

MR. WICKS

WESTLAND: LORD TREFGARNE

It is clear that he spoke as reported on the PA tape attached.

MOD and DTI are writing proposing a line to the effect:

"If, when the beneficial ownership of the shares in Westland is revealed, it appears that the provisions of the Fair Trading Act or the Industry Act might be relevant, the government will take appropriate action."

Tim and I think that a more general line would be better:

"Of course the government will ensure that appropriate legislation is complied with. There is no reason at present to think that it has not been."

CDP

12 February, 1986.

NI0394 4 FFF 12

PA SNAPPULL

1 CITY 1PM INDEX

THE FT INDEX AT 1PM WAS UP 13.2.

END MH

121321 FEB 86

*phoned to
party.*

NI0395 3 HHH 31

URGENT - WESTLAND

MOTION TO ADJOURN WESTLAND SHAREHOLDERS' MEETING FOR 21 DAYS WAS
REJECTED BY 67.8 PER CENT OF VOTES CAST AT THE MEETING.

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121325 FEB 86

MYSTERY SHAREHOLDERS: QUESTIONS RAISED

THE GOVERNMENT WILL CONSIDER WHAT ACTION TO TAKE OVER THE FUTURE OF THE WESTLAND HELICOPTER FIRM ONCE THE IDENTITY OF THE SIX MYSTERY SHAREHOLDERS IS DISCLOSED, DEFENCE MINISTER LORD TREFGARNE ANNOUNCED TODAY.

HE TOLD PEERS IN REPLY TO AN EMERGENCY QUESTION FROM SOCIAL DEMOCRAT LORD KENNET: "ONCE THE IDENTITY OF THESE PERSONS IS KNOWN, THE GOVERNMENT WILL CONSIDER WHAT FURTHER STEPS NEED TO BE TAKEN AND VARIOUS POWERS EXIST FOR THAT PURPOSE.

"IN ADDITION TO THE POWERS AVAILABLE TO THE GOVERNMENT UNDER THE COMPANIES ACT, THE COMPANY ARE REQUIRED TO DISCLOSE OWNERSHIP OF THE SHARES AND I UNDERSTAND SIR JOHN CUCKNEY HAS TODAY SAID SUCH ACTION IS IN HAND," ADDED LORD TREFGARNE.

LORD TREFGARNE SAID IT WAS OF THE FIRST IMPORTANCE TO ENSURE OUR ARMED FORCES RECEIVED THE EQUIPMENT THEY REQUIRED, ON TIME TO THE RIGHT SPECIFICATION AND AT THE RIGHT PRICE.

"FURTHERMORE WE NEED TO ENSURE SECURITY OF SUPPLY AND CLEARLY OWNERSHIP HAS A BEARING ON THIS.

"I CAN ASSURE YOU THAT THE GOVERNMENT WILL CONSIDER THE IMPLICATIONS OF ANY MATERIAL CHANGE OF OWNERSHIP IN DEFENCE INDUSTRIES AND HAS POWERS TO TAKE ACTION WHERE THIS IS APPROPRIATE."

LORD KENNET ASKED THE MINISTER: "IN THE LIGHT OF YESTERDAY'S STOCK EXCHANGE DISCLOSURE ABOUT SHARE OWNERSHIP IN WESTLAND WHAT STEPS ARE THE GOVERNMENT TAKING TO PREVENT OUR DEFENCE INDUSTRIES FALLING INTO UNKNOWN HANDS?"

LORD KENNET QUERIED WHETHER THE SWISS BANK ACCOUNTS CONCEALED DEPOSED HAITIAN DICTATOR DUVALIER, LIBYA'S COLONEL GADDAFI, PRESIDENT MARCOS OF THE PHILIPPINES OR THE MOSCOW NARODNY BANK.

LABOUR'S LORD PAGET SAID IT WOULD BE "OUTRAGEOUS" IF THE FIRM WAS HANDED OVER TO NUMBERED SWISS BANK ACCOUNTS.

MEANWHILE IN THE COMMONS, INFORMATION TECHNOLOGY MINISTER GEOFFREY PATTIE REJECTED OPPOSITION PROTESTS OVER THE ANONYMITY OF INVESTORS WHO HAVE ACQUIRED A 20.3 PER CENT STAKE IN WESTLAND.