

PREM 19/1063

TOP SECRET

Confidential filing

Times Newspapers Dispute.
The future of the Times.

INDUSTRIAL
POLICY

October 1979

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
18-10-79							
22-10-80							
8-12-80							
10-12-80							
19-1-81							
26-1-81							
3-2-81							
9-2-81							
15-2-81							
16-2-81							
24-3-81							
1-4-81							
24-4-81							
18-7-83							

PREM 19/1063

1. MR SCHOLAR

2. PRIME MINISTER

FINANCIAL TIMES

Alan Hare, Chairman of the Financial Times, telephoned me again today with the following up-date on his strike which is costing £1m a week (total so far £7-8m).

He said that the TUC, which had underwritten the procedure agreement, was now thoroughly involved and he believed that on Thursday the NGA would turn down the request from the TUC to end the strike. He was trying to persuade Len Murray to call a meeting of the TUC's Finance and General Purposes Committee (its so-called Inner Cabinet) on Friday with a view either to expelling or suspending the NGA. However he felt it more likely that the TUC would not meet until next Monday.

If the TUC did expel or suspend the NGA, he would then ask SOGAT if they would be prepared to produce the paper without the NGA.

Mr Hare said that if the TUC declined to expel or suspend the NGA or SOGAT refused to play if the NGA were thrown out of the TUC, he would be "in a pickle".

He would then close down printing at Bracken House and sack all involved in the printing process. In the meantime he was looking at the possibility of printing outside London - in the UK but not, if he could avoid it, by Robert Maxwell who had offered to do so.

Meanwhile, the Newspaper Publishers' Association, the Fleet Street employers, had decided not to spend a penny on the FT's support.

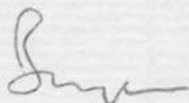
Mr Hare said that, notwithstanding all this, there was no question of the FT's turning back. And he hoped that the Government would not say anything disparaging about the TUC until it had proven its impotence.

I questioned Mr Hare on whether in the NGA members had other income during the strike. He said that most of the hard core of 24 machine

managers who were at the root of the dispute were probably doing shifts on other newspapers but no more than half of the 240 had other jobs or sources of income. There was as a consequence now some division in the ranks.


I then pressed Mr Hare on a variety of indirect ways to test his resolve. He disclosed:

- some frustration at the pace at which the TUC carthorse was moving;
- he had prompted the CBI to write to Cecil Parkinson expressing their concern about the continued absence of the FT and asking what the Government was doing about it; he had, however, no wish to bring pressure to bear on the Government to intervene;
- he had discussed with Len Murray the idea of the TUC's underwriting procedure agreements more generally; Mr Murray had retorted that he did not see the TUC doing that for companies' benefit, but he might be interested in the idea if the Government - ie. Mr Tebbit - proposed it; and
- finally, Mr Hare said that if at any time the Prime Minister thought he was making a fool of himself I should not hesitate to pass on the message. I replied that I was sure that the Prime Minister would never accuse anyone trying to sort out Fleet Street of being a fool provided they won.



B. INGHAM

18 July 1983





The National Archives

LETTERCODE/SERIES <i>PREM 19</i>	Date and sign
PIECE/ITEM <i>1063</i> (one piece/item number)	
Extract/Item details: <i>Minute Whitmore to Armstrong dated 27/4/1981</i>	
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LETTERCODE/SERIES <i>PLEM 19</i>	Date and sign
PIECE/ITEM <i>1063</i> (one piece/item number)	
Extract/Item details: <i>Minute Armstrong to PM dated 24/4/1981 plus attachment to C/5352 of 23/4/1981</i>	
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NOTE FOR THE RECORD

cc. Mr. Whitmore

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fll
fw

The Prime Minister had a 15 minute meeting with Mr. Rupert Murdoch, proprietor of Times Newspapers, at 10 a.m. on Friday, 27 March, 1981. Mr. Murdoch's purpose was to report on the progress of Times Newspapers before his return to the United States.

Mr. Murdoch pronounced himself happy with the editorial direction of The Times under Harold Evans, though it would take some months to get it right. They were recruiting to strengthen the editorial team - for example, Frank Johnson from Now! and David Watt, ex-FT. Other staff changes were planned but these would be made steadily and not in a rush.

Mr. Murdoch said the Sunday Times was fine financially but its editorial direction would need watching.

The Prime Minister agreed to Mr. Murdoch's suggestion that she should take an early opportunity to have a word with Frank Giles, the new editor - possibly inviting him alone into No. 10 for a drink.

ACTION

Overall, Mr. Murdoch characterised his progress with Times Newspapers as "getting a hold of it".

The meeting then moved briefly to discuss the economic and political situation. The Prime Minister hoped we were

/through

through the worst, though she had always recognised 1981 would be a rough year. The Government - and the country - were having to face up to problems which had accumulated over the years and were now catching up with us. However difficult the situation, they had, however, to be faced and the remedies applied.

Mr. Murdoch's main concern was energy costs. While accepting economic prices should be charged, he hoped something would be done to reduce the competitive edge on the Continent.

The Prime Minister said we must have a larger differential between large and smaller users, but she emphasised the advantage of the Continent in being able to import low cost coal whereas we supported our relatively high cost coal industry by generating 70% of our electricity from it.

The Prime Minister and Mr. Murdoch agreed that small businesses were in general doing well; we usually did well where trade unions were not a problem, though it was only fair to point out that in the textile and ceramics tragedies the trade unions had been wonderful.

In concluding the meeting, the Prime Minister asked Mr. Murdoch to keep her in touch with Times progress and reiterated her willingness to see Mr. Giles at a reasonably early date.


B. INGHAM

1.4.87

FILE

R H

PRIME MINISTER

Bernard Ingham put in a note to you over the weekend asking whether you would be prepared to see Rupert Murdoch and you agreed.

He has rung to ask whether it could be tomorrow and I have given a categorical NO. Bernard now asks whether you could see him on Friday for 15 minutes. This is by no means ideal as you have the Central Council speech to do that morning before your lunch at Buckingham Palace.

Happy to see Mr Murdoch?

CAROLINE STEPHENS

24 March, 1981

Mr. Murdoch

PRIME MINISTER

Rupert Murdoch telephoned me today to ask if he could see you for 15 minutes some time next week before returning to the United States, to brief you on progress with Times Newspapers. He emphasised that he had no urgent problems, but felt he ought to let you know how things are progressing before he went back to America.

I explained that you would not be available Monday or Tuesday, but said I would put the point to you.

I think you should see him, bearing in mind the way he kept you informed before his successful bid.

O'Connell
mb.

[Handwritten signature]

20 March, 1981.

Ind Pa.

✓ MS

HOUSE OF COMMONS

First Report from the

EDUCATION,
SCIENCE AND ARTS
COMMITTEE

Session 1980-81

THE FUTURE OF THE TIMES SUPPLEMENTS

Ordered by The House of Commons to be printed

16th February 1981

To be published as House of Commons Paper 152

The Education, Science and Arts Committee is appointed under S.O. No. 86A to examine the expenditure, administration and policy of the Department of Education and Science and associated public bodies and similar matters within the responsibilities of the Secretary of State for Northern Ireland.

The Committee consists of nine members, of whom the quorum is three. Unless the House otherwise orders, all Members nominated to the Committee continue to be members of it for the remainder of the Parliament.

The Committee has power:

- (a) to send for persons, papers and records, to sit notwithstanding any adjournment of the House, to adjourn from place to place, and to report from time to time:
- (b) to appoint persons with technical knowledge either to supply information which is not readily available or to elucidate matters of complexity within the committee's order of reference.

The following were members of the Committee during the present inquiry:

Mr Christopher Price (Chairman)	Mr John McWilliam
Mr Tim Brinton	Mr John Osborn
Mr Patrick Cormack	Mr Dafydd Thomas
Mr Harry Greenway	Mr Stan Thorne
Mr David Madel	

FIRST REPORT

The Education, Science and Arts Committee have agreed to the following report:

The Future of the Times Supplements

1. Members of the Committee were concerned that the conditions attached to the sale of the Times Newspapers and announced in the debate of 27th January in the House of Commons by the Secretary of State for Trade apply to the two newspapers, The Times and The Sunday Times, but not to the three supplements, The Times Literary, The Times Educational and The Times Higher Educational, which not being newspapers are not covered by the Fair Trading Act 1973. The position regarding the supplements is set out in the memorandum by the Department of Trade at Appendix 1.

2. The Committee wished to pursue the continued existence, the editorial independence, and the quality of the Supplements, should the transfer to News International go through. They therefore decided to invite Mr Rupert Murdoch to appear before them in order to clarify the position and

place the facts on record. The assurances he gave to the Secretary of State for Trade are also set out in Appendix 1.

3. The Committee would like to thank Mr Murdoch for consenting to give evidence and for his reaffirmation of the assurances in respect of the three Supplements. We are confident that to have these on record in a report from a Select Committee will give them an added status and force.

4. The Committee were pleased to note the following assurances given by Mr Murdoch:

"First, the editor of each publication and newspaper shall retain control over all the political comment in his newspaper and in particular shall not be subject to any restraints in the expressing of opinions or reporting news that might directly or indirectly conflict with the opinion and interests of the proprietor within the meaning of the Act of 1973 in relation to The Times and the Sunday Times. Instructions to the journalists shall be given only by the editor or those who are delegated the authority. Subject only to the annual budget of Times Newspapers, the editor shall retain control over the appointment and dismissal of

journalists on his newspaper and the other content of his newspaper and the other content of his newspaper, except in the case of advertisements where the editor's rights are limited to the right to refuse to publish any advertisement in his newspaper where the particular advertisement is to appear."

