

From: The Rt. Hon. Sir Keith Joseph Bt. M.P.

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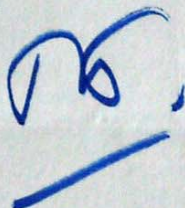
Chairman: ANGUS MAUDE, TD, MP

Director: CHRISTOPHER PATTEN

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Deputy Director: DAVID DEAR, CBE

KJ/mem



22nd July, 1975

MRS. THATCHER

Val Duncan, unable to arrange a time that suited you, invited me to another talk on general prospects. Marcus Sieff and Hector Laing were with him.

Nearly all the time was spent discussing the deepening recession and the likelihood of high unemployment next year.

Marcus and Hector emphasised the cash flow difficulties of many firms as orders drop.

Val Duncan reported that half a dozen leading trade unionists, at a meeting with him had, with obvious sincerity, taken great credit to themselves for their bravery and statesmanship for achieving a TUC majority for the £6 package. They had turned, in a friendly way, on Val and said "and now what are you industrialists going to do to be equally helpful?" Val's comment was that they were still in the world of make-believe and did not realise that £6 itself was inflationary.

Nevertheless, he thought that an initiative would be desirable from employers. His idea would be that a group of large employers should offer to supplement the Government's re-training scheme by taking on extra people for re-training, subject to reimbursement of the cost. He proposed that a short study should be made of the Swedish system.

There was only a brief reference to the old subject of electoral reform. Val said that he well understood that industrialists over-simplified and that no sure benefit could be counted upon. Moreover, he realised that the Party needed money in the meanwhile.

/... He suggested

He suggested that some time in October the Party should stage a very professional presentation of a) what it is doing and b) its views on electoral reform. He suggested that he and the other two should organise that groups of about twenty industrialists should attend a presentation which might be on two or three successive days. He stressed that it should be professionally competent and that it should not be slanted towards fund raising at all.

By the time we got on to this subject it was almost the end of the meeting. Subject to what you and those to whom I am copying this note think, I suggest that one of us reviews the idea again with Val in early September. The climate has obviously changed to some extent - and may change again.

KEITH JOSEPH

c.c. Rt. Hon. James Prior M.P.
Rt. Hon. Lord Thorneycroft
Angus Maude Esq. M.P.
Chris Patten Esq.
James Douglas Esq.