

*Aerospace*

BRITISH AIRWAYS

1. Sir John King came to see the Prime Minister at 10.30 a.m. on Tuesday, 23rd November.
2. Although Sir John said that he was very anxious to proceed with privatisation at the earliest possible date, and that the Government had no business to be owning an airline, he accepted that it would not be possible to proceed with privatisation as fast as he would wish.
3. The Prime Minister said that it would be very difficult to justify the Government writing off inherited debt, and that it would be unfair to British Airways' competitors to do this.
4. The Prime Minister said that the objective of privatisation remained, and that the only issue was one of timing and method.
5. Sir John said that he had in mind to reduce still further the number of employees of British Airways, below the figure of 35,000 which would be achieved by 31st March 1983.
6. Sir John raised with the Prime Minister the question of Tristar and the Ministry of Defence. The Prime Minister asked Mr Gow to have a word with the Secretary of State about this, *WHICH HE HAS DONE*.

24th November 1982