The Committee inferred from other replies by Mr Murdoch, his desire to maintain the present balance and quality of news, reviews and other material of use to readers.

5. The Committee were also grateful for his assurance that in assessing the viability of the supplements he will take them together, and not in isolation.

Mr Murdoch: "They can be profitable. I don't know that they all can, but as a whole they can, and we have plans indeed to start at least one more supplement"

Mr Cormack: "And as long as collectively they were profitable you wouldn't be quite so worried if one of them was less profitable or even making a loss as long as collectively they were making a profit for you?"

Mr Murdoch: "Yes."

He then noted that if he were to start a new supplement and it was not making a profit he would close it down.

Mr Cormack: "But we of course are not concerned with those that might exist outside the terms of reference of this Committee."

Mr Murdoch: "I have no intention at all of closing anything down."

The Committee were also glad to note that the assurances given by Mr Murdoch with regard to the three supplements extended to the Times Education Supplement (Scotland).

6. The Chairman ended the meeting by summarising his understanding of Mr Murdoch's intentions towards the supplements.

The Chairman: "In terms of maintaining the titles ... , is it your intention, if you can get them viable, to maintain the three supplements as long as you possibly can ... ?"

Mr Murdoch: "Yes, if we can get them viable, it's our intention to maintain them for ever."

7. The Committee were also pleased to note Mr Murdoch's assurances about the connection between the supplements and The Times:

Mr Murdoch: "They [The supplements] bear the name The Times, and any deterioration in their quality or their authority would be detrimental to The Times, and therefore detrimental to our basic interests in them.

Later the Chairman asked: "Are you committed to the association of the words, "The Times" with the supplements for the future?"

Mr Murdoch: "Yes. I think that is of great value. Just as we hope to improve "The Times" greatly, that will add to the value that will rub off on the supplements - and vice versa. The point is that the greatest guarantee of their future success is going to be their quality."

Chairman: "You see the association in the title with "The Times" as part, as it were, of the quality nature of the newspapers?"

Mr Murdoch: "Yes, indeed."

8. Some members of the Committee remain concerned about the future status and quality of these publications, and so the Committee have determined to monitor the development of the supplements over the coming years.

APPENDIX 1

LETTER FROM SIR DENIS HAMILTON, CHAIRMAN AND EDITOR-IN-CHIEF,
TIMES NEWSPAPERS HOLDINGS LIMITED, TO THE CHAIRMAN OF THE COMMITTEE
THE FUTURE OF THE TIMES SUPPLEMENTS (TS1)

Mr. Rupert Murdoch was on the point of departure to Heathrow and Australia when we saw the report of yesterday's hearing of the Commons Select Committee on Education, Science and the Arts. I therefore volunteered to give you the following facts.

Ever since I became directly involved in the affairs of The Times in 1966, I have done everything to support the three Times Supplements - The Times Literary Supplement, The Times Educational Supplement and The Times Higher Education Supplement, the last of which my colleagues and I launched in 1971.

It was natural, therefore, that when Mr. Murdoch saw the Editorial Vetting Committee last Wednesday evening I should press him very hard about the Supplements. Indeed, I gave him something of a seminar about their importance in the education and literary worlds and told him of my mail from vice-chancellors and educationalists from many countries. He gave us total assurances of his own interest to maintain their high quality and to nourish them. He also gave guarantees about the independence of their editors. I attach a copy of my statement to this effect at the Press conference last Thursday.

I introduced the three Editors to Mr. Murdoch last Friday when he satisfied them about his special interest in their publications and, indeed, it is his hope that further investigation and the co-operation of the trade unions will lead to their greater financial stability.

I was shown a copy of the Secretary of State for Trade's consent as he was speaking and I immediately noticed that there was no reference to the Supplements. Apparently this was deliberate, as the section of the Fair Trading Act refers to newspapers and not periodicals. (I, myself, believe the Supplements are newspapers.) I suggested that Mr. Biffen might later in the debate make it clear that assurances had been given about the Supplements but I think he was very pressed for time. I was in the House and heard your own question.

All the assurances about The Times Supplements have been written into the conditional contract signed last Thursday and will be incorporated into the Articles of Association of Times Newspapers Holdings Ltd., which the Secretary of State will see in due course.

At this stage, and bearing in mind that Mr. Murdoch has not yet had time to be totally briefed about details here, I do not think he could say more.

I would like to add a personal note. The falling birthrate and the cuts in teacher numbers do present real revenue problems for the Supplements, whose economy may not be able to stand the very high Fleet Street printing costs. Mr. Murdoch is discussing already with the printing Chapels here the implications of the undoubted fact that the Supplements can be produced outside London at almost half the present expenditure, and I think he is very prudent to do so.

SIR DENIS HAMILTON
29th JANUARY 1981

MEMORANDUM SUBMITTED BY THE DEPARTMENT OF TRADE

ACQUISITION OF THE TIMES SUPPLEMENTS BY NEWS INTERNATIONAL LTD (TS2)

Section 58 of the Fair Trading Act 1973 requires the consent of the Secretary of State to the transfer of a newspaper or of newspaper assets to a newspaper proprietor where the combined average circulation of the acquirer's newspapers (including the one involved in the transfer) is 500,000 or more. "Newspaper" is defined in section 57(1)(a) as a daily, Sunday or local (other than daily on Sunday) newspaper circulating wholly or mainly in the United Kingdom or in a part of the United Kingdom.

2 The Times Literary, Educational and Higher Educational Supplements are weekly publications with a national circulation. It follows that they are not "newspapers" within the meaning of section 57(1)(a) of the Fair Trading Act 1973. It further follows that the consent of the Secretary of State is not required under section 58 to the transfer of any of the three supplements.

3 The Secretary of State, in considering what conditions to attach to his consent to the transfer of the Times and the Sunday Times to News International Ltd, concluded that it would not be proper for him to include any provisions concerning the three supplements, as his consent was not required to their transfer. Mr Murdoch has however informed him that the assurances he has given in respect of the Times and the Sunday Times (concerning editorial independence) will apply to the three supplements in equal measure. The Secretary of State welcomes this assurance.

30 January 1981



Chancellor of the Duchy of Lancaster

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

2nd Pal

13th February 1981

Dear John,

MS - to see

MS

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TIMES NEWSPAPERS

Thank you for your letter of 11th February about your intention to provide the Select Committee on Industry and Trade and the House with a memorandum about the economics of the Times and the Sunday Times. I note that under the terms of the relevant statute you will need the permission of those who supplied commercial information to you before that information can be released, and I understand that you are taking steps to obtain the necessary permission. Subject to your doing so, I am sure, if I may say so, that you are right to provide the memorandum you have in mind. Not to do so would undoubtedly cause further controversy and be represented as a breach of the undertakings we have given about co-operation with the Select Committees.

I am copying this letter to the Prime Minister and the other recipients of yours.

Francis Pym
John Biffen

FRANCIS PYM

The Rt Hon John Biffen MP
Secretary of State for Trade
1 Victoria Street
LONDON
SW1H 0ET

16 FEB 1981





cc Mr Ingham
Mr Wolfson

From the Secretary of State

The Rt Hon Francis Pym MC MP
Chancellor of the Duchy of Lancaster
and Leader of the House
Privy Council Office

Dear Francis,

[Handwritten signature]

TIMES NEWSPAPERS

You will be aware that there has been some continued Parliamentary interest in the economic condition of the Sunday Times, as it affects the basis for my decision to give consent to the sale of The Times and the Sunday Times to Mr Rupert Murdoch. John Smith, as the Opposition spokesman on trade matters, has been engaging me in correspondence asking for the economic assessment which was the background to my decision. In addition, the Select Committee on Industry and Trade have asked my Department for a detailed memorandum showing the financial analysis which led to my decision. While I have given some information in reply to John Smith (and have put this in the Library of the House) I have up till now been somewhat reserved in my replies since I faced also the threat of legal action by journalists on the Sunday Times, claiming that there was no proper foundation in law for the exercise of my discretion. (In addition the information is commercial information supplied to me in confidence for the purpose of my decision and any wider release of it requires, under the terms of the Statute, the permission of the parties whose property it is. While this is not an insuperable barrier to the release of information it is an added factor which I have had to take into account.)

However, the Sunday Times journalists have decided not to proceed with their legal action, having reached agreement with Mr Murdoch on certain

*It to see ad PAMS 2
PRIME MINISTER*

*I admire the intention,
but I am afraid that there
will be more pressure on the
'Sunday Times' "profitability"*

11 February 1981

as a result of this initiative

MS



From the Secretary of State

arrangements which will give them some voice in the processes by which editorial freedom is to be safeguarded. Provided that Mr Murdoch reaches agreement with the Unions - for which the present deadline is tomorrow - and the deal therefore goes ahead, I feel that it will be right from the Parliamentary point of view to make fairly full information available to the House and to the Select Committee about the economics of the papers. I do not think that this will stop more argument about the matter and it may well be that a Select Committee will thereafter seek hearings (though they have not yet taken any decision on this). But I judge that if it is felt that I have something to hide, the matter will be pursued with all the more vigour.

I have therefore arranged for the preparation of an appropriate memorandum about the matter. I consider that, because of the Opposition interest shown through John Smith, this should be made available to the House as a whole as well as to the Select Committee and I therefore intend to place it in the Library of the House on Monday, drawing attention to it through my Answer to Oral Questions down for that day, when my Department is first in Order. At the same time I shall send the same material forward to the Select Committee in response to their request.

