

Prime Minister:

Ref. A084/3458

PRIME MINISTER

*Would prefer to chair this myself*

Do you agree that

a MISC group on civil aviation should be set up along the lines proposed by Sir Robert Armstrong?

Handling of certain civil aviation matters

*JR 21/12*

You will recall that at your meeting on 17 December to discuss the privatisation of British Airways and the anti-trust problems in the United States, certain further work was commissioned and the desire was expressed that there should be some new regular machinery for dealing with these issues. Up to now there have been ad hoc meetings of various kinds, some under the chairmanship of the Foreign and Commonwealth Secretary. This latter arrangement has not been ideal (and the Foreign and Commonwealth Office themselves share this view) for discussing the more domestic issues relating to the BA privatisation.

2. I suggest that the right way to handle these matters from now on would be to set up a new Ministerial Group on Civil Aviation in the MISC series with the following terms of reference:

"To consider matters relating to the privatisation of British Airways, with special reference to the problems created by the United States anti-trust actions, and to consider the handling of discussions with the United States Government on civil aviation and anti-trust issues."

3. Although there may be some meetings of such a Group which you would want to chair yourself, there will be others dealing





with matters of detail and the preliminary examination of options in which you need not be involved. I therefore suggest that the regular chairman should be the Chancellor of the Exchequer, but with the explicit understanding, as in the case of the Ministerial Group on Civil Service Pay Negotiations (MISC 66), that you may wish to take the chair at particular meetings.

4. I suggest that the composition might therefore be as follows:

Chairman: Chancellor of the Exchequer (or Prime Minister  
when appropriate)

Members: Foreign and Commonwealth Secretary (or  
representative)

Secretary of State for Trade and Industry

Secretary of State for Transport

Attorney General

Financial Secretary, Treasury

5. Are you content that I should make arrangements on these lines?

Approved by  
ROBERT ARMSTRONG  
and signed in his absence.

21 December 1984