

LEADER'S CONSULTATIVE COMMITTEE

Minutes of the 88th Meeting held at 5.00 p.m.
on Monday, 15th December 1975, in the
Leader's Room at the House of Commons

Present: Mrs. Thatcher (in the Chair)
Mr. Whitelaw, Sir Keith Joseph
Lord Hailsham, Sir Geoffrey Howe
Mr. Gilmour, Lord Carrington
Mr. Prior, Mr. Jenkin,
Mr. Peyton, Mr. St. John-Stevas
Mr. Heseltine, Mr. Raison
Mr. Maude, Mr. Buchanan-Smith
Mr. Edwards, Mr. Neave
Mr. Younger, Mr. Fowler
Mrs. Oppenheim, Mr. Jopling
Lord Thorneycroft
Mr. Atkins

Apologies: Mr. Maudling

In attendance: Mr. Higgins, Mr. Montgomery
Mr. Butler, Mr. Forman
Mr. Ridley, Mr. Nicholson

1. Reaction to the Government Statement on Chrysler (background
paper by the Research Department LCC/75/93)

Mr. Heseltine explained how he proposed to react to what was expected to be in the statement and Mr. Buchanan-Smith explained the state of opinion in Scotland. There was a discussion. It was agreed to oppose the bailing-out of Chrysler and to vote against the Government on Tuesday evening. It was also agreed that we should emphasise the following points:

- (a) Chrysler workers were unjustifiably being given privileged treatment which would not be available to thousands of other redundant workers.
- (b) The Government's measures would increase unemployment in the long term.
- (c) The Government had shown massive incompetence and had weakly given way to Mr. Riccardo's pressure.
- (d) The bailing-out of Chrysler made nonsense of the Chequers' industrial strategy.
- (e) We should emphasise sympathy for those who were to lose their jobs, while blaming union militants, inflationary pay claims and weak management for the debacle. We should avoid giving the impression that we thought Chrysler workers deserved to be unemployed.
- (f) We should examine what help, if any, could be expected for Linwood from the European Social Fund as one way of meeting the Government's point that a refusal to bail-out the company would have led to the destruction of an entire company town.

2. Import Controls (Paper by Mr. Higgins LCC/75/91)

Mr. Higgins introduced his paper. After a short discussion, his approach was agreed, namely that we should oppose import controls but press for more vigorous action against dumping. It was also agreed that we might indicate that much of the damage had already been done, since goods had already been imported in the expectation of import controls.

3. Reaction to the Chancellor's Statement

It was agreed that we should probably vote against the Government on Wednesday night, if not on the package outlined by Mr. Healey, then on the Government's disastrous economic record. A final decision would be taken at Wednesday's meeting.

4. Other Business

Mr. Whitelaw asked for a discussion at a later meeting on whether we should table amendments for the Devolution debate due to take place in the week beginning 12th January, and on how we should vote. It was agreed to postpone discussion of Mr. Jenkin's paper on Tactics in the House of Commons (LCC/75/92) to a later meeting.

The Meeting closed at 6.20 p.m.