In drafting the material I have had regard to the guidance that advice from officials to Ministers is not normally to be provided to the House or to Select Committees. In this case the approach adopted in addressing the economic assessment necessary for my decision under the Act was founded on legal and accountancy advice about the interpretation of the tests in the Act and appropriate methodology. However I have arranged for the memorandum to be drafted so that it is as far as possible cast in factual terms. In this way I have sought to avoid establishing any troublesome precedent for the future.



From the Secretary of State

I am copying this letter to the Prime Minister, the Lord President of the Council, the Chief Whip and the Attorney General.

Yours

John Biffen

JOHN BIFFEN

11 FEB 1961





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10 DOWNING STREET

9 February 1981

THE PRIME MINISTER

Dear Mr. O'Brien,

Thank you for your letter of 16 January about the possible sale of The Times, The Sunday Times and the three Times supplements.

As you will now know, the Secretary of State for Trade decided to give his consent to the proposed sale, subject to certain conditions which provide legally binding safeguards on editorial freedom and independence.

It was good of you to write to let me know of your support for the proposed sale. As you will be aware, the deal now rests on the outcome of current negotiations you and others are conducting with Mr. Murdoch. I wish you all well and hope that matters will soon come to a successful conclusion.

Yours sincerely,

sgd Margaret Thatcher

Owen O'Brien, Esq.

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From the Secretary of State

Tim Lankester Esq
Private Secretary
10 Downing Street
London, SW1

3 February 1981

Dear Tim,

You wrote to me on 19/January enclosing a letter that the Prime Minister had received from Mr Owen O'Brien, General Secretary of NATSOPA, about Mr Murdoch's bid for the Times, Sunday Times and the supplements.

You will recall that the Secretary of State announced his decision not to refer the bid to the MMC before you were able to send out the original draft that was provided. I now ... attach a further draft that you might like to consider.

Yours ever,

Nicholas McInnes

N McInnes
Private Secretary

-4 FEB 1981

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THE GEOLOGICAL SURVEY OF CANADA



DEPARTMENT OF ENERGY AND TECHNICAL SERVICES



DRAFT LETTER FOR THE PRIME MINISTER TO SEND TO:

Owen O'Brien Esq
General Secretary
National Society of Operative
Printers, Graphical and Media Personnel
Caxton House
13-16 Borough Road
St George's Circus
London, SE1 OAL

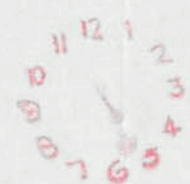
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I have noted your support for the proposed sale. As you will be aware, the deal now rests on the outcome of current negotiations you and others are conducting with Mr Murdoch.

COMMISSION

- 4 FEB 1981





From the Secretary of State

Nick Sanders Esq
Private Secretary
10 Downing Street
London, SW1

27 January 1981

Dear Nick,

EMERGENCY DEBATE ON "THE TIMES"

... I attach a copy of the speech that my Secretary of State intends to make this afternoon during the emergency debate on a reference to the Monopolies and Mergers Commission of the proposed purchase of "The Times" and "Sunday Times" newspapers.

I am copying this letter and the speech to Robin Birch (leader of the House) and Murdo Maclean (Chief Whip).

Yours ever,

Nicholas McInnes

N McInnes
Private Secretary



The holding of this emergency debate and the interest expressed both within this House and outside it attest to the important place which Times newspapers have in our national life. Their continuance, and the manner of their continuance are issues of genuine public concern.

I believe that the general desire is to see "The Times", "Sunday Times" and the various supplements continue in publication and preserve the traditions of independence and editorial freedom for which they are rightly renowned.



Thomson Organisation Limited, the existing owners of the newspapers, have made it quite clear that they will not support the "Sunday Times" after 8 March nor "The Times" after 14 March.

The objective of continuation which I have described requires a willing purchaser, ready and able to devote considerable financial resources to the newspapers, and at the same time ready to accept the traditions to which so much importance is attached.



Thomson's themselves established a "vetting panel" comprising the editors of the newspapers and the national directors, and that panel has concluded that News International (Controlled by Mr Rupert Murdoch) is a suitable future owner of these titles.

That is the view of the existing owners - taking account of the opinion of the editorial staff on the vetting panel. The law requires, however, that such an acquisition should be subject to my consent.



In the 1973 Fair Trading Act there is a presumption that all proposals for newspaper mergers should be investigated by the Monopolies Commission.

The Act does, however, provide - in section 58(3) - for certain exceptions. Where the Secretary of State is satisfied that the newspaper concerned in a transfer is not economic as a going concern, and as a separate newspaper, and if he is satisfied also that if the newspaper is to continue as a separate newspaper, the case is one of urgency, he may give his consent to the transfer without a reference to the Commission.



Thomson Organisation Limited, in applying for my consent to the transfer of "The Times" and "The Sunday Times" to News International (controlled by Mr Rupert Murdoch) made its application under that provision.

I had therefore first to satisfy myself whether the two conditions of the section - whether "The Times" and "The Sunday Times", separately, were each economic as a going concern, and whether the case was one of urgency. If I was so satisfied, it was then for me to decide whether I should still require an investigation by the Monopolies Commission or whether I should grant my consent without a reference, if necessary with conditions.



My accountants have carried out a detailed investigation into the financial position and future prospects of both "The Times" and "The Sunday Times". They have looked at the figures for the first 11 months of 1980 (the latest available). On the basis of their advice I am satisfied that neither newspaper under present ownership and under present conditions - what the Act requires me to look at - was economic as a going concern and as a separate newspaper. As far as "The Times" is concerned there can be no doubt about the position. But even in the case of "The Sunday Times", after allocating to it a reasonable share of Thomson's fixed overheads, I am satisfied that that paper too is uneconomic.



Is the case then one of urgency? Thomson's _____ announced in October last that, because of continuing heavy losses, it had decided to sell its Times titles (the 3 supplements, which are not newspapers for the purposes of the Act, as well as "The Times" and "The Sunday Times") by March and it sought bids by 31 December. Arrangements for closure of the newspapers - including the serving of redundancy notices to staff - were set in hand.

There is no doubt that if a new owner does not take over these newspapers they will cease publication in March. I am conscious that some people regard this as "Thomson bluff". I have discussed the deadline with Thomson's, _____ and I must say to the House that in my opinion the closure is a real possibility.

I am therefore satisfied that the conditions of section 58(3) are met in this case and that I therefore have to decide whether to opt for a reference or to give my consent.



I approach this decision with an established preference for newspaper mergers to be examined by the Monopolies and Mergers Commission. Newspapers are special and their ownership is a proper matter for public concern.

The impending closure of the newspapers clearly poses a real problem. The 1973 Act requires that the Commission must complete its investigations within three months unless the Secretary of State, because he is persuaded that there are special reasons, gives the Commission a further period of 3 months. I am not empowered to require a report in a shorter period.

The Rt Hon Member for Lanark has suggested that we should have a quick investigation. I am sure that he does not want a superficial study but is looking for a proper examination of the issues.



The Chairman of the Monopolies and Mergers Commission was asked whether, notwithstanding the 3 months allowed for an investigation of a newspaper merger under the Act - already a short period compared with that for other MMC enquiries - he could complete an enquiry in a significantly shorter period. Sir Godfray Le Quesne, fully recognising both the urgency of this matter and its importance, considered this question with some care. In view of the possible scope of the enquiry and the statutory requirements governing the contents of the report, Sir Godfray concluded that if they were to conduct an adequate enquiry, he could not promise a report in under 8 weeks (still a significant reduction on the period allowed in the Act).



I am conscious that in some quarters there is a feeling that the Thomson closure timetable could have been arranged to allow time for an MMC investigation. I can only say that the request for my consent to the transfer of the titles to News International was received on 23 January, and on the best possible timetable an MMC report could not be available before "The Times" and "Sunday Times" had ceased publication.



Moreover, the delay involved would affect the deal agreed between Thomson's and News International, probably requiring the reopening of negotiations. And I am told that the discussions between the possible new owners and the unions could not begin until the decision was taken following the MMC report.

So a reference to the MMC triggers a series of delays clearly beyond the present closure plans.



I should add here that the Commission is required to investigate a particular application and to report whether or not it judges that application to be against the public interest and to recommend to the Secretary of State whether any (and, if so, what) conditions might be attached to the transfer. Some commentators have implied that the Commission can look at all the possible bidders for the papers and recommend the one which they think best. But this misconceives the Commission's function.

The choice I faced was therefore whether to insist on a Monopolies Commission investigation and risk closure of the Times titles, with 4,000 redundancies and the possibility of the permanent closure of "The Times".



I mentioned earlier the importance of the "character" of "The Times" being preserved - the relationship between the proprietor and the editor that had been established at the time of the Thomson acquisition. I know that it has been assumed that this would be an essential point in any MMC investigation.

The Act does, however, provide for my consent to be given conditionally or unconditionally, and indeed if the MMC were themselves to recommend any conditions, these too could only be brought into effect as conditions attached to my consent.



After earnest consideration, and to avoid disruption and uncertainty, I have concluded that I should give my consent forthwith, and without a Monopolies Commission investigation, to the transfer of Times Newspapers to News International, subject to certain conditions.

