

cc: Mr. Gow ✓

SPOCKIN TO I.S.
18/5/1983. REPORTS TO
A.C. AND TO PRIMS
MINIST.

PRIME MINISTER

Lord Cockfield telephoned me this afternoon, before sending you the attached memorandum about the difference he has had with Iain Sproat about the latter's review of tourism. I.L.

19/5/1983.

His chief worry now is that Iain Sproat will either start putting out some of his ideas on his own initiative during the Election Campaign and force his colleagues to disown them or else criticise his colleagues in public.

Would it be a good idea for Ian Gow to have a word with Iain Sproat on your behalf, on the lines that you have heard of the episode and understand his disappointment; but that, however unfortunate it is not to be in a position to use the results of his tourism review in the Election, it would be far more damaging to show any sign of disunity among colleagues?

E. E. R. BUTLER

13 May 1983



PRIME MINISTER

THE SPROAT REVIEW OF THE TOURIST TRADE

1 I feel you should know what the position is in case the matter is raised in the course of the Election Campaign.

2 Iain Sproat has put an immense amount of work into this review. Unfortunately, the work was far from complete when the Election was announced. No report had been produced: the recommendations had not been adequately considered in the Department and had not previously been shown to me: and obviously there had been no collective consideration by colleagues.

3 Some of the proposals were dramatic. The three I would mention specifically are:-

- 1 Sir Henry Marking's appointment to be terminated and the number of Tourist Boards reduced to three by the abolition of the English Tourist Board;
- 2 There should be a £10 million worldwide advertising scheme "at no cost to public funds"; and
- 3 There should be a £1,000 million tourist development programme, again "at no cost to public funds".

4 I am extremely sceptical of some of these proposals, a scepticism shared by the Chief Secretary, with whom I have briefly discussed the matter. But apart from this, the proposals are sufficiently important to require full consideration and collective agreement by colleagues.



5 In a last minute attempt to pre-empt the Election, Iain Sproat produced on the Wednesday immediately before the announcement of the Election the draft of an extremely long and complex statement he wished to make in the House the following week. By then of course the Election had been announced. Quite apart from the impossibility of securing collective agreement to the proposals in time, the proposals themselves were the kind of new initiatives which would not be pursued during an Election Campaign.

6 Both Sir Anthony Rawlinson and I tried very hard indeed to see whether there was any conceivable way progress could be made. But the more we went into the matter, the more evident it became that the proposals were too far reaching, they had been too little considered, and consultation had been far too inadequate for an immediate announcement to be made. Iain has been most reluctant to accept this decision. He has maintained that the proposals had been agreed at Departmental level and that all that was required was rubber-stamping by Cabinet. Neither the Chancellor nor the Chief Secretary, both of whom I have consulted, knew anything about the matter at all. The Chief Secretary in particular has expressed precisely the same views as I have. The "consultations" with the Treasury were at official level only, Ministers were never informed and indeed their position had been specifically reserved. I have not thought it worthwhile investigating the extent of the other "consultations".

7 One must have some sympathy with Iain Sproat who sees his efforts - temporarily at any rate - frustrated by the Election. But this is the kind of misfortune one has to learn to take in one's stride. Unfortunately, Iain's natural disposition may not reconcile him to this. I draw the matter to your attention because of the risk of deliberate leakage during the Election Campaign carrying with it the innuendo that his colleagues have obstructed an imaginative initiative. There is regrettably



plenty of precedent for saying this. Lobbying in fact has already started with letters to you from Andrew Neil and Walter Goldsmith, both of whom are members of one of the Tourist Boards. It is unusual for members of a public body to lobby the Prime Minister in this way. The misleading and tendentious nature of the letters may well be a foretaste of what is to come. Thus Goldsmith asks you to "ensure that there is no further delay in the announcement". The truth of the matter is that he had written his letter before Sproat had even told me of his proposals.

8 I shall continue to watch the matter. If leakage does occur, we shall need to take action.

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LORD COCKFIELD

13 May 1983