

010



FROM THE
MINISTER OF STATE
FOR INDUSTRY AND
INFORMATION TECHNOLOGY

DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
123 VICTORIA STREET
LONDON SW1E 6RB

TELEPHONE DIRECT LINE 01-212
SWITCHBOARD 01-212 7676

6401

KENNETH BAKER'S OFFICE

Tim Flesher Esq
10 Downing St
London SW1

DF
1411

13 January 1983

Dear Tim,

BRITISH TELECOM

Mr Baker thought that you might like to know that British Telecom are today announcing a package of measures designed to benefit the consumer :

Briefly, in addition to the reduction in long-haul international charges announced earlier this month, BT will be:

(i) introducing the low-user rental rebate discussed last year, which will help subscribers who use no more than 100 units. This is obviously relevant to pensioners, and should defuse some of the worries expressed about BT's proposals to increase standing charges later this year;

(ii) deferring all increases in charges, including standing charges, until at least July;

(iii) removing the present £10 charge made when a subscriber takes on an existing telephone line. In future where the line has only been disconnected at the exchange and the apparatus is still in place, no charge will be made for reconnection.

Mr Baker considers these all good news, and a further sign of BT's response to the market pressures we are bringing to bear upon them.

Yours sincerely
NM

N M McMILLAN
Private Secretary