These conditions are as follows:

- The newspapers are to be published as separate newspapers;
- Future disposals are to be subject to the consent of a majority of the independent national directors of Times Newspapers Holdings Limited;



- The number of these independent Directors is to be increased from 4 to 6 and the appointment of any independent national directors in the future is not to be made without the approval of the existing independent national directors;

- On editorial independence, the editors shall not be appointed or dismissed without the approval of the majority of the independent national directors;



- The Editor of each newspaper shall retain control over any political comment published in his newspaper and, in particular, shall not be subject to any restraint or inhibition in expressing opinion or in reporting news that might directly or indirectly conflict with the opinions or interests of any of the newspaper proprietors;

- Instructions to journalists shall be given only by the Editor or those to whom he has delegated authority;



- Subject only to any annual budget for editorial space and expenditure the Editor shall retain control over the appointment, disposition and dismissal of journalists on his newspaper and of all other content of his newspaper;
- Disputes between the Editors and the directors of the companies are to be settled by the independent national directors.



I am taking steps to ensure that these conditions are entrenched. Those relating to editorial independence will be incorporated into the Articles of Association of The Times Newspapers companies and any change in the relevant Articles would in future require my consent. That requirement as well as the other conditions will be backed up by the sanctions provided for in the Act.



I realise that the transfer of 2 such prestigious newspapers as "The Times" and "The Sunday Times" to someone who is already a substantial newspaper proprietor must inevitably raise important question of the public interest. The concentration in ownership is, on the face of it, disturbing, although I must say that "The Times" and "Sunday Times" are appealing to different ends of the market to the existing publications of News International - "The Sun" and "The News of the World". Moreover, the conditions attaching to my consent to the transfer will I believe deal satisfactorily with this problem as well as with that of editorial freedom.



I do not deny that there is normally a great deal to be said for a thorough Monopolies Commission enquiry in contentious mergers and the safeguards that course contains. That course was available to me, but in these circumstances it would have been inexcusable if, by causing delay and creating uncertainty, I had taken any steps that might have resulted in the permanent closure of one, and perhaps both, of these great newspapers.



I have, therefore, agreed to the merger application with the conditions I have outlined to the House. I hope and believe this judgment will secure a continuing quality of journalism that is to our national advantage. I commend my decision to the House.

Cabinet / Cabinet Committee Document

The following document, which was enclosed on this file, has been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate CAB (CABINET OFFICE) CLASSES.

Reference: E (81) 4th Meeting, minute 2

Date: 26 January 1981

Signed *D. Wayland* Date *4 February 2013*

PREM Records Team



From the Secretary of State

Tim Lankester Esq
Private Secretary
10 Downing Street
London, SW1

CF. pls ask for
new draft - and
approve for mtg
getting on it

26 January 1981
before Britain's

Statement.

Dear Tim

Thank you for your letter of 19 January enclosing a letter the
Prime Minister has received from the General Secretary of NATSOPA.

--- I enclose a draft reply for the Prime Minister's signature, which
if it is to be ^{used} sent should be sent immediately.

Yours sincerely

Catherine Capon

CATHERINE CAPON
Private Secretary

12
27



DRAFT REPLY FOR THE PRIME MINISTER TO SEND TO:

Owen O'Brien Esq
General Secretary
National Society of Operative Printers
Graphical and Media Personnel
Caxton House
13-16 Borough Road
St George's Circus
London, SE1 OAL

Thank you for your letter of 16 January about the possible sale of 'The Times', 'The Sunday Times' and the three Times supplements.

Now that an application has been received by the Secretary of State for Trade under the provisions of the Fair Trading Act 1973 for his consent to a sale, the Government's response will be carefully considered under the terms of the Act. Meanwhile, your comments have been noted and will be borne in mind.



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PRIME MINISTER

TIMES NEWSPAPERS

We are discussing at E Committee this afternoon the bid by News International, which is controlled by Mr Rupert Murdoch, to take over The Times, The Sunday Times and the three Times supplements which, via Thomson British Holdings (TBH), are owned by the Canadian-controlled Thomson Organisation.

Newspaper mergers are subject to special scrutiny under the 1973 Fair Trading Act: there is a presumption that they will be referred to the Monopolies and Mergers Commission (MMC) unless particular conditions apply (see Annex A). In this case I may give consent without a reference if I am satisfied that the newspaper in question is not economic as a going concern and the case is one of urgency. Advice from the Department's accountants is that I may properly be satisfied that neither The Times nor The Sunday Times is economic as a going concern, though only in the case of The Times is the issue clear cut. As for urgency, Thomson announced in October last that the papers would close at various dates in March (The Sunday Times on 8 March; The Times on 14 March) unless a buyer were found; and the Chairman of the Monopolies Commission has said he needs eight weeks for an enquiry (he cannot be allowed less than three months). To an extent, the "urgency" is of Thomson's own making: the papers have been losing money for some time and they themselves set the dates in March when they are scheduled to close; but, again, I

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am advised that I can properly be satisfied the case is one of urgency. (Acceptance of the urgency criterion here could however set a precedent of non-reference which might be used by others planning Fleet Street mergers.)

I have, this morning, seen both Mr Gordon Brunton, Chief Executive of TBH and Sir Denis Hamilton, Editor-in-Chief of Times Newspapers. I pressed them to extend their March deadlines by, say, 6-8 weeks to allow an MMC investigation. They told me that in practical terms this would not be possible: negotiations with the workforce would have to be re-opened about redundancy terms, and, as the future success of The Times and The Sunday Times is contingent on satisfactory arrangements being worked out with the unions, the necessary head of steam would disappear. There might be disruption to production; and advertising, already drifting away, might be lost. They agreed however to take the matter back for consideration by their Board and let me know their answer tomorrow.

I spoke similarly to Mr Murdoch (who was reported to have said last week that if there was a reference, the deal was off). He said that the timescale had been established by Thomson, but was now a practical constraint. He did not fear the outcome of a reference. But if it were made, with Thomsons agreeing to renegotiate with their staff to keep open for a further period, it would also be necessary for his contract with Thomsons to be renegotiated, in his favour, since the uncertainties would diminish the commercial value of the

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papers. This would take a fortnight before a monopoly reference could start. And he doubted if his negotiations with the unions could start till after the MMC enquiry was complete. Thomson would therefore need to defer closure at least until the end of April.

Under the terms of News International's bid generally satisfactory conditions to guarantee the editorial independence of both newspapers have been offered (Annex B). Nonetheless there is widespread opposition to Mr Rupert Murdoch's acquiring The Times titles - at least without a reference from the Opposition and also from our own supporters.

As I see it, depending on Thomsons' and Murdoch's response to my request, there may be three possibilities -

- i) Thomsons agree to defer the closure dates and to renegotiate with Mr Murdoch. If they reach a fresh agreement I refer this to the MMC, which effectively would determine the outcome as between Murdoch or closure.
- ii) Thomsons refuse to defer closure. I refuse my consent without a reference to the MMC. This would be a leap in the dark. Thomsons would have to consider again whether to reverse their position on closure; and whether to renegotiate with Murdoch (who for his part might withdraw) or to try to sell the title separately. In the latter case the Sunday Times and the supplements might find buyers; the position of The Times would be much less certain.

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iii) I give consent without a reference, on condition that the undertakings which Mr Murdoch has already given bearing on the independence of the papers and editorial freedom should be entrenched: they should not only, as the companies propose, be incorporated in the company's articles of association, but thereafter could not be changed without my consent.

In deciding which course to follow we must keep in mind that if, as an arguable result of a reference, TBH closes the papers according to its present timetable, we shall be accused not only of causing TBH to lose a substantial sum of money - perhaps up to £20 million net - and some 4,000 redundancies, but also of bringing about what may prove to be the permanent closure of The Times.

I am copying this minute to all members of E Committee, the Chancellor of the Duchy, Attorney General, Chief Whip and Sir Robert Armstrong.

J. B.

(Approved by the Secretary of State and signed in his absence.)

Department of Trade
26 January 1981

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TIMES NEWSPAPERS LTD

BACKGROUND NOTE

Thomson British Holdings Ltd (TBH), controlled by the Canadian-owned International Thomson Organisation Ltd, has applied to the Secretary of State for consent under Section 58(3)(a) of the Fair Trading Act 1973 to transfer The Times and The Sunday Times to News International Ltd, controlled by Mr Rupert Murdoch.

2 The Thomson Organisation acquired The Sunday Times in 1959 and The Times in 1966. The latter acquisition was considered and cleared by the Monopolies Commission (MMC). The present Lord Thomson and his father gave non-statutory assurances concerning the maintenance of the separate identities of The Times and Sunday Times and the independence of their editors. They also gave a 21-year assurance to provide funds to keep the two papers in being. However, this latter assurance was subsequently qualified and stated to depend on the cooperation of the workforce.

3 Times Newspapers Holdings Ltd (which owns The Times, the Sunday Times and the three supplements) has lost substantial sums since 1966. (The eleven and a half months suspension in 1978-79 over manning and new technology was an important factor). Trading losses for 1980 are likely to be about £13m. Placing the blame on the unions, the Thomson Organisation announced on 22 October last its decision to close the five papers by March 1981* unless buyers could be found. The deadline for bids was 31 December 1980.

4 Several bids were made for the titles. TBH announced on 22 January that it had reached conditional agreement for the transfer of the five publications to News International Ltd, subject to the satisfactory outcome of negotiations between Mr Murdoch and the unions. (Mr Murdoch has set a three week deadline for their completion). Mr Murdoch has given a series

* Sunday Times 8 March, Supplements 13 March, Times 14 March.



of undertakings concerning the editorial independence of the newspapers and future disposal of their titles (see Annex B). The Murdoch bid (including the undertakings) has been approved by a vetting committee consisting of the Editor in Chief of Times Newspapers, the Editors of The Times and The Sunday Times, together with the "national" (ie independent) directors of Times Newspapers Holdings Ltd. TBH has now sought the consent of the Secretary of State for Trade to the proposed transfer under Section 58(3)(a) of the Fair Trading Act 1973.

