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Foreign and Commonwealth Office

London SW1A 2AH

29 January 1988

Dear Charles,

Call by Premier of Ontario, 3 February

Thank you for your letter of 11 January ^{*not flow*} about Mr Peterson's call on the Prime Minister. He will be accompanied by Canada's Deputy High Commissioner, Mr Louis Delvoie, and by Ontario's Agent General in London, Mr Tom Wells. I attach Mr Petersen's cv.

The Premier spent some of his early years in London (his father was an Alderman of the City of London). He has led the Ontario Liberal Party since 1982. His resounding victory in the September 1987 provincial elections, on the basis of "middle of the road" politics, should enable him to dominate the province until at least 1992. Thereafter, he has ambitions on the wider federal stage.

Mr Peterson is here for the opening of the new Ontario House in Knightsbridge. He wishes to raise with the Prime Minister the investment opportunities in Ontario for UK companies, cooperation over science parks and the Toronto Economic Summit.

Trade

We are delighted with Ontario's decision to move to more prestigious premises in London. We want to encourage further the sharply rising growth of UK trade with, and investment in, Canada. It is our 10th export market, with Ontario taking the highest share. The UK is the second largest investor in Canada (and an Ontario property company is putting £1 bn into the £3 bn Canary Wharf project in London Docklands, which Mr Peterson will visit). Many major British companies are represented in Ontario, but not in the north where the Premier wants to attract more investment. He will be meeting DTI Ministers (Mr Alan Clark and the Hon Francis Maude) at various promotional functions during his visit.

Ontario is Canada's richest province, accounting for over half of Canada's GDP. Its economy grew by nearly 5% in 1987 but, following the stock market crash which shook the Toronto financial district, slower growth is expected for 1988 and 1989. The province also has its own north/south divide, with high unemployment in the north. Mr Peterson will be interested in various aspects of our current social welfare programmes and in our approach to waterfront development.

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US/Canada Free Trade Agreement

While we and the EC generally welcome the US/Canada Free Trade Agreement, we hope the Prime Minister will sound a note of caution about certain discriminatory practices by Canadian provincial liquor boards, including Ontario's, whose high duties hurt our whisky exports in particular. The EC have protested to the GATT and the latter have found in the EC's favour. Although freer US/Canada trade is a national government priority and generally popular, it is divisive in Ontario and some other provinces. Mr Peterson supports free trade, but is refusing to dismantle certain protectionist tariff barriers which he says could damage weak manufacturers and Ontario's wine and agricultural sectors. He is also concerned about dependence on trade with the US and the high proportion of US ownership in Ontario's manufacturing sector (about 50%).

Toronto Economic Summit

The Toronto Economic Summit will take place in Mr Peterson's province. The Prime Minister recently declined his invitation for a breakfast meeting with businessmen during her visit to Toronto (she had already accepted a speaking invitation from Mr Conrad Black, an associate of Mr Peterson). The Premier may now offer his good offices for Mr Thatcher's programme.

organization of the The Prime Minister has written to Mr Mulroney about the Summit agenda. If Mr Peterson raises this, the Prime Minister might say that it is too early to have a view on the main agenda issues: but macro-economic cooperation, trade, the Uruguay Round, agriculture and debt seem likely to be in the front line.

Sale of SSNs to Canada

If the sale of SSNs to Canada is raised, the Prime Minister could explain that negotiations are proceeding well on the UK/Canada Memorandum of Understanding and with the United States on nuclear safety and security aspects.

Yours ever,

(L. Parker)
Private Secretary

C D Powell Esq
 10 Downing Street

PETERSON, THE HON DAVID

Premier of Ontario.

Born in Toronto, December 1943.

Educated at the University of Western Ontario, the University of Toronto, the University of Caen and Osgood Hall.

He was called to the Ontario Bar in 1969 but never practised as a lawyer. A businessman (electronics millionaire).

First elected to the Provincial Legislature in 1975. Re-elected in 1977 and 1981. Elected Leader of the Ontario Liberal Party in 1982.

