

112. EATON SQUARE.

SWIW PAA

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NBby

27th July, 1984.

Dem John,

We had a word in the division last night about the handling of the CAA report. Much of the report is I think acceptable to most people concerned but there are important sections (route transfers from BA to BCal, charter rights and airport interests) which are highly contraversial.

I myself am strongly opposed to the main recommendations but write to you as Leader of the House not on the merits of the matter but on the procedural implications.

As I understand it, giving effect to the main recommendations of the report would require legislation. It looks as though the opposition parties would oppose this, so would a very substantial element of our party. The report thus looks like a potential banana skin of some size.

What is the best way of avoiding a nasty slip on it?

It seems to me that the easiest way out would be for Nick Ridley to make a statement either just before the House rises or in the recess endorsing those parts of the report which are not contested but explaining that he cannot consider giving effect to the rest of it for two reasons. First, that it would require legislation for which there is no room in the programme; second, that legislation, even if room could be found for it, would delay the privatisation of BA and prejudice the opportunity for the public, who at present own the airline, getting the best price for it.

I am copying this to Nick Ridley, the Chief Whip and Number 10.

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The Rt. Hon. John Biffen, MP

28 JUL 1984