5 The Fair Trading Act provides for special scrutiny of newspaper mergers: a reference to the MMC is mandatory except in special circumstances. Where the transfer of a newspaper to a newspaper proprietor will result in a combined circulation of 500,000 or more, the consent of the Secretary of State is required. Such consent cannot be given without an MMC reference unless the Secretary of State is satisfied that the newspaper concerned is not economic as a going concern and as a separate newspaper. In this case -

- (a) he may give his consent without an MMC report, provided he is also satisfied that the case is urgent if the newspaper is to continue as a separate newspaper;
- (b) he must give his consent unconditionally and without a reference to the MMC if he is satisfied that the newspaper is not to continue as a separate newspaper.

As in the present case an application can be made conditional on the Secretary of State's consent being given under S58(3)(a) or (b), in which case he must either reject the application or approve it without a reference to the MMC. If transfer of a newspaper is to be referred to the MMC this must be done within one month of receipt of the application. The deadline for completion of the report is three months, but the Secretary of State may extend this



for one further period not exceeding three months. Any transfer without consent would be void and subject to criminal proceedings.

6 The Secretary of State is not bound to follow the Commission's findings on whether the merger is in the public interest; and he can attach whatever conditions he wishes to consent, regardless of whether the merger has gone to the MMC and of any conditions the MMC may have recommended. Breach of any conditions imposed by the Secretary of State would also be subject to criminal sanctions.

7 The circulations of the papers concerned and Mr Murdoch's status as a "newspaper proprietor" have the result that the proposed transfer of The Times and The Sunday Times would require the Secretary of State's consent. (The three supplements, not being "newspapers" do not require such consent). In deciding whether he has discretion not to refer, the Secretary of State must consider whether each newspaper concerned is economic as a going concern and as a separate newspaper. This involves looking at the finances of each newspaper separately even though (as in this case) they may share certain production and management costs. In considering whether a newspaper is economic as a going concern there can be no speculation about what the position might be under different ownership or circumstances.

8 An analysis of the financial position and prospects of the newspapers concerned (on the basis of material supplied to the bidders) has been carried out by the accountants of the Department of Trade. This concludes that, allowing for the inevitable arbitrariness of allocating fixed overheads representing the division of shared costs, neither The Times nor The Sunday Times is economic as a going concern and as a separate newspaper, although the issue is only clear-cut in the case of The Times. The Solicitor to the Department advises that the accountants' report



provides a basis on which the Secretary of State could properly decide that neither publication was economic as a going concern and as a separate newspaper.

9 The Secretary of State must also satisfy himself that the case is one of urgency if the newspaper is to continue as a separate newspaper. It may be argued that there can be no claim of urgency when the Thomson Organisation had borne losses for many years, has given nearly five months' notice of closure, and presumably has the funds to keep the five papers going for at least a further short period. But a proprietor cannot be obliged to keep going an uneconomic newspaper and if he decides to close it by a certain date, the Secretary of State may properly conclude that a situation of urgency exists. In the present case, there appears to be sufficient evidence for the Secretary of State to be satisfied that the present case is 'urgent'.

10 The upshot therefore is that on the basis of available information, the Secretary of State has discretion to consent to transfer of The Times and The Sunday Times without an MMC reference and that if he did so he would be unlikely to be successfully challenged at law. Equally, he has the right to refer either or both acquisitions to the MMC before deciding whether to grant consent.

11 Pressure for the deal to be referred to the MMC is coming from both sides of the House of Commons, from editorial comment and from the NUJ. The three print unions however are in favour of the merger.

DEPARTMENT OF TRADE
26 January 1981.

1. Independent National Directors

The system of Independent National Directors serving on the Board of Times Newspapers Holdings Limited will be preserved and enhanced. There will be an increase in the number of Independent National Directors. They will be required to approve subsequent appointments to their membership.

2. Appointment and dismissal of Editors

The Editors, to be appointed by the Board, may be appointed or removed only by the agreement of a majority of the Independent National Directors. The Independent National Directors will be available for arbitration on unresolved issues.

3. Disposition of titles

Any future sale of any of the titles will require the agreement of a majority of the Independent National Directors.

4. Maintenance of Editorial Independence

Irrespective of these rights of the Independent National Directors, Mr. Murdoch undertook to bind himself to preserve the separate identities of The Times and The Sunday Times, and to maintain the independence and authority of their Editors in the appointment and control of their staff: over the political policy of the separate newspapers; and in all respects to maintain the titles as

editorially independent newspapers of high quality. Each of the two Editors would be free to make his own decision on matters of opinion and news and each would be free to disagree with the other and with any other newspaper in which Mr. Murdoch may have an interest.

In particular Mr. Murdoch subscribes to and undertakes to observe the following principles relating to editorial integrity.

(a) The Times and The Sunday Times are free from party political bias and from attachment to any sectional interest. They will be subject to no restraint or inhibition either in expressing opinion or in reporting news that might directly or indirectly conflict with the commercial interests or political concerns of the Proprietor.

The Times is recognised to be a paper of record.

(b) In accordance with the traditions of the papers, their Editors will not be subject to instruction from either the Proprietor or the management on the selection and balance of news and opinion.

They have the right to refuse to publish any advertisement.

(c) Instructions are to be given to journalists only by their Editor and by those to whom he has delegated authority.

- (d) The Editors of each of the Supplements should have the same responsibilities and prerogatives in relation to their paper as the Editors of The Times and The Sunday Times.
- (e) The Board of Times Newspapers Ltd. is to be responsible, after consultation with the Editors, for fixing an annual budget for editorial space and expenditure. The Editors are to be responsible for the allocation of space between editorial and advertising day by day, within the strategic framework set by the Board. The Editors will continue to make all appointments to the journalistic staff, subject to the constraints of the editorial budget.

NOTE:

The Articles of Association of Times Newspapers Holdings Limited and Times Newspapers Limited will be altered as appropriate to reflect the above undertakings in the event that the sale to Mr. Murdoch becomes unconditional.



ROYAL COURTS OF JUSTICE
LONDON, WC2A 2LL

01-405 7641 Extn 3201

26 January 1981

THE PRIME MINISTER

TRANSFER OF TIMES NEWSPAPERS

There is one point I should raise in advance of this afternoon's meeting of "E" Committee.

2. The general rule under the Fair Trading Act 1973 is that there must be a reference to the Monopolies Commission before the Secretary of State decides whether or not to give his consent to a transfer of newspapers. But there is an exception to this under s.58(3)(a) of the Act, where a reference is at his discretion if the Secretary of State is satisfied that certain criteria are met.

3. I wish to stress that it is for John Biffen exclusively to decide whether these conditions are present for either or both newspapers. I can advise him from a legal standpoint on whether he is entitled to come to a particular view on the basis of the evidence he obtains, but apart from that Ministers must refrain from giving their own opinions or seeking to influence his. Otherwise there might be room for questioning his final decision.

4. If John Biffen does reach the conclusion that the criteria are met, then it is a proper matter for consultation with colleagues whether or not a reference should first be sought, and there can be no objection to their giving their views on this aspect.

5. As Chairman of "E" Committee you should be aware of this limitation. I think it is important that the Committee should confine itself, so far as the conditions in s.58(3)(a) are concerned, to hearing John Biffen's conclusions on whether they are

/met.

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ROYAL COURTS OF JUSTICE
LONDON, WC2A 2LL

01-405 7641 Extn

- 2 -

met. The discussion and the minutes should be limited accordingly.

6. I have copied this minute to John Biffen and Sir Robert Armstrong.

MH

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ROYAL COLLEGE OF JUSTICE
LONDON, W.C.2



26.



THE CHIEF JUSTICE



Copy seen by
PM

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PRIME MINISTER

TIMES NEWSPAPERS

We are discussing at E Committee this afternoon the bid by News International, which is controlled by Mr Rupert Murdoch, to take over The Times, The Sunday Times and the three Times supplements which, via Thomson British Holdings (TBH), are owned by the Canadian-controlled Thomson Organisation.

Newspaper mergers are subject to special scrutiny under the 1973 Fair Trading Act: there is a presumption that they will be referred to the Monopolies and Mergers Commission (MMC) unless particular conditions apply (see Annex A). In this case I may give consent without a reference if I am satisfied that the newspaper in question is not economic as a going concern and the case is one of urgency. Advice from the Department's accountants is that I may properly be satisfied that neither The Times nor The Sunday Times is economic as a going concern, though only in the case of The Times is the issue clear cut. As for urgency, Thomson announced in October last that the papers would close at various dates in March (The Sunday Times on 8 March; The Times on 14 March) unless a buyer were found; and the Chairman of the Monopolies Commission has said he needs eight weeks for an enquiry (he cannot be allowed less than three months). To an extent, the "urgency" is of Thomson's own making: the papers have been losing money for some time and they themselves set the dates in March when they are scheduled to close; but, again, I

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Under the terms of News International's bid generally satisfactory conditions to guarantee the editorial independence of both newspapers have been offered (Annex B). Nonetheless there is widespread opposition to Mr Rupert Murdoch's acquiring The Times titles - at least without a reference from the Opposition and also from our own supporters.

