



The Association of  
**British Chambers of Commerce**

Sovereign House, 212a Shaftesbury Avenue  
London WC2H 8EW

Telephone: 01-240 5831/6

DIRECTOR-GENERAL: W.A. NEWSOME

The Prime Minister,  
The Rt Hon Margaret Thatcher MP  
10 Downing Street,  
LONDON SW1

16 December 1983

*Dear Prime Minister,*

I enclose a copy of a letter which the Director-General of this Association has today sent by hand to the Secretary of State for Energy, on the subject of electricity prices.

Copies have also been sent to the Chancellor of the Exchequer and the Chairman of the Electricity Council.

Yours sincerely,

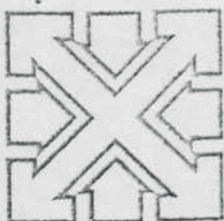
David Nicholson  
Director, Home Affairs

Enc

*Prime Minister ②  
To note. I have acknowledged.*

*AT 16/12*





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The Rt Hon Peter Walker MBE MP  
Secretary of State for Energy,  
Department of Energy,  
Thames House South,  
Millbank  
LONDON SW1P 4QJ

16 December 1983

*Dear Secretary of State,*

Thank you for your letter of 8 December about gas and electricity prices, in reply to mine of 16 November.

As you might imagine, we can hardly be satisfied with the outcome on gas prices, but the purpose of this letter is to say that we very much take on board the statement in your second paragraph that "pricing decisions are a matter for the industries concerned". Our members this morning are naturally concerned at the reports that the Cabinet yesterday agreed to apply some form of indirect pressure on the Electricity Council to oblige it to raise its prices, without recourse to legislation, which would clearly be the proper constitutional approach. We have noted that those reports indicate that prices to industry may remain frozen over the next year.

In view of the Electricity Council's belief that it can meet the Government's financial targets without raising its prices at all, this letter is to assure you of this Association's vigorous support for all you can do to ensure that the Electricity Council does not increase its prices to industry. I need hardly add that if the reports in this morning's papers prove to be ill-founded, and electricity prices to industry do rise next year, the members of the Chambers affiliated to this Association will be very displeased indeed.

I am copying this letter to the Prime Minister, the Chancellor of the Exchequer and the Chairman of the Electricity Council.

*Yours Sincerely,*  
*W A Newsome*

W A Newsome  
Director-General