

FILE

RH

PRIME MINISTER

cc: Mr Walters
Mr Vereker

CBI SPEECH

I attach a revised draft of the speech, following our discussion last week, which John Vereker and I have prepared. It comes to about 2,550 words.

In this redraft, we have actually used very little of the draft provided by the Department of Industry - which was rather too repetitious of what you have said before. But their draft did include a section on your trip to India and the Gulf which could easily be incorporated. On the whole, we felt that this was a bit superfluous, though it could be added if you wish.

I have included a section on nationalised industries, in particular coal, which you asked for at the meeting of MISC 56 yesterday. But you cannot be too nasty about the coal industry on Tuesday night because that will be immediately after Mr Howell's tripartite meeting. We have tried to strike a balance between saying that they must become more efficient or else more and more jobs will be lost in the private sector, and saying that the Government have provided the resources so that they can now become efficient.

We will need to add a peroration.

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11 June, 1981