mension at X, + the tent of a dryt for to RESTRICTED A D base. MDLIAN 9587 NIU JA 011. RESTRICTED 4.1 FM OTTAWA Fro will be realing approved TO PRIORITY FCO TELNO DOS of a veriage a klearing a dre OF 04161UZ JANUARY 88 MESSAGE TO THE PRIME MINISTER FROM MR MULRONEY 1. THE CANADIAN PRIME MINISTER TELEPHONED ME AT HOME ON 3 JANUARY TO ASK ME TO CONVEY TO THE PRIME MINISTER HIS WARMEST CONGRATULATIONS AND HEARTFELT GOOD WISHES ON WHAT HE TERMED HER QUOTE ANNIVERSARY UNQUOTE (THE FACT THAT MRS THATCHER HAD ON THAT DAY BECOME THE LONGEST CONINUOUSLY SERVING PRIME MINISTER OF THE CENTURY HAS RECEIVED WIDE PUBLICITY IN THE CANADIAN MEDIA). MR MULRONEY EXPRESSED HIS DEEP ADMIRATION FOR THE ACHIEVEMENTS OF THE PRIME MINISTER AND ALL THAT SHE HAD DONE FOR BRITAIN DURING HER PERIOD IN OFFICE ... HIS ONLY REASON FOR NOT TELEPHONING HER DIRECTLY WAS HIS WISH TO AVOID DISTURBING HER DURING THE HOLIDAY. HE WENT ON TO TELL ME THAT HE HAD JUST FINISHED READING LORD CALLAGHAN'S AUTOBIOGRAPHY WHO SEEMED TO HAVE SPENT A LARGE PART OF HIS TIME AS PRIME MINISTER NEGOTIATING WITH THE TRADE UNIONS: HOW MUCH TIME, HE WONDERED, HAD MRS THATCHER SPENT IN THIS WAY? HE WOULD ASK HER WHEN THEY NEXT MET EXCLAM. COMMENT 2. THIS IS THE SECOND OCCASION IN MY BRIEF TIME HERE THAT MR MULRONEY HAS GONE OUT OF HIS WAY TO PRAISE THE PRIME MINISTER TO ME. I THINK THIS REFLECTS BOTH HIS GENUINE ADMIRATION FOR THE ACHIEVEMENTS OF A FELLOW CONSERVATIVE PRIME MINISTER AND HIS DESIRE TO PUT THE DIFFERENCES AT CHOGM BEHIND AND LOOK TO THE FUTURE. IF (AS I WOULD RECOMMEND) THE PRIME MINSTER WISHED TO SEND A BRIEF PRIVATE MESSAGE IN REPLY, IT WOULD BE APPROPRIATE TO CONGRATULATE MR MULRONEY ON THE SIGNATURE ON 2 JANUARY BY HIMSELF AND PRESIDENT REAGAN OF THE HISTORIC US/CANADA FREE TRADE AGREEMENT. THERE IS, HOWEVER, MUCH FURTHER WORK TO BE DONE TO MAKE THE AGREEMENT A REALITY IN BOTH CANADA AND THE UNITED STATES AND IT IS OF COURSE

HIGHLY CONTROVERSIAL WITHIN CANADA, WHERE THE AGREEMENT HAS BEEN STRONGLY OPPOSED BY BOTH THE LIBERAL AND THE NEW DEMOCRATIC PARTIES.

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