



PRIME MINISTER

FUTURE OF THE POST OFFICE

I welcome the proposals in Sir Keith Joseph's minute to you of 13 July and I strongly support his wish to make radical changes in the competitive environment within which the Post Office operates.

I agree that the Monopolies Commission should be asked to look at an aspect of the efficiency of the Post Office or of some major part of its operations, probably under the new powers in the Competition Bill as soon as it has passed into law. In my view however a reference of the Post Office as a whole would be too wide, and might overwhelm the resources of the MMC at this stage. I shall discuss with Keith Joseph which aspect of the Post Office's business could most profitably be the subject of an examination and report by the Commission.

I am copying this minute to Keith Joseph and to the Chancellor of the Exchequer, the Foreign and Commonwealth Secretary, the Home Secretary, the Secretary of State for Employment, the Chancellor of the Duchy and to Sir John Hunt.

Department of Trade
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J.N.

18 July 1979