



CE JV,
Prime Minister (2)

MUS 2/3

Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Lord Cockfield MP
Secretary of State
Department of Trade
1 Victoria Street
London SW1H 0ET

1 March 1983

2 Arthur,
1983 PROGRAMME OF S11 REFERENCES TO THE MONOPOLIES AND MERGERS COMMISSION (MMC)

You wrote to Geoffrey Howe on 25 February seeking agreement to proceed with an announcement of the 1983 programme of nationalised industry references to the MMC.

I agree that we should proceed with an announcement despite the uncertainties created by the passage through the House of the Parliamentary Control of Expenditure (Reform) Bill and I am content with your draft statement. But I think it would be sensible if I wrote to Mr St John Stevas to warn him of the announcement, explaining our reasons for proceeding with it at this time. I propose to write on the lines of the attached draft and I should be grateful if your office could give mine 24 hours notice of the date of your announcement so that I can be sure Mr Stevas gets advance warning.

I note the outline programme you have in mind for the first half of 1984. We shall need to consider this nearer the time when current uncertainties may have been resolved. If it appears that the work of the MMC is to continue substantially unchanged, it may be helpful also to review then one or two more general points about the Commission's work load which our officials have been in touch about.

I am copying this letter to Members of E(NI