

*of the byline*



SECRETARY OF STATE FOR ENERGY  
THAMES HOUSE SOUTH  
MILLBANK LONDON SW1P 4QJ  
01 211 6402

You asked  
about this  
earlier in  
the week  
MS

*Energy*  
1. Mr. Giddens 2  
2. Mr. P... ..

For answer tomorrow.

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14/7

The Rt Hon Sir Keith Joseph Bt MP  
The Secretary of State for Industry  
Ashdown House  
123 Victoria St  
London  
SW1E 6RB

15th July 1980

*Dear Keith*

CROSS CHANNEL ELECTRICITY LINK

We decided in E(EA) on 12th June to give the CEEB investment approval for the proposed Cross Channel Link, subject to their making off-setting savings in their investment programme. I was asked to re-affirm to the Board that liability for compensation in the event of withdrawal from the scheme, even at Government behest, was a commercial matter for them, and that there was no commitment of any kind to compensation. We also agreed that it would be appropriate to give approval for the first 1000 MW in the first instance and to give approval for the **second 1000 MW tranche** at the same time as the French Government did so. An announcement of this decision was to await the decision which Michael Heseltine and I had to make on the CEEB's planning application to build a converter station for the link at Sellindge, Kent. We have now decided to request a further investigation of a possible cable route to an alternative site at Dungeness, before we finally decide on the site.

*U* I therefore propose to announce both the investment approval and the handling of the planning decision on 17th July by means of an arranged Parliamentary Question and Answer. I attach the text of this, the substance of which has been agreed with Michael Heseltine and cleared at official level with the Treasury and FCO. I also attach the text of the letter I am sending to the Chairman of the CEEB, in line with our decision. Arrangements are being made through the FCO for HM Embassy in Paris to inform the French Government.

I am sending copies of this letter and its enclosures to our colleagues in E(EA) and to the Prime Minister and the Paymaster General.

*Yours ever*

D A R Howell

ARRANGED PQ

Q TO ASK THE SECRETARY OF STATE FOR ENERGY WHETHER HE IS YET IN A POSITION TO GIVE FINAL INVESTMENT APPROVAL TO THE CEGB'S PROPOSED 2000 MW CROSS CHANNEL LINK WITH ELECTRICITÉ DE FRANCE?

A I have today given the CEGB final investment approval for the Cross Channel Link, initially for the first 1000 MW stage. Approval for the second 1000 MW stage will be given in step with French Government approval.

My Rt Hon Friend the Secretary of State for the Environment and I have decided to examine an alternative cable route before a final decision is reached on the CEGB's proposal to build the converter station for the Link at Sellindge, Kent. We have asked the Board to proceed urgently with this work so that a decision on their planning application can be taken as quickly as possible.

CONFIDENTIAL



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G England Esq  
Chairman  
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15 Newgate Street  
London EC1H 7AU

17 July 1980

*John Slyn*

CROSS CHANNEL LINK

In their letters of 15 November 1979 and 2 June 1980, the Board asked for investment approval for the proposed 2000 MW Cross Channel Link to be jointly owned and constructed by the Board and Electricite de France (EdF). I am now writing to give investment approval for the project, initially for the first 1000 MW tranche. Approval is given on the understanding that the costs of the link from 1981-82 onwards will be offset by savings elsewhere in the CEGB's programme. I should be grateful to receive your confirmation of the Board's acceptance of this point. Approval for the second 1000 MW tranche will be given pari passu with French approval; arrangements have been made for the French Government to be informed of this through HM Embassy in Paris.

I understand that construction and operation of the Link is to be governed by contractual agreements between Board and EdF. Acceptance of liabilities for compensation arising out of these agreements is, of course, a commercial matter for the Board. There can be no question of any Government commitment to compensate the Board, even if it is a Government request which precipitates the liability.

I would like to be informed if any substantive changes are proposed in these agreements.

Together with the Secretary of State for the Environment, I have considered the Inspectors' report submitted following the public inquiry into the Board's proposal to construct the converter station for the Link at Sellindge, Kent. We are today sending the attached letter (together with a copy of the Inspectors' Report) to the parties to the inquiry.



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You will note that we have decided to ask the Board to carry out a survey of the geology of the sea bed to examine the feasibility of running the cables from the Varne Bank to Dungeness. This amounts to the investigation referred to by the Board in their evidence recorded at paragraph 1.129 of the Inspectors' Report. I hope that you will be able to complete this work quickly.

D A R HOWELL

*Howell*  
*David*

15 JUL 1980



Derbyshire	8,211
Devon	7,414
Dorset	4,468
Durham	6,051
East Sussex	4,789
Essex	13,303
Gloucestershire	4,617
Hampshire	12,863
Hereford and Worcester	5,715
Hertfordshire	9,676
Humberside	8,891
Isle of Wight	986
Kent	12,894
Lancashire	12,857
Leicestershire	8,325
Lincolnshire	4,852
Norfolk	5,954
North Yorkshire	6,028
Northamptonshire	5,230
Northumberland	2,837
Nottinghamshire	9,323
Oxfordshire	4,541
Salop	3,621
Somerset	3,331
Staffordshire	10,084
Suffolk	5,178
Surrey	8,012
Warwickshire	4,461
West Sussex	4,936
Wiltshire	4,679

#### School Leavers (South Kirklees)

**Mr. Richard Wainwright** asked the Secretary of State for Education and Science how many children are expected to leave school in the coming summer in the area of South Kirklees.

**Dr. Boyson:** I regret that this information is not available in my Department. I suggest that the hon. Member contacts the local education authority.

