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Secretary of State for Trade and Industry

3 July 1984

The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer  
HM Treasury  
Parliament Street  
London SW1

Dear Chancellor,

COMMERCIAL FRAUD

*in PM's Box*

You sent me a copy of your minute of 29 June to the Prime Minister on this subject.

2 I do not want to quarrel with the terms of the announcement. Indeed, I am pleased that something is at last being announced about what the Government intends to do to improve the handling of suspected cases of major commercial fraud.

3 What really troubles me after all that has gone on over the past year is that we still have to wait so long before the new system starts to operate. Moreover, the difficulty in recruiting staff mentioned by the Attorney General suggests that the new arrangements will not be operating with full effect from some time after that. Indeed, I understand that it may be two years from now before full operation is achieved.

4 I hope to be discussing with you and other colleagues shortly my proposals for a response to the Gower Report on Investor Protection. An essential ingredient of any system must be effective enforcement. Ineffective enforcement has no deterrent effect and there is no purpose in creating new laws if existing ones cannot be vigorously enforced.

5 My Department is ready to play its part in getting the new arrangements in place. I do urge that implementation is given top priority by those responsible.

6 I am copying this minute to the other recipients of yours.

Yours sincerely,

*Norman Tebbit*

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NORMAN TEBBIT

*pp*  
(Approved by the Secretary of State and signed - his)

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