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From the Private Secretary

MR UNWIN
CABINET OFFICE

SPACE, AIRBUS, HELICOPTERS, ETC.

You asked (your minute of 3 March to Mr. Monger) whether I saw any objections to taking the proposed paper on space on its own at E(A), ahead of discussions of airbus and Westland.

That seems now unavoidable and I am sure the Prime Minister would be content for space to be taken separately.

However, I think it would be useful for Mr. Channon to mention to E(A) his discussions with British Aerospace over launch aid for Airbus. One Minister at least is aware that the Prime Minister has discussed this with a small group of colleagues and it would be in any case a little disingenuous for the prospect of future public expenditure claims to be mentioned at an E(A) on space without reference to the discussions with British Aerospace. Mr. Channon, in introducing his paper, might simply say that he is exploring with British Aerospace the basis of their bid for launch aid, with a view to reducing it very substantially. This would simply take it for granted that the Government would be offering launch aid, with the only uncertainty being the amount.

I have mentioned this to Mr. Gilbertson in Mr. Channon's Private Office, who believes that his Secretary of State would be willing to say something along those lines.

I am copying this minute to Mr. Monger and Dr. Walker.

DAVID NORRGROVE

3 March 1987

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