

From the Minister of State for Consumer Affairs The Rt Hon Sally Oppenheim MP

William Ricketts Esq Private Secretary Prime Minister's Office 10 Downing Street London SW1

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SUPPLY DAY DEBATE ON THE MONOPOLIES & MERGERS REPORT ON GAS APPLIANCES:

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Prim Mistr The policy issue is described in the minute at Flag A. For reasons set out in Flag B, Dept of Energy are strongly opposed to her opportion speaking on the lines 7 x 12 June 1981 below. Shall I tell the his Dept to sort this out between themselves (i.e. The he statement) on Monday?

17 JUNE

As you will know, it has been agreed that my Minister will open for the Government in this debate.

In speaking, Mrs Oppenheim will of course be guided by the discussion in E(DL) on 10 June, on which the Secretary of State for Industry is (I understand) minuting the Prime Minister. In setting a keynote for her statement, however, she wishes to make clear that the Government sees no alternative to disposal of the British Gas Corporation's present retail network, whatever form disposal might take, whether total, partial or via privatisation, and whatever period were decided upon for it. She would then refer to the recommendations in the MMC's report and variants on them such as those discussed in E(DL).

Mrs Oppenheim feels that it would be right to make a statement on these lines, the more so since disposal was a common theme of the three papers discussed at E(DL) on 10 June, at which no counter proposal for any other form of action was mooted.

I am therefore writing to seek agreement to a statement being made on these lines.

I am copying this letter to the Private Secretaries of the Secretaries of State for Energy, Industry and Employment and of the Financial Secretary and to Sir Robert Armstrong.

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