

cf the byline



*Prime Minister
1st POF
Bond news, but
perhaps inevitable -
the journalists' strike
was the last straw.*

From the Secretary of State

Prime Minister

PRIME MINISTER

THE TIMES

*Comparison of the amount
I mentioned to you this morning
has come more quickly than I
expected! MW 21x*

mt. R 21/10

Sir Denis Hamilton came to see my Permanent Secretary this afternoon to inform him of the decision of the Thomson family to withdraw from the publication of the Times, the Sunday Times and their associated publications. They will be announcing at 11.00am tomorrow that publication of the newspapers will cease by March 1981.

2. Sir Denis made clear that the cause of the closure is the continuing troubled history of industrial relations. Every aspect of the agreements reached in November 1979 after the long strike had been breached. Prospects for a purchaser of the Sunday Times were quite good but he felt it less likely that a buyer would be found for the Times (although he indicated that he and his friends would try to keep the title going). A panel of the national directors of Times Newspapers, the Editor-in-Chief and Editors of the Sunday Times and the Times had been established to consider the suitability of would-be purchasers.

3. When the acquisition of the newspapers by the Thomson family was referred to the MMC, a non-statutory statement of intent was given that they would put sufficient money into the Group to keep the papers going for 21 years. They have previously made it clear, however, that this intention could not be maintained if union recalcitrance undermined the viability of the enterprise. There are in any case no grounds for my Department to intervene at this stage, and I propose that my only comment should be simple regret at the impending loss of the newspapers.

JN
J. N.

Department of Trade
21 October 1980