



Post & Telecommunications MS

cc Master set.

10 DOWNING STREET

From the Principal Private Secretary

8 July 1980

Postal Monopoly

20/7/80
The Prime Minister had a brief word this morning with your Secretary of State about his minute of 20 June about the postal monopoly. The Chancellor of the Exchequer and the Chief Secretary were also present.

The Prime Minister said that her main concern about the proposals set out in the minute were that the derogations from the monopoly were too limited and the conditions attached to them too severe.

Your Secretary of State said that all the enquiries that had been made showed that no businessman was prepared to step in and take over the run of the postal services. If the Government took away the Post Office's monopoly, the resulting vacuum would be immediately obvious and the Government's credibility called into question. He was, however, very ready to have a further look at the detailed conditions attached to the derogations.

Following a short discussion, the Prime Minister said that she accepted that the total abolition of the Post Office's monopoly was out of the question. She agreed that your Secretary of State should proceed as he proposed with regard to the derogations.

I am sending copies of this letter to the Private Secretaries to all other members of the Cabinet, to the Minister of Transport and to David Wright (Cabinet Office).

C. A. WHITMORE

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

MS