#### School Meals (Dorset)

**Mr. Beith** asked the Secretary of State for Education and Science what discussions his Department has had with the Dorset county council about its proposal to cease to maintain a school meals service for primary school age children.

**Dr. Boyson:** Officials from the Department met officers of the Dorset county council on 9 July to ascertain the background to the recommendation to discontinue the paid school meals service for primary school children in the county.

#### Trade Unionists (Training Grants)

**Mr. Proctor** asked the Secretary of State for Education and Science if he will publish a breakdown by recipient institutions of the grants listed in his answer, *Official Report*, 8 July, column 135.

**Dr. Boyson:** Grant is paid on the basis of claims made by the Trades Union Congress on its own behalf and that of its affiliated members towards eligible categories of expenditure set out in the agreed memorandum of arrangements. In 1979-80 some £725,000 of the total grant was shared by 39 affiliated unions. My Department does not collect information about the amounts paid to individual educational institutions as fees or in other ways by the TUC or its member unions.

### ENERGY

#### Gas and Oil Prices

**Mr. Harold Walker** asked the Secretary of State for Energy if, in view of the further information supplied to him by the Chemical Industries Association in its document "Supplies and Price of Gas to the Chemical Industry—Some Further Considerations", he will now publish revised and up-dated comparative figures for gas and oil prices for industrial consumers in each country of the European Economic Community showing prices both net and inclusive of taxes.

**Mr. Norman Lamont:** I shall reply to the hon. Member as soon as possible.

**Mr. Harold Walker** asked the Secretary of State for Energy what steps he is taking to eliminate unfair competition within the European Economic Community arising from differentials of gas and oil prices for industrial consumers.

**Mr. Gray:** I shall reply to the right hon. Member as soon as possible.

#### Cross-channel Link

**Mr. Chapman** asked the Secretary of State for Energy whether he is yet in a position to give final investment approval to the Central Electricity Generating Board's proposed 2,000 mw cross-channel link with Electricité de France.

**Mr. David Howell:** I have today given the CEBG final investment approval for the cross channel link, initially for the first 1,000 mw stage. Approval for the second 1,000 mw stage will be given in step with French Government approval.

My right hon. Friend the Secretary of State for the Environment and I have decided to examine an alternative cable route before a final decision is reached

on the CEGB's proposal to build the converter station for the link at Selridge, Kent. We have asked the board to proceed urgently with this work so that a decision on their planning application can be taken as quickly as possible.

tion from other sources, where non-taxpayers are included. In the connection I refer the hon. Member to the answer by my hon. Friend the Parliamentary Under Secretary of State for Social Services to the hon. Member for Wood Green (Mr. Race) on 6 May 1980.

## NATIONAL FINANCE

### Personal Taxation

**Mr. Field** asked the Chancellor of the Exchequer, pursuant to his reply to the hon. Member for Birkenhead, *Official Report*, 4 June, column 734, if he will make a statement on the large number of single men with children receiving additional personal allowance; what is his precise understanding of the term one-parent family as used in that question; and whether this understanding is consistently used by Her Majesty's Government in replies to parliamentary questions.

**Mr. Peter Rees:** As stated in the reply to which the hon. Member refers, the figures quoted there for one-parent families with children were based on numbers of taxpayers claiming child tax allowances in 1977-78, and not on the numbers claiming the additional personal allowance. Based on the same year, it is estimated that about 140,000 male taxpayers with single personal allowances also benefit from the additional personal allowance and that about 260,000 female taxpayers with single personal allowances benefit similarly. Virtually all of these would currently pay tax at the basic rate.

From tax sources it is possible to identify one-parent families only by reference to the tax allowances claimed. In general, the child tax allowance depends on maintenance of the child and the additional personal allowance on residence of the child, but this is not uniformly the case. Both allowances can be split between separated parents and it is also possible that the parent who can derive most benefit from the allowance will arrange with the other parent to claim it. Moreover, a man living with a woman to whom he is not married is not entitled to the married allowance, but may be eligible for the child tax allowance and the additional personal allowance where the household includes children.

A definition based on receipt of tax allowances necessarily does not correspond exactly with that used for informa-

### Members of Parliament (Salaries)

46. **Mr. Arthur Lewis** asked the Chancellor of the Exchequer what would be the actual or estimated increase in the cost of living and inflationary spiral caused by the full implementation of the Boyle committee report on hon. Members' salaries, and on the basis of a 9.6 per cent. increase, respectively.

**Mr. Biffen:** The rate of inflation will be reduced by the Government's policies to control and reduce the rate of monetary growth, but if unnecessarily high levels of unemployment are to be avoided, the overall level of pay increases must be reduced, decisions on the Boyle committee report must be seen in that context.

### Cumbria

47. **Mr. Campbell-Savours** asked the Chancellor of the Exchequer what additional resources from the EEC will be available for application in the county of Cumbria consequent upon the measures being taken to reduce the United Kingdom's net contribution to the Community.

**Mr. Lawson:** Detailed arrangements for implementing the agreement on reducing our net contribution to the Community budget have still to be agreed, and it is too early to say what expenditure programmes in the United Kingdom will be associated with the Community's supplementary measures scheme. But the Government have made it clear that the extra receipts from the Community will not increase the overall level of public expenditure.

## ENERGY

### Fuel Oil Prices (International Comparisons)

**Mr. Eggar** asked the Secretary of State for Energy what duties are imposed on fuel oil in £ sterling equivalents in the United States of America, Japan and the other European Economic Community countries.