

PRIME MINISTER

## MEETING WITH MR. MULRONEY

You have a bilateral with Mr. Mulroney on Monday afternoon, before the start of CHOGM. His political fortunes are still at a low ebb. He will be looking to CHOGM and next year's Economic Summit to help boost them. You might start by complimenting him on the preparations for CHOGM and for the excellent cooperation we have had with the Canadian security authorities. You can also congratulate him on the conclusion of the Canada/US free trade agreement.

The main issue is bound to be South Africa. The Canadians seem to want to be more African than the Africans. Mulroney will know that you are not prepared to take any additional measures against South Africa, although he will seek reaffirmation of the Nassau and London commitments. But he hankers for a strong political signal and has come up with a proposal for a Standing Committee of Five Foreign Ministers (including the United Kingdom). The purpose would be - in Canadian eyes - to keep attention focussed on South Africa, to promote dialogue, and to help the victims of apartheid. It is a very tiresome proposal and will not achieve anything at all except to alienate the South Africans. But at the end of the day it is only a procedural device; and provided we are on the Committee to stop it doing anything too lunatic, I rather wonder whether it is worth digging in too deep against it. You might prefer to pour scorn on it at your meeting with Mulroney but stop short of saying that you will not accept it. The Canadians are also talking of an Academic Institute to promote Regional Dialogue. The mind boggles.

Overall I think you should leave Mulroney with the impression that you are not looking for a confrontation on South Africa, but will provide one if provoked. He should not try to push you. The political pressure on you at home on this issue is negligible.

The other issue which you ought to mention is the apparent Canadian intention to buy nuclear powered attack submarines from the United Kingdom. You can say that we hope to be able to help. But we have first, because of our bilateral commitments, to ensure that the US are content. We are talking to them and hope that the Canadians are too (the Americans are in fact deeply sceptical whether the Canadians can afford or manage such submarines).

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CDP

C. D. POWELL

8 October 1987

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