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D. King
Ch. Whip
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THE PRIME MINISTER

Personal Minute
No. M6/79T

Subject filed on Ind. Pd.
July 79: Impact of Gov.
on Industry

MINISTERS IN CHARGE OF DEPARTMENTS

If our general economic and industrial policy is to be a success, we need to look carefully at the impact of Government on industry. We have already put in hand many measures to reduce unnecessary Government intervention, but we must be careful in the development of our own policies to ensure that the industrial implications are fully taken into account at the earliest possible stage of policy making. Government can have a damaging impact on industry in various ways:

- (a) By imposing new direct costs which reduce international competitiveness.
- (b) By giving, unnecessarily, new responsibilities and duties to employers and managers.
- (c) By making unnecessary changes or changes of marginal benefit only, which involve difficult transitional arrangements.

I should like all Ministers to ensure that the Chancellor and the Secretary of State for Industry are fully consulted about the development of all policies which have an impact on industry. Interdepartmental arrangements at official level already exist, under the Chairmanship of the Treasury, to co-ordinate the work. I should like all Ministers to ensure that their departments give high priority to industrial considerations and co-operate fully with the interdepartmental arrangements.

/ This applies

This applies not only to policy proposals emanating from ourselves, but to EEC proposals, and where possible to proposals deriving from other public bodies.

I am sending a copy of this minute to Sir John Hunt.

Margaret Thatcher

9 July 1979

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