

Prime Minister

I hope he will understand if we don't set up a separate meeting -

RESTRICTED

I wonder if it is wise for you to see him. Mulroney will dislike it. And you have already received

062737

MDLIAN 11U6

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FM OTTAWA
TO PRIORITY FCO
TELNO 371
OF 302110Z MAY 88

PS TO PRIME MINISTER
NO 10 DOWNING ST

Peterson in London (he will see him at dinner in Toronto). Agree not to

FOR NAD

bid deals with all show up at summit set up a separate meeting?

TORONTO SUMMIT: EVENTS IN THE MARGINS: POSSIBLE CALL ON THE PRIME MINISTER BY THE PREMIER OF ONTARIO

CDD
7/15

SUMMARY

1. RECOMMENDATION THAT THE PRIME MINISTER RECEIVE THE PREMIER OF ONTARIO DURING HER VISIT TO TORONTO, PERHAPS AFTER HER PRESS CONFERENCE ON 21 JUNE.

DETAIL

2. THE DIRECTOR OF THE INTERNATIONAL RELATIONS BRANCH OF THE ONTARIO MINISTRY OF INTERGOVERNMENTAL AFFAIRS HAS ASKED OUR CONSUL-GENERAL IN TORONTO WHETHER A SHORT MEETING BETWEEN PREMIER DAVID PETERSON AND THE PRIME MINISTER COULD BE ARRANGED.

3. THERE ARE SENSITIVITIES. THE FEDERAL GOVERNMENT IS GOING TO SOME TROUBLE TO KEEP THE (LIBERAL) ONTARIO GOVERNMENT OUT OF THE LIMELIGHT AT TORONTO AND THERE HAVE BEEN ECHOES OF THIS IN THE PRESS. PETERSON'S OPPOSITION TO THE FREE TRADE AGREEMENT WITH THE US AND, MORE RECENTLY, PREVARICATION OVER MEECH LAKE HAVE NOT HELPED HIS RELATIONSHIP WITH MR MULRONEY.

4. WHILE THE PRIME MINISTER HAS NOT ALWAYS BEEN ABLE TO SEE CANADIAN PROVINCIAL PREMIERS (SHE DID NOT RECEIVE MR VAN DER ZALM EITHER DURING THE VANCOUNVER CHOGM OR WHEN IN LONDON SEMI-COLON NOR DID SHE RECEIVE MR BOURASSA WHEN HE VISITED BRITAIN LAST YEAR). HOWEVER, MR PETERSON DID CALL ON THE PRIME MINISTER IN LONDON ON 3 FEBRUARY AND ONTARIO IS, IN ECONOMIC TERMS, CANADA'S MOST IMPORTANT PROVINCE. A MEETING WOULD ENABLE THE PRIME MINISTER TO QUESTION PETERSON ABOUT HIS FREE TRADE FEARS, AND HIS PROVINCE'S OBSTACLES TO FREER TRADE WITH EUROPE (EG LIQUOR BOARDS), AS WELL AS TO ENCOURAGE MORE CANADIAN INVESTMENT IN THE UK.

5. WHILE IT MIGHT BE POSSIBLE TO FINESSE THIS REQUEST BY SAYING THAT THEY WILL MEET IN ANY CASE DURING THE HOLLINGER DINNER, AT

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WHICH MR PETERSON IS TO BE PRESENT, ON BALANCE I WOULD RECOMMEND THAT THE PRIME MINISTER SHOULD AGREE TO A BRIEF MEETING (15 MINUTES) WHICH MIGHT MOST APPROPRIATELY TAKE PLACE IMMEDIATELY AFTER HER PRESS CONFERENCE ON 21 JUNE (SCHEDULED TO END AT 1700).

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