



Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Paul Channon MP
Secretary of State for Trade & Industry
Department of Trade and Industry
1 Victoria Street
LONDON
SW1H 0ET

17 June 1986

NBN

Dear Paul

PRIVATISATION OF BA, BAA AND ROLLS ROYCE

Thank you for your letter of 9 June.

As you have accepted, we are now planning for the January privatisation slot to be used for either BA or BAA. I hope that BA will be ready but if they are not I understand that Transport remain confident that BAA could be sold then, and at this stage I see no reason for doubting that. But if, unexpectedly, something did go badly wrong and it were clear in September that neither BA nor BAA were possible for January I would gladly take up your offer of looking again at the possibility for bringing Rolls Royce forward.

I suggest that we leave it on that basis and, as you propose, say nothing in the meantime to suggest that our plans for privatising Rolls Royce in April/May are other than firm.

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

Norman

NORMAN LAMONT

ECON POL: Privatisation: Pt 13.

