



Treasury Chambers, Parliament Street, SW1P 3AG

Tony Blair Esq MP
House of Commons
LONDON SW1A 0AA

ECONOMIC SECRETARY	
REC'D	28 MAR 1985
ACTION	
COPIES	PS/CH PS/CS
10	PS/SIR P. MIDDLETON
	MRA. WILSON
	MR CASSELL
	MR LANKESTER
	MR HALL
	MR HELL
	MR D. JONES

25 March 1985

Dear Tony,

JOHNSON MATTHEY BANKERS (JMB)

Nigel Lawson has asked me to reply to your letter of 5 March. He did, as you know, make a full statement to the House in response to the events at JMB, in which he announced the establishment of the review committee under the chairmanship of the Governor of the Bank of England. He will be reporting to the House on the review committee's findings as soon as it is practicable to do so.

The decision to rescue JMB was taken by the Governor on his own authority. He has made clear to the Chancellor, and has publicised, his reasons for doing so.

The Price Waterhouse study, about which you ask, was commissioned by the Bank of England and is a matter for the Governor. I am advised that it contains confidential information concerning the commercial affairs of customers of JMB, who are entitled to the normal confidentiality owed by a bank to its customers, and the Governor does not therefore propose to publish it.

JMB is of course still in business and it would therefore also be wrong to compromise the job of reconstruction which faces the new management by revealing facts and opinions, which are contained in the report, about the handling of specific cases. Publication would make such information available to directly interested parties.

For these reasons the Chancellor is not prepared to press either the Bank, or the authors, to publish or otherwise release the report. I can however assure you that the contents of the report will be taken fully into account by the official review committee in formulating its advice.

Yours ever
Ian Stewart

IAN STEWART