

N Sanders Esq Private Secretary to The Prime Minister 10 Downing Street

DEPARTMENT OF TRANSPORT 2 MARSHAM STREET LONDON SW1P 3EB

PRIME MINISTER

Contet for the amovacament to be made next week? 27 September 1979

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CHANNEL TUNNEL

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In his letter of 24 July my Minister sought the Prime Minister's approval to Sir Alec Cairncross' appointment to advise on the British Rail single track Channel Tunnel Scheme. Your letter of 30 July gave the Prime Minister's approval, subject to certain conditions, and you have since indicated the Prime Minister's wish to be kept informed of progress in advance of any public announcement.

Sir Alec has now agreed to undertake this task and my Minister wishes to make an early announcement of his appointment as in the draft Press Notice enclosed, preferably next week.

I should be glad to know whether the Prime Minister is content that he should go ahead.

Yours suicerely

MRS B E RIDDELL

Private Secretary

## DRAFT PRESS NOTICE

Norman Fowler, Minister of Transport, has appointed Sir Alec Cairncross to advise him on the new British Rail proposal for a single track rail tunnel under the Channel.

Sir Alec headed the Advisory Group on the previous Channel Tunnel proposal which was cancelled in 1975.

A report on the new proposal was submitted to Mr Fowler earlier this year by British Rail, after joint studies with French Railways. He has since been studying this report, but will not form a view on it until he has the expert opinion of Sir Alec Cairncross. The Government is not, of course, committed to this proposal or to any other fixed cross-Channel link.

#### NOTE TO EDITORS

Sir Alec Cairncross is Chancellor of the University of Glasgow. He was Master of St Peter's College, Oxford 1969-78 and Head of the Government Economic Services 1964-69.

The BR/SNCF Report covers technical, financial and economic aspects of a single-track rail tunnel through which "flights" of passenger and freight trains would run. This would provide a direct passenger service between London and Paris and London and Brussels. It would also link the freight networks of British Rail and the continental railways. BR and SNCF are now developing the initial feasibility study into a more definitive proposal.

28 SEP 1979

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#### 10 DOWNING STREET

From the Private Secretary

1 October 1979

The Prime Minister has seen your letter to me of 27 September, seeking her approval to the announcement of Sir Alec Cairncross' appointment to advise on the single track Channel Tunnel Scheme.

The Prime Minister is content for your Minister to go ahead as he proposes.

N. J. SANDERS

Mrs B E Riddell, Department of Transport U

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## CONFIDENTIAL



#### 10 DOWNING STREET

From the Private Secretary

30 July 1979

Dear Gail

#### THE CHANNEL TUNNEL

The Prime Minister has seen the Minister of Transport's minute of 24 July. She is content that Sir Alec Cairncross should be asked to undertake the study which Mr. Fowler proposes, on the clear understanding that there is no commitment at this stage. No doubt you will also meet the point made by the Chancellor of the Exchequer in the second paragraph of his minute of 27 July.

I am copying this letter to the Private Secretaries to the Members of E, David Laughrin (Civil Service Department) and Martin Vile (Cabinet Office).

You eve

Nick Saden

Mrs. E.C. Flanagan, Department of Transport.

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# Treasury Chambers, Parliament Street, SWIP 3AG 01-233 3000

### PRIME MINISTER

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I have seen Norman Fowler's minute to you of 24 July suggesting that Sir Alec Cairncross should be asked to advise on British Rail's Channel Tunnel proposals.

- 2. I see no objection to this, provided that we maintain our non-committal attitudes towards the concept of a crossing. However, if Sir Alec's remit is to extend to the financing of the proposal and its institutional framework i.e. the choice of public or private sector finance (where I understand that the British Rail study makes no specific proposals), I suggest that he should be asked to consult the Treasury.
- 3. I am sending copies of this minute to Norman Fowler, Members of 'E' Committee, Sir Ian Bancroft and Sir John Hunt.

Mr.

G.H.

27 July 1979

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