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iii) I give consent without a reference, on condition that the undertakings which Mr Murdoch has already given bearing on the independence of the papers and editorial freedom should be entrenched: they should not only, as the companies propose, be incorporated in the company's articles of association, but thereafter could not be changed without my consent.

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I am copying this minute to all members of E Committee, the Chancellor of the Duchy, Attorney General, Chief Whip and Sir Robert Armstrong.

J. B.

(Approved by the Secretary of State and signed in his absence.)

Department of Trade
26 January 1981

CONFIDENTIAL



TIMES NEWSPAPERS LTD

BACKGROUND NOTE

Thomson British Holdings Ltd (TBH), controlled by the Canadian-owned International Thomson Organisation Ltd, has applied to the Secretary of State for consent under Section 58(3)(a) of the Fair Trading Act 1973 to transfer The Times and The Sunday Times to News International Ltd, controlled by Mr Rupert Murdoch.

2 The Thomson Organisation acquired The Sunday Times in 1959 and The Times in 1966. The latter acquisition was considered and cleared by the Monopolies Commission (MMC). The present Lord Thomson and his father gave non-statutory assurances concerning the maintenance of the separate identities of The Times and Sunday Times and the independence of their editors. They also gave a 21-year assurance to provide funds to keep the two papers in being. However, this latter assurance was subsequently qualified and stated to depend on the cooperation of the workforce.

3 Times Newspapers Holdings Ltd (which owns The Times, the Sunday Times and the three supplements) has lost substantial sums since 1966. (The eleven and a half months suspension in 1978-79 over manning and new technology was an important factor). Trading losses for 1980 are likely to be about £13m. Placing the blame on the unions, the Thomson Organisation announced on 22 October last its decision to close the five papers by March 1981* unless buyers could be found. The deadline for bids was 31 December 1980.

4 Several bids were made for the titles. TBH announced on 22 January that it had reached conditional agreement for the transfer of the five publications to News International Ltd, subject to the satisfactory outcome of negotiations between Mr Murdoch and the unions. (Mr Murdoch has set a three week deadline for their completion). Mr Murdoch has given a series

* Sunday Times 8 March, Supplements 13 March, Times 14 March



of undertakings concerning the editorial independence of the newspapers and future disposal of their titles (see Annex B). The Murdoch bid (including the undertakings) has been approved by a vetting committee consisting of the Editor in Chief of Times Newspapers, the Editors of The Times and The Sunday Times, together with the "national" (ie independent) directors of Times Newspapers Holdings Ltd. TBH has now sought the consent of the Secretary of State for Trade to the proposed transfer under Section 58(3)(a) of the Fair Trading Act 1973.

5 The Fair Trading Act provides for special scrutiny of newspaper mergers: a reference to the MMC is mandatory except in special circumstances. Where the transfer of a newspaper to a newspaper proprietor will result in a combined circulation of 500,000 or more, the consent of the Secretary of State is required. Such consent cannot be given without an MMC reference unless the Secretary of State is satisfied that the newspaper concerned is not economic as a going concern and as a separate newspaper. In this case -

- (a) he may give his consent without an MMC report, provided he is also satisfied that the case is urgent if the newspaper is to continue as a separate newspaper;
- (b) he must give his consent unconditionally and without a reference to the MMC if he is satisfied that the newspaper is not to continue as a separate newspaper.

As in the present case an application can be made conditional on the Secretary of State's consent being given under S58(3)(a) or (b), in which case he must either reject the application or approve it without a reference to the MMC. If transfer of a newspaper is to be referred to the MMC this must be done within one month of receipt of the application. The deadline for completion of the report is three months, but the Secretary of State may extend this



for one further period not exceeding three months. Any transfer without consent would be void and subject to criminal proceedings.

6 The Secretary of State is not bound to follow the Commission's findings on whether the merger is in the public interest; and he can attach whatever conditions he wishes to consent, regardless of whether the merger has gone to the MMC and of any conditions the MMC may have recommended. Breach of any conditions imposed by the Secretary of State would also be subject to criminal sanctions.

7 The circulations of the papers concerned and Mr Murdoch's status as a "newspaper proprietor" have the result that the proposed transfer of The Times and The Sunday Times would require the Secretary of State's consent. (The three supplements, not being "newspapers" do not require such consent). In deciding whether he has discretion not to refer, the Secretary of State must consider whether each newspaper concerned is economic as a going concern and as a separate newspaper. This involves looking at the finances of each newspaper separately even though (as in this case) they may share certain production and management costs. In considering whether a newspaper is economic as a going concern there can be no speculation about what the position might be under different ownership or circumstances.

8 An analysis of the financial position and prospects of the newspapers concerned (on the basis of material supplied to the bidders) has been carried out by the accountants of the Department of Trade. This concludes that, allowing for the inevitable arbitrariness of allocating fixed overheads representing the division of shared costs, neither The Times nor The Sunday Times is economic as a going concern and as a separate newspaper, although the issue is only clear-cut in the case of The Times. The Solicitor to the Department advises that the accountants' report



provides a basis on which the Secretary of State could properly decide that neither publication was economic as a going concern and as a separate newspaper.

9 The Secretary of State must also satisfy himself that the case is one of urgency if the newspaper is to continue as a separate newspaper. It may be argued that there can be no claim of urgency when the Thomson Organisation had borne losses for many years, has given nearly five months' notice of closure, and presumably has the funds to keep the five papers going for at least a further short period. But a proprietor cannot be obliged to keep going an uneconomic newspaper and if he decides to close it by a certain date, the Secretary of State may properly conclude that a situation of urgency exists. In the present case, there appears to be sufficient evidence for the Secretary of State to be satisfied that the present case is 'urgent'.

10 The upshot therefore is that on the basis of available information, the Secretary of State has discretion to consent to transfer of The Times and The Sunday Times without an MMC reference and that if he did so he would be unlikely to be successfully challenged at law. Equally, he has the right to refer either or both acquisitions to the MMC before deciding whether to grant consent.

11 Pressure for the deal to be referred to the MMC is coming from both sides of the House of Commons, from editorial comment and from the NUJ. The three print unions however are in favour of the merger.

DEPARTMENT OF TRADE
26 January 1981.

1. Independent National Directors

The system of Independent National Directors serving on the Board of Times Newspapers Holdings Limited will be preserved and enhanced. There will be an increase in the number of Independent National Directors. They will be required to approve subsequent appointments to their membership.

2. Appointment and dismissal of Editors

The Editors, to be appointed by the Board, may be appointed or removed only by the agreement of a majority of the Independent National Directors. The Independent National Directors will be available for arbitration on unresolved issues.

3. Disposition of titles

Any future sale of any of the titles will require the agreement of a majority of the Independent National Directors.

4. Maintenance of Editorial Independence

Irrespective of these rights of the Independent National Directors, Mr. Murdoch undertook to bind himself to preserve the separate identities of The Times and The Sunday Times, and to maintain the independence and authority of their Editors in the appointment and control of their staff: over the political policy of the separate newspapers; and in all respects to maintain the titles as

editorially independent newspapers of high quality. Each of the two Editors would be free to make his own decision on matters of opinion and news and each would be free to disagree with the other and with any other newspaper in which Mr. Murdoch may have an interest.

In particular Mr. Murdoch subscribes to and undertakes to observe the following principles relating to editorial integrity.

- (a) The Times and The Sunday Times are free from party political bias and from attachment to any sectional interest. They will be subject to no restraint or inhibition either in expressing opinion or in reporting news that might directly or indirectly conflict with the commercial interests or political concerns of the Proprietor. The Times is recognised to be a paper of record.
- (b) In accordance with the traditions of the papers, their Editors will not be subject to instruction from either the Proprietor or the management on the selection and balance of news and opinion. They have the right to refuse to publish any advertisement.
- (c) Instructions are to be given to journalists only by their Editor and by those to whom he has delegated authority.

- (d) The Editors of each of the Supplements should have the same responsibilities and prerogatives in relation to their paper as the Editors of The Times and The Sunday Times.
- (e) The Board of Times Newspapers Ltd. is to be responsible, after consultation with the Editors, for fixing an annual budget for editorial space and expenditure. The Editors are to be responsible for the allocation of space between editorial and advertising day by day, within the strategic framework set by the Board. The Editors will continue to make all appointments to the journalistic staff, subject to the constraints of the editorial budget.

NOTE:

The Articles of Association of Times Newspapers Holdings Limited and Times Newspapers Limited will be altered as appropriate to reflect the above undertakings in the event that the sale to Mr. Murdoch becomes unconditional.



10 DOWNING STREET

Prime Minister

There will be a
page, and Cabinet brief,
at lunch time on
Monday - when the application
has been studied (it is
expected later tonight).

T.L.

27.

I have put in the ^{file} ~~box~~ the 1966
Monopolies Commission report and the
1973 Act in case you want to look
through them. MS

2

PRIME MINISTER

The Times: PNQ from John Smith

Sally Oppenheim answered a PNQ from John Smith about The Times this morning. We had told her beforehand that she should keep all the options open and play everything with the straightest possible bat, and in the event she did exactly that.

At the time of the Answer, no formal application had been received by the Department of Trade, so that Mrs. Oppenheim was able to rely on that for many of her answers to supplementaries. The Speaker allowed a large number of supplementaries because of the degree of interest on both sides of the House; all of the Labour speakers urged reference to the Monopolies Commission and Jonathan Aitken and Hugh Dykes did the same.

