PRIME MINISTER

MEETING WITH CANADIAN PRIME MINISTER

You are to have a talk with Brian Mulroney at Brussels on Monday morning at his request. You last saw him in London on 13 March, and a note of that meeting is in the folder. The main event since then is the Canadian decision not to order SSNs. He sent you a charming hand-written note for your tenth anniversary.

I think the main issues which you want to cover are the following:

NATO Summit

You will want to discuss the prospect with him and explain your views on SNF, particularly the dangers inherent in agreeing to negotiations.

East/West Relations

He is to visit Moscow in August. You will want to tell him about President Gorbachev's visit here, and explain our decision to expel Soviet spies.

South Africa

When you last met, Mulroney hinted that he was thinking of modifying Canada's policy towards South Africa, and you subsequently sent him a list of arguments. There has not been much sign of change so far. You will want to tell him of your determination to step up contacts with South Africa, in order to encourage the post-Botha generation to adopt a more positive approach: hence your meetings with Pik Botha, du Plessis, and soon De Klerk. You will also want to stress how important it is to avoid a row on South Africa at CHOGM, particularly with elections in Namibia likely to take place

very shortly afterwards. If he raises the Australian proposal for financial sanctions, you will want to make clear our view that the Government should not dictate to markets: we shall certainly not be prepared to go along with any such measure.

Commonwealth Secretary General

Since you last met him, you have seen Sonny Ramphal who is clearly prepared to serve for a further three years. You might discuss with Mulroney how Ramphal's candidature could be launched. For obvious reasons, you would prefer not to do it yourself. But you might suggest that he should raise the matter with Rajiv Gandhi.

The Environment

We have continued to make the running on this with our proposal for a global climate convention. Our approach of working through the UN and avoiding sanctions and compulsion is gaining support. The approach adopted by the participants in The Hague meeting is running out of steam.

Bilateral

You should tell him that Sir Alan Urwick, our High Commissioner, is to become the Serjeant-at-Arms and will leave Ottawa at the end of August. You hope to propose a good successor soon.

I attach a fuller note, together with a telegram from the High Commissioner describing the political scene. The main recent event has been John Turner's resignation as Leader of the Liberal Party. You will recall that there was also a mighty row over the leaking of the Canadian Budget.

CD?

CDP

26 May, 1989.