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NMPM CC NO
AF 17/7



DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

Andrew Turnbull Esq
10 Downing Street
LONDON SW1

15th July 1984

Dear Andrew,

AIRPORTS POLICY

Thank you for your letter of 26 June.

As requested by E(DL), the case for selling the London airports as one unit is being reviewed, in particular to assess how a private sector London airports company might be constituted, and what safeguards would be needed to prevent abuse of monopoly power. Work is also continuing on the possibility of introducing private capital into BAA by other means such as extending the existing franchising arrangements.

The Secretary of State intends to put to E(DL) proposals regarding the privatisation of BAA's London or Scottish airports in the Autumn, by when he will have been able to consider the outcome of the CAA's licensing policy review and of the review of Scottish lowland airports policy. He will also have completed consultations on the Air Transport Movement limit at Heathrow, and received the Inspector's report on the Stansted/Heathrow Terminal 5 inquiries. Decisions will be required by about the end of this year if there is to be legislation on BAA's airports in the 1985/86 session.

Yours,

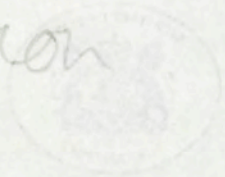
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MISS D A NICHOLS
Private Secretary

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DEPARTMENT OF TRANSPORT
COMMUNICATIONS DIVISION

Iron POr Privatization



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The Secretary of State has received a copy of the report of the Committee on the Privatization of the Iron and Steel Industry, published in 1983. The report contains a number of recommendations which will be considered by the Government. The report also contains a number of recommendations which will be considered by the Government. The report also contains a number of recommendations which will be considered by the Government.



bc JR

10 DOWNING STREET

From the Private Secretary

26 June 1984

Airports Policy

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At the meeting of E(DL) in April it was agreed that your Secretary of State would give further thought to the possibility of privatising BAA's London and Scottish airports. I would be grateful if you could provide me with a progress report, indicating the nature of the options being considered and the likely timetable for returning to the Committee with proposals.

I am sending a copy of this letter to David Peretz (HM Treasury) and Andrew Hudson (Financial Secretary's Office).

Andrew Turnbull

Miss Dinah Nichols,
Department of Transport.

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Privatisation
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