

CBG



PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

8 April 1986

NBM

Dear Nick,

PRIVATISATION OF BRITISH AIRPORTS AUTHORITY

1 min. G.R. for dictation

I have seen your minute of 3 April to the Prime Minister about the feasibility of a July 1986 flotation for BAA.

I strongly support your conclusion that despite the theoretical feasibility of this option, we should continue to work on the basis that privatisation should take place in January 1987. Quite apart from the constitutional impropriety of proceeding to privatisation while there was still an opportunity to pray against relevant Statutory Instruments, there can be no doubt that this would cause a major row. The risk of being forced to give up the flotation would be very high.

There also seem to me to be disadvantages, both for the Airports Bill and more widely, in seeking Royal Assent by 27 June. Once it became known that the Government's target was a July sale, Opposition leaders might, as you say, wish to spend more time on the Bill, and we might find ourselves having to make unwelcome concessions to meet the necessary deadlines. Furthermore, while I understand that we could achieve Royal Assent by the required date, I should point out that giving priority to this Bill is bound to mean that the progress of other Bills will be delayed.

I am copying this letter to the Prime Minister and other members of E(A), the Lord President, the Chief Whip, Lord Denham and Sir Robert Armstrong.

John Biffen

JOHN BIFFEN

Rt Hon Nicholas Ridley MP
Secretary of State for Transport

Econ Pol: Privatization

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