He was elected Premier of Ontario in June 1985 when the Ontario Liberals won the Provincial election. He was not highly rated as a political contender. He was viewed as an uninspiring performer in the Legislature. However, Peterson worked hard to improve his political image and he doggedly built up the party's organisation to ensure that the Tories were quick off the mark once the spring election was called. Has made an effective start as Premier. His star is rising.

Interests: squash, jogging, reading, and hunting. A member of Lloyds.

Married to an actress, Shelley, who is daughter of Don Matthews a former National President of the Conservative Party. Three children.

CANADA: UK Relations
Part 6





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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

23 January, 1988.

Thank you for your letter of 22 January about the Premier of Ontario's meeting with the Prime Minister.

I am afraid that it will not be possible for the Prime Minister to address a breakfast and luncheon while in Toronto, although I know that she would be grateful to the Premier for the kind thought. She will be very much occupied with the Summit, and with bilateral meetings connected with it. She has already accepted a speaking engagement on the final evening.

There will be a photo-opportunity inside No.10 Downing Street when the Prime Minister greets the Premier. You can obtain information from Mr. Michael Bates in our Press Office.

(C.D. Powell)

Mr. Thomas L. Wells

ca



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Agent General

Government
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Mr. Charles Powell,
Private Secretary to the Prime Minister,
10 Downing Street,
LONDON SW1A 2AA

22nd January, 1988

Dear Mr. Powell,

Re: Premier of Ontario's meeting with Prime Minister Thatcher
Wednesday, February 3rd, at 3.30 p.m.

I have been asked by the Premier of Ontario, the Hon. David Peterson, to explore with you what the reaction would be from Prime Minister Thatcher if he were to invite her to attend a breakfast meeting or a luncheon in her honour, to meet the heads of major British companies doing business in Ontario, and perhaps the presidents of some of the large Canadian banks and investment houses located in Toronto. This breakfast or lunch could be held immediately before or after the G7 meeting. Perhaps you could advise me as to whether it would be appropriate for Premier Peterson to raise this subject.

Could you also give us some information as to whether a photo opportunity might exist, either immediately following the meeting inside, or in front of 10 Downing Street? For your information I am enclosing a biography of the Premier. Should you require any other information please let me know.

Thank you very much for your co-operation in these matters.

Yours sincerely,

Tom Wells

Thomas L. Wells
Agent General for Ontario

Enc.

HONOURABLE DAVID PETERSON
Premier of Ontario

David Peterson became Ontario's twentieth premier on June 26, 1985, and was re-elected at the head of a majority government September 10, 1987.

In the 1985 election, he led the Ontario Liberal Party to the greatest number of popular votes, winning 48 seats and setting the stage for the fall of the Progressive Conservatives after almost 42 years of power at Queen's Park. Two years later, the Liberals won 95 seats in the Ontario Legislature.

First elected as the member for London Centre in 1975, Mr. Peterson won the leadership of the Ontario Liberal Party in February 1982 and initiated several exciting programs of reform. He campaigned on a pledge to form an open government which is truly representative of all people.

Born in Toronto December 28, 1943 and raised in London, he earned his Bachelor of Arts degree in philosophy and political science from the University of Western Ontario in 1964. He went on to the University of Toronto, completing his Bachelor of Laws degree in 1967. After articling in Toronto, he was called to the Bar in 1969. He subsequently assumed the presidency of his family's electronics business.

As a student, one of his jobs was as a member of a rail gang in northern Saskatchewan with Frontier College. He would spend evenings and Sundays counselling his fellow workers and teaching them English. He also served as director of a volunteer legal aid service in the Yorkville area of Toronto.

Mr. Peterson has a lengthy record of community involvement. As the youngest president of the London Canadian Club, he was the first to admit women as members.

The Peterson family has a tradition of political involvement. His father, Clarence, was a signatory to the Regina Manifesto in 1933 and served for many years as an alderman in the City of London. Clarence Peterson also stood as a Liberal candidate in the 1955 provincial and the 1963 federal elections. David Peterson's brother, Jim, was elected to the House of Commons in 1980 as M.P. for Willowdale.

Mr. Peterson is married to the former Shelley Matthews. They have three children, Ben (b. Sept. 8, 1977), Chloe (b. Aug. 2, 1979), and Adam (b. Nov. 11, 1981).