John Smith said that we were faced with one of the greatest concentrations of newspaper power in the country's history, and that it was unthinkable that the Secretary of State for Trade should not make a reference. The Monopolies Commission would be able to complete their work in a reasonable time, and it need not take them months to prepare their report. All the assurances in the world from Rupert Murdoch at this stage were no substitute for mature consideration by the Monopolies Commission and undertakings given to them which would make Mr. Murdoch accountable to the public at large. In reply, Mrs. Oppenheim said that Mr. Biffen would consider the matter very carefully. She pointed out that in the last resort it was a matter for him and not for Parliament and summarised the terms of the relevant section of the Fair Trading Act 1973.

Jonathan Aitken said that she had given the only answer that was possible at this stage, but that any refusal to make a reference would be a shattering disappointment to those who believed that the

/ Government had

Government had a duty to safeguard the public interest in matters of newspaper power. Any evasion would be contrary to the spirit of the 1973 Act. Mrs. Oppenheim said that the effects were not yet known, and that Mr. Biffen had to wait for the formal application.

David Owen raised a significant new point. He said that the Sunday Times was economic, and that there could be no question of doubt that it had to be referred to the Monopolies Commission, even if The Times fell within the exceptional category specified in the Act. Mrs. Oppenheim said carefully that Mr. Biffen would decide on the basis of the law as it stands and on the basis of information supplied to him when the application was made.

Peter Emery said that he was concerned about the possibility of delay arising from a reference. Mrs. Oppenheim said that that would be one of the very important factors which Mr. Biffen would consider. She reminded the House that he had no power to compel the Monopolies Commission to consider a reference of this nature in less than the statutory period (which is three months).

David Winnick said that the sale of The Times had caused the maximum concern about its future. Mr. Murdoch was already the head of a vast press empire and his newspapers had a sorry reputation for slanted political comment. Sir Ronald Bell said that there was no legal duty to refer the proposal and that it was up to Mr. Biffen to use his discretion. He thought it most unlikely that The Times would continue unless bought by an existing proprietor. Mrs. Oppenheim said that under certain circumstances Mr. Biffen had no discretion but to make a reference. Geoffrey Robinson asked Mrs. Oppenheim to confirm that a reference of The Sunday Times was unavoidable. He said that there were ample grounds under Part V of the 1973 Act for a reference of the "whole of this sordid business". Mrs. Oppenheim said that there was no question of a wider reference. If and when an application was made, it was solely a question of the application of Section 58 (iii) of the 1973 Act.

/ Hugh Dykes

Hugh Dykes said that phrases such as that did not help when a genuine offer had been made, but that it would be inconceivable for the reference not to take place. The proposal needed to be looked at in the public interest. Mrs. Oppenheim said that references to "a sordid business" were insensitive when jobs were involved.

Dick Douglas said that he thought that the House was entitled to know more about the Department of Trade's attitude to the proposal. Mrs. Oppenheim said again that Mr. Biffen would uphold the law and that since no application had been received, she could not be expected to go further than she had.

Albert McQuarrie said that the Unions themselves had agreed that it was a satisfactory deal. It was impossible that a reference could be completed within Mr. Murdoch's three week deadline, and the Opposition should be more concerned about the risk to the jobs concerned. Mrs. Oppenheim said that the Unions' "delight" would be among the factors Mr. Biffen would consider.

Finally, Bruce George asked Mrs. Oppenheim to convey to prospective buyers a sense of ^{the} concern which had been expressed from all sides of the House, so that alternative purchasers would not be frightened away. Mrs. Oppenheim said that she was sure that everyone concerned would have noted everything that had been said in the House.

I have little doubt that the Opposition will have come to the conclusion that the Government is at least considering not referring the issue to the Monopolies Commission - and indeed John Silkin told Murdo that that was his own conclusion. But Mrs. Oppenheim did not close any of the options, so that all was left to play for.

MS

23 January 1981



File No

NATSOPA

10 DOWNING STREET

From the Private Secretary

19 January 1981

Chase on Monday 26 Jan. psc.

I should be grateful for a draft reply for the Prime Minister to send to the enclosed letter she has received from the General Secretary of NATSOPA.

It would be helpful if the draft could reach me by close of play this coming Friday - 23 January.

T. P. LANKESTER

Nicholas McInnes, Esq.,
Department of Trade.

270



file 10

10 DOWNING STREET

From the Private Secretary

19 January 1981

I am writing to acknowledge your letter of 16 January which I have placed before the Prime Minister. A reply will be sent to you as soon as possible.

J. P. LANKESTER

Owen O'Brien, Esq.



2

10 DOWNING STREET

PRIME MINISTER

A letter from the General Secretary of NATSOPA expressing support for Rupert Murdoch's bid for the Times. I will get a draft reply for you to send.

I have asked the Department of Trade for a submission on whether or not there should be a reference to the Monopolies Commission. This should be with us later tonight.

ms

R

19 January 1981

COMMERCIAL IN CONFIDENCE

*Prime Minister.
Ind (RD).*



DEPARTMENT OF TRADE
1 VICTORIA STREET
LONDON SW1H 0ET

TELEPHONE DIRECT LINE 01 215
SWITCHBOARD 01 215 7877

From the
Minister of State
for Consumer Affairs

THE RT HON SALLY OPPENHEIM MP

Tim Lankester Esq
Private Secretary
10 Downing Street
London SW1

17 January 1981

Dear Tim,

THE TIMES

You asked for a note for the Prime Minister on the present position in the negotiations for the sale of The Times newspapers.

The Thomson Organisation have been keeping the Department in touch with the recent course of the negotiations. This morning Mr Gordon Brunton told our Permanent Secretary in confidence that, subject to certain further points, the offer from Mr Rupert Murdoch is the bid which they favour. They in turn have been told the information which we shall require, together with their applications, to enable our Secretary of State to consider whether or not he should give consent, under the Fair Trading Act 1973. As soon as this is received the matter will be considered urgently: indeed, some preliminary investigations have already taken place.

The position is set out in more detail in the enclosed note. We shall be sending separately notes for the Prime Minister's use at Questions tomorrow.

Yours ever

Peter McCarthy

PETER MCCARTHY
Private Secretary

COMMERCIAL IN CONFIDENCE

TIMES NEWSPAPERS LTD

BACKGROUND

THOMSON'S DECISION TO SELL

/al Placing the blame for its decision on the unions, the Thomson Organisation announced on 22 October 1980 that they would close the Times, the Sunday Times and the Literary, Educational, and Higher Education/Supplements by March 1981 unless buyers could be found. The deadline for receipt of offers was 31 December. Closure would result in over 4,000 redundancies.

2 When the MMC was considering the Thomson Organisation's acquisition of the Times and Sunday Times in 1966, the present Lord Thomson and his father promised to provide sufficient funds for a 21-year period to keep the Times and Sunday Times in being. However, in the light of subsequent lack of union co-operation, the Thomson Organisation do not consider that last autumn's announcement of intended closure amounts to a breach of this undertaking, which was in any case purely non-statutory.

POTENTIAL BIDDERS

3 Confidential: The Thomson management have concluded that the offer from Mr Rupert Murdoch is the most attractive of the various bids. While he does not offer as much money for the five papers as other bidders, the guarantees he is offering concerning editorial independence and the future publication of the paper are apparently the most generous*. Provided that national (ie independent) directors of Times Newspapers Ltd and the editors of the five papers can be satisfied on these issues, the Thomson Organisation will announce very shortly (perhaps tomorrow) that Mr Murdoch is the bidder to whom they are prepared to sell. Mr Murdoch would then negotiate with the unions over a 3-week period to try and obtain satisfactory assurances concerning

* Other bidders are reported to have included: Associated Newspapers The Economist, Lonrho, James Goldsmith, Robert Maxwell, IPC and the consortium of journalists led by Sir Michael Swann.

manning levels, introduction of new technology etc.7

FAIR TRADING ACT 1973: PROVISION AS TO NEWSPAPER MERGERS

4 The Fair Trading Act provides that newspaper mergers shall be subject to special scrutiny. Where a daily, local or Sunday newspaper is acquired by an existing proprietor, and if the combined average circulation of his newspapers (including the one to be acquired) is 500,000 or more, such transfer can only take place with the consent of the Secretary of State (for Trade). Such consent cannot normally be given without a reference to the Monopolies and Mergers Commission. An exception would arise if the Secretary of State were satisfied that the newspaper concerned in the transfer was not economic as a going concern and as a separate newspaper. In this case -

- (a) the Secretary of State may give his consent without an MMC report, provided he is also satisfied that the case is urgent if the newspaper is to continue as a separate newspaper
- (b) he must give his consent unconditionally and without reference to the MMC, if he is satisfied that the newspaper is not to continue as a separate newspaper.

5 Confidential: Preliminary examination of the accounts of the Times and Sunday Times by accountants of the Department of Trade suggest that neither newspaper is economic as a going concern and as a separate newspaper. The Secretary of State could therefore probably grant his consent to the transfer to Mr Murdoch of either or both publications without an MMC reference. (The supplements not being 'newspapers' would not require the Secretary of State's consent). However, in addition to the question of economic viability, the Secretary of State must also be satisfied that the case is one of urgency if the newspaper(s) is to continue as a separate newspaper; and even if he satisfies himself on that count he is also bound to consider whether in the public interest the merger should not be subject to the



independent scrutiny of
the MMC. In the present case the reputation of the papers and public concern over their editorial independence (as seen in the early day motion tabled last week) are factors which will have to be considered very carefully.

