

CONFIDENTIAL

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File

10 DOWNING STREET

From the Private Secretary

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 HMU  
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 LD Pres  
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 MAFF  
 7 July 1980  
 D/TRADE  
 D/ENERGY  
 CHIEF SEC, HMU  
 + C.O.

Dear Sir,

Possible Transfer of B.L. from the N.E.B.'s Responsibilities


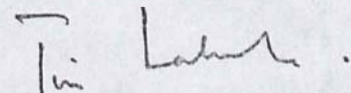
The Prime Minister has read your Secretary of State's minute of 2 July on the above subject and the draft letter attached thereto in which he proposes to inform Sir Arthur Knight of the Government's proposals.

The Prime Minister is worried that, if the draft goes out in its present form, it may leak; and she wonders therefore whether it is necessary to indicate at this stage at all that the Government intend at some point to transfer the B.L. shareholding from the N.E.B. to your Department. Accordingly, she has suggested that the second paragraph of the draft might be amended to read:

"The Industry Bill received Royal Assent on 30 June and this of course provides the statutory framework for such action. By October we shall expect to be considering B.L.'s next Corporate Plan, and I am of the view that any decision on a transfer could most sensibly be made at the same time as the Government announces its decisions on the Corporate Plan. In the meantime ..."

I should point out that the Prime Minister is not entirely clear from the minute whether Sir Keith is trying to delay the decision on transfer or simply the announcement.

I am sending copies of this letter to the Private Secretaries to members of E Committee, and also to David Wright (Cabinet Office) with a copy of your Secretary of State's minute.

I. K. C. Ellison, Esq.,  
Department of Industry.

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