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10 DOWNING STREET

LONDON SWIA 2AA

19 January 1989

From the Private Secretary

Den Richard

Sulget ac mate

The Premier of Quebec, accompanied by the Canadian High Commissioner, duly called on the Prime Minister this afternoon. The meeting lasted half an hour.

A substantial part of the meeting was taken up with the Premier of Quebec describing how his years at Oxford had truly been the best of his life, and how much he admired the Prime Minister's policies and style. The specific subjects which were discussed, although not in any great depth, were as follows:

- (i) The public sector debt repayment: the Prime Minister explained the United Kingdom's policy, and contrasted it with that of the United States. The Premier agreed that ours was best, and stressed the importance of repayment now given the age profile of the population.
- (ii) The Premier asked about training by the private sector, and the Prime Minister explained how much importance she attached to this given that the universities and polytechnics still did not have the necessary incentives in terms of involvement in business.
- (iii) There was a slightly longer discussion of the Canadian/US trade agreement, particularly in the context of 1992, and fears of 'fortress Europe'. This led on to the question of agricultural subsidy which it was agreed was a major difficulty.
- (iv) The Prime Minister and Premier then agreed on the importance of action on the environment. They were further agreed that this should be through international channels such as UNEP, and the importance of involving developing countries since their populations were so large, and potential for environmental degradation so great, that it was foolish to think that action from countries such as the United Kingdom alone could have any significant effect. The Premier agreed with all of this, and said how important it was, and for that very reason, the Prime Minister should be seen to be taking a lead on this.

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The meeting concluded with the Premier extending an invitation to the Prime Minister to visit Quebec whenever she

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