6 A submission on the issues will be put to the Secretary of State this week-end when he returns from abroad.

LINE TO TAKE

7 The Prime Minister may well be asked about the future of the five papers during Question Time tomorrow, whether or not Thomson's choice of Mr Murdoch has been announced by then. It would be important to stress that no formal application for consent to transfer of any of the Times newspapers has been made to the Secretary of State. He will consider any application in the light of the evidence submitted to him and in the light of the provisions of the Fair Trading Act 1973 on newspaper mergers.

CTS2
Department of Trade
19 January 1981



NATSOPA

National Society of
Operative Printers
Graphical and
Media Personnel

OOB/mh

16th January 1981

R17/1

Caxton House
13-16 Borough Road
St George's Circus
London SE1 OAL
Telephone
01-928 2388

General Secretary
Owen O'Brien

National
Assistant Secretaries

J A Selby
E O'Brien
J.A. Moakes

The Rt. Hon. Mrs. Margaret Thatcher, MP
Prime Minister
10 Downing Street
LONDON S.W.1

Dear Prime Minister,

Having read reports in this morning's papers of concern expressed in Parliament over the possibility that Mr. Rupert Murdoch may be given the opportunity to purchase The Times, The Sunday Times and the supplements of those papers, I can well understand the fears of members of the House of Commons at the prospect but I do not share that concern.

As General Secretary of a union with the vast majority of members servicing the national newspaper industry, I am primarily concerned with job opportunities for my members.

I am sure you will appreciate that the Sunday Times readers would not be in the same market as those of the News of the World and neither would The Times readership be in the same strata as readers of The Sun. They are widely differing newspapers catering for an entirely different readership.

Having dealt with Rupert Murdoch I know, using the vernacular, that he is no pushover, and I have no doubt at all that if he were given the opportunity of acquiring these titles, he would be prepared to give a guarantee of editorial freedom to the editorial staff employed upon the publications concerned. Furthermore, I would say that such a guarantee would be insisted upon by the journalists and certainly, I would suggest, by Mr. Harold Evans, Editor of The Sunday Times, who in my opinion is one of the foremost, if not the foremost, journalists in the western world.

Therefore my purpose in writing to you is to assure you that as far as I am concerned, and I am sure that I speak on behalf of my Executive Council, the fears expressed in the House would be groundless if the agreement on editorial freedom was guaranteed, as I am sure it could.

Kindest regards and best wishes,

Yours sincerely,

Owen O'Brien
General Secretary



The National Archives

LETTERCODE/SERIES <i>PREM 19</i>	Date and sign
PIECE/ITEM <i>1063</i> (one piece/item number)	
Extract/Item details: <i>Letter 'C' to Armstrong dated 10/12/1980</i>	
CLOSED FOR YEARS UNDER FOI EXEMPTION	
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RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	<i>4/2/2013</i> <i>S. Gray</i>
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The National Archives

LETTERCODE/SERIES <i>PREM 19</i>	Date and sign
PIECE/ITEM <i>1063</i> (one piece/item number)	
Extract/Item details: <i>Minute Armstrong to Whitmore dated 5/12/1980</i>	
CLOSED FOR YEARS UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	<i>4/2/2013</i> <i>S. Gray</i>
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LETTERCODE/SERIES

.....GRA 168.....

PIECE/ITEM49.....

(ONE PIECE/ITEM NUMBER ONLY)

Please Sign and Date in the box adjacent to the description that applies to the document being replaced by the Dummy Card

If the document is Closed under a FOI exemption, enter the number of years closed. See the TNA guidance *Preparation of records for transfer to The National Archives*, section 18.2

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The National Archives

LETTERCODE/SERIES <i>PREM 19</i>	Date and sign
PIECE/ITEM <i>1063</i> (one piece/item number)	
Extract/Item details: <i>Letter 'C' to Armstrong dated 4/12/1980 (attached to Armstrong to Whitworth dated 5/12/80)</i>	
CLOSED FOR YEARS UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	<i>4/2/2013 S. Gray</i>
TEMPORARILY RETAINED	
MISSING ON TRANSFER	
MISSING	
NUMBER NOT USED	

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Use **Black Pen** to complete form

Use the card for one piece/item number only

Enter the Lettercode, Series and Piece/Item references clearly
e.g.

LETTERCODE/SERIESGRA 168.....
PIECE/ITEM49..... (ONE PIECE/ITEM NUMBER ONLY)

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The box described as 'Missing' is for TNA use only (it will apply to a document that is not in its proper place after it has been transferred to TNA)

cf the byline



*Prime Minister
1st POF
Bad news, but
perhaps inevitable -
the journalists' strike
was the last straw.*

From the Secretary of State

Prime Minister

PRIME MINISTER

THE TIMES

*Comparison of the amount
I mentioned to you this morning
has come more quickly than I
expected! MW 21x*

mt. R 21/10

Sir Denis Hamilton came to see my Permanent Secretary this afternoon to inform him of the decision of the Thomson family to withdraw from the publication of the Times, the Sunday Times and their associated publications. They will be announcing at 11.00am tomorrow that publication of the newspapers will cease by March 1981.

2. Sir Denis made clear that the cause of the closure is the continuing troubled history of industrial relations. Every aspect of the agreements reached in November 1979 after the long strike had been breached. Prospects for a purchaser of the Sunday Times were quite good but he felt it less likely that a buyer would be found for the Times (although he indicated that he and his friends would try to keep the title going). A panel of the national directors of Times Newspapers, the Editor-in-Chief and Editors of the Sunday Times and the Times had been established to consider the suitability of would-be purchasers.

3. When the acquisition of the newspapers by the Thomson family was referred to the MMC, a non-statutory statement of intent was given that they would put sufficient money into the Group to keep the papers going for 21 years. They have previously made it clear, however, that this intention could not be maintained if union recalcitrance undermined the viability of the enterprise. There are in any case no grounds for my Department to intervene at this stage, and I propose that my only comment should be simple regret at the impending loss of the newspapers.

JN
J. N.

Department of Trade
21 October 1980



10 DOWNING STREET

From the Private Secretary

18 October 1979

Ind Pol
V/S.

cc Mr Wofson
Mr Tanel
Cabinet
D. T. T. Co.

Mr Stuart.

Times Newspapers Dispute

The Prime Minister was grateful for your Secretary of State's minute of 16 October about the Times Newspapers dispute, and also for Mr. Prior's minute of the same date.

The Prime Minister accepts that it would be wrong for the Government to intervene in this dispute. On the basis that the Board of Times Newspapers and the Thomson Organisation may decide to terminate the publication of all Times titles, no doubt your Secretary of State is considering whether it would be right to make a statement immediately after the decision is announced regretting what has happened, and in particular the intransigence of the trade unions.

I am sending copies of this letter to the Private Secretaries to members of the Cabinet and to Martin Vile (Cabinet Office).

Im: av.

T. L. L.

Stuart Hampson, Esq.,
Department of Trade.

61/2



cc Mr James
Mr Wilson

Pami hristu

72

16/70

[Handwritten signature]

A note from Mr Prior
is attached
MS

THE PRIME MINISTER

TIMES NEWSPAPERS DISPUTE

You will be aware of the distinct possibility that closure of Times Newspapers could happen this week. Officials in my Department have been kept closely in touch with developments and it appears that the company is not bluffing when it speaks of closure.

Unless agreement with the National Graphical Association (NGA) can be reached by Wednesday night, the Boards of Times Newspapers Limited and its parent company - the International Thomson Organisation - at their meetings on Thursday will discuss the future of the company including closure of all Times titles. The other printing unions in the dispute have now reached agreement with Times Newspapers and it is only NGA that is proving intransigent.

There will be widespread distress, of course, if the Times close, but in my view the Government should not intervene. It is conceivable we may be criticised for not having, at least, attempted to save a "great British institution", but this does not change my view. We should not be associated with, condone or propose any capitulation by Times management on the over manning, new technology, disputes procedures and wages issues central to the dispute. Moreover we ought not to be seen to be giving any moral or other encouragement to the unions in their expectations. Government interference in Fleet Street would do nothing to resolve the important issues at stake within the newspaper industry and would merely strengthen the hands of the militants.



I am sending copies of this minute to our Cabinet colleagues
and to Sir Robert Armstrong.

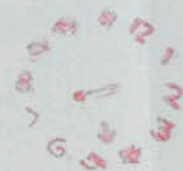
Department of Trade
1 Victoria Street
London, SW1

16 October 1979

A handwritten signature in blue ink, appearing to be the initials 'J.N.'.

J.N.

16 OCT 1979





~~cc~~ Mr James
Mr Thomson

PRIME MINISTER

TIMES NEWSPAPERS DISPUTE

I have seen John Nott's minute of today.

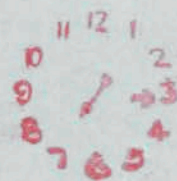
I am sure he is right in saying that the Government should not seek to intervene in this dispute. There is no prospect whatever that such intervention could in any way assist towards achieving a settlement. The major problems in securing agreement on management's proposals have all along been at Chapel level. It is most unlikely that opinion in the Chapels would be favourably influenced by Government intervention; indeed, it seems more likely that those concerned would only be encouraged to hold out for further improvements. I agree with John Nott that there is no advantage to us in being associated with any further concessions which management might have to make or with the lamentable state of industrial relations in Fleet Street generally.

I share the view that it will be a serious loss if the Thomson Organisation decides on Thursday to close all Times titles. This is however a decision for them to take and I do not think that we either can or should seek to relieve them of this responsibility. They are not in fact asking us to do so.

I am sending copies of this minute to John Nott, to other members of the Cabinet and to Sir Robert Armstrong.

J P
16 October 1979

119 . . . 1979



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