



10 DOWNING STREET

CSP

23/1.

Philip Wynn Owen (HMT)

arg: - CAXI Message
to 45 (draft)

Chancellor has agreed RTA's
amendment: -

Para 5 - line 11. to
read: -

'Economic groupings such as
~~the~~^{The} Seven Countries of the
Economic Summit.

(Wynn Owen also wants to speak
to you re FCO's minute attached).

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Foreign and Commonwealth Office

London SW1A 2AH

23 January 1986

Dear Charles,

G5: Future Participation of Italy and Canada

Please refer to Philip Wynn Owen's letter to you of 22 January.

The Foreign Secretary entirely endorses the Chancellor's assessment that, in view of the line being taken by the US and France, it is now virtually unavoidable to admit both Italy and Canada, at least for some purposes. The Foreign Secretary had a word about this earlier with the Chancellor, and they both then took the same view that, as this process of admission has become inevitable, the Prime Minister's reply to Sr Craxi should not be less forthcoming than that sent by President Reagan.

On this basis, the Foreign Secretary wishes to recommend several amendments to the draft message to Sr Craxi:

- x (a) The omission of the last sentence of paragraph 4.
- x (b) The final sentence of paragraph 5 to be amended to read: "They therefore agreed that they would give further consideration as to the basis on which Italy's and Canada's participation might be arranged, and to the relationship of any new arrangements with other international economic groupings such as the countries of the Economic Summit and the Group of Ten."
- ✓ (c) The insertion of a new second sentence in paragraph 6 to read: "I would like to assure you that, from the British point of view, we certainly would not wish to stand in the way of reaching a successful conclusion to this process." The following sentence would then need to be amended to begin "May I suggest that contact on this can best ..."

I am copying this letter to Philip Wynn Owen (Treasury) and Michael Stark (Cabinet Office)

Yours ever,
L V Appleyard
(L V Appleyard)
Private Secretary

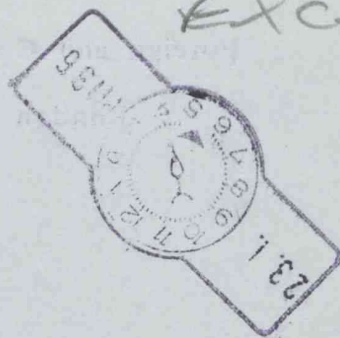
C D Powell Esq
10 Downing Street

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