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Parliament Legislation
Re 8



10 DOWNING STREET

From the Private Secretary

12 October 1981

Your Secretary of State minuted the Prime Minister on 8 October, about the possibility of a debate on energy pricing policy at the Party Conference.

Mr. Lawson suggested that the Government's position might be better received in such a debate if he were to broaden it out, and to unveil the privatisation and monopoly breaking moves on the oil and gas front which have been agreed by Ministers, notably at Cabinet on 24 September. He suggested that he should, at the same time, make it clear that - partly in consequence of this - it will be necessary to delay action on BGC's gas showrooms since there will not be time for the necessary safety legislation in the coming Session. He explained that, provided it can be made clear that the Government still intend as soon as practicable to deal with the problem of the BGC retail monopoly, he felt that all this could be presented as a single coherent package which the Government supporters would accept as a whole, rather than as a climb-down in the face of union pressure, an interpretation that might be given to the showroom decision on its own.

The Prime Minister has also seen the exchanges between your Secretary of State, the Minister of State for Consumer Affairs, the Secretary of State for Employment, and the Lord President of the Council about the legislative programme, which took place whilst she was in Australia. She accepts

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that primary legislation will be necessary before BGC can be required to cease appliance retailing and dispose of their showrooms, and that such legislation cannot be included in the programme to be announced in The Queen's Speech. She was very much aware of the point made in the Secretary of State for Employment's letter of 6 October about the care needed in handling an announcement of these decisions, and she believes that the approach proposed by your Secretary of State offers the best prospect of convincing the Government supporters. Subject to any comments from Trade Ministers, the Employment Secretary, or the Lord President of the Council, she is therefore content that he should approach any energy debate at the Party Conference on the lines he has suggested.

I am sending copies of this letter to the Private Secretaries to the members of Cabinet and to the Private Secretaries to the Paymaster General and the Minister of State for Consumer Affairs. A copy also goes to David Wright (Cabinet Office).

M. A. PATTISON

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