also favoured this. Heads of Government should concentrate on 'leadership issues'. The Prime Minister said that she would prefer structured informality: Heads of Government should talk informally but not just talk.

The Prime Minister said that she would like to see a relatively short and pithy Summit communique, which would deal with the broad stance of policy and chart the way ahead. It should set out sound policies worthy of free societies. There would need to be particular attention to agriculture. There would also have to be a statement on whatever was the main international political issue of the day. Mr. Mulroney agreed. In particular he would want to see the Summit give some significant undertakings on agriculture which would provide an impetus for the GATT negotiations.

Mr. Mulroney said that he might want to visit London briefly before the Summit to go over the main issues with the Prime Minister.

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The Prime Minister said that she understood British and Canadian officials had agreed the text of an MOU designed to deal with Canada's possible purchase of nuclear submarines. We had also put in a lot of effort in Washington, to secure American support for the programme. The latest signs were quite promising. The Trafalgar Class submarines were tried and tested and would meet Canada's requirements very well. Mr. Mulroney expressed appreciation and confirmed Canada's intention to proceed with the purchase of submarines. He understood that there was to be a crucial meeting in Washington next week.

Possible Visit by the Prime Minister to Canada

Mr. Mulroney said that he would very much like the Prime Minister to stay on in Canada for a day after the Economic Summit, and deliver a speech in the Canadian Parliament which would be televised. It was very important that the Canadian people should hear a strong statement from the Prime Minister on defence and East/West relations, as well as on basic economic and trade issues. The Prime Minister said that, if this would help Mr. Mulroney, she would be delighted to do it. She would spend 22 June in Canada, returning overnight to London so as to make her statement on the outcome of the Economic Summit on 23 June.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, the Secretary of State for Defence, the Minister of Agriculture, Fisheries and Food, the Lord President and to Sir Robin Butler.

Charles Powell

Lyn Parker, Esq., Foreign and Commonwealth Office.