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Ref. A04340

PRIME MINISTER

Information Technology

BACKGROUND

On 17th December the Ministerial Committee on Economic Strategy  
FLAG A: (E(80) 45th Meeting) asked the CPRS (with due consultation) to prepare a paper on information technology, which would describe the measures required and the issues to be resolved, and suggest machinery for handling this subject. The CPRS paper prepared in response to this remit is to be discussed at your meeting on Tuesday, 3rd March.

2. The paper suggests a set of measures to be taken; these are set out in the annex to the paper. It divides the issues raised by these proposals into three sets: those related to the supplying industries; those related to the legal and regulatory environment for information technology; and those related to the user industries - the information industries.

3. The Department of Industry has the main responsibility for the supplying industries: the computer industry, telecommunications, electrical components etc. The legal and regulatory environment - e.g. the regulation of radio frequencies, privacy and data protection, standards and copyright - involves matters of international as well as of national interest, and is the concern primarily of the Home Office, the Department of Industry, the Department of Trade and the Foreign and Commonwealth Office. A number of Departments are involved in the needs and concerns of the users of information technology. Work in Government on all these groups of issues will need an effective input from suitably qualified and experienced people outside the Government, as well as a positive and well-co-ordinated contribution from inside the machine.

4. The central machinery proposed by the CPRS for dealing with these issues in Government is described in paragraph 8 of the paper. Perhaps the most significant element in the proposals is the creation of a small "executive secretariat" in the Cabinet Office; this would not just service the proposed

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Ministerial Committee, but would act as a positive source of ideas and proposals for action. The CPRS is supported by the Minister for Information Technology in the view that this cannot be left to the Department of Industry alone to handle, and will need to include people from outside as well as from inside Government.

5. It is proposed that there should be a Ministerial Committee under your chairmanship to set policy and give political clout; this will be supported not only by the proposed "executive secretariat" in the Cabinet Office but also by an advisory group of officials and outsiders, appointed by you and chaired by the Minister for Information Technology.

6. The conclusions and recommendations of the paper are summarised in paragraph 18.

#### HANDLING

7. You might ask the Head of the CPRS to introduce the paper. You will probably want to give the Secretary of State for Industry a chance to comment thereafter, and then to invite the Minister of State, Department of Industry (Mr. Baker), who is the Minister for Information Technology, to comment in more detail.

8. I suggest that you will not want your meeting to discuss the proposed measures in detail: they ought to be considered by the bodies constituting the new machinery, when they are set up. But you may like to make sure that the meeting is content with the general line of what is proposed in the annex to the paper.

9. You may then like to turn the meeting's attention to the machinery proposed. If Ministers are in general content with the lines of action envisaged, do they agree that the machinery provides the best prospect of a positive Government lead? You will wish to make sure that the Secretary of State for Industry is content, since the effect of the proposals would be to put into commission a responsibility which would otherwise fall to his Department; you may also like to make sure that the Home Secretary is content, since the advisory group and the executive secretariat proposed will undoubtedly be making proposals in fields like radio regulation and data protection in which he is the Minister responsible.

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CONCLUSIONS

10. If the meeting is content with the proposals, you may like to record conclusions as follows:

- (i) endorsing the recommendations in paragraph 18 of the paper;
- (ii) taking note that you will set up the proposed machinery, consulting other Ministers as appropriate about the membership of the advisory group;
- (iii) inviting the Minister for Information Technology (Mr. Baker) to arrange for the action plan to be considered by the advisory group as soon as it is set up, with a view to an early report to the Ministerial Committee;
- (iv) instructing the Secretary of the Cabinet to send a note for information round the Ministerial Committee on Economic Strategy, outlining the conclusions reached and the action now proposed, in response to the Committee's decisions last December.

RA

ROBERT ARMSTRONG

2nd March, 1981

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