

CONFIDENTIAL

PRIME MINISTER

MEETING WITH LORD JOSEPH

Lord Joseph has given no advance warning of what he wants to raise. Over the past year, he has raised a wide variety of issues.

- i) ERM. You saw recently some papers he sent on so-called covert exchange controls - Flag 1. He also suggested that you might have a talk with Sir Alan Walters. This has now been arranged for this coming Saturday evening.

- ii) Marathon. You and President Bush have agreed in principle that neither Government will encourage a UK or US version of the fibre optic cable. We are now in the process of finalising an agreement with the Americans, but are not yet ready to announce this. You should tell Lord Joseph that consultations with the Americans are continuing but that you hope to be able to make an announcement before you leave for the USSR in June.

- iii) Family policy. Lord Joseph wrote to you last November - Flag 2 - about the way the tax and benefit systems were interacting on families with dependant children. In March this year you agreed that he could write up his ideas in a pamphlet provided he made clear that they represented purely his own personal views. I am not aware that the pamphlet has yet appeared.

- iv) Docklands. Lord Joseph was instrumental in bringing to your attention the need for action on the transport infrastructure of Docklands. You can ask him whether he is satisfied with progress.

- v) Education. He wrote to you last week commending a pamphlet by Adrian Wooldridge - Flag 3.

(ANDREW TURNBULL)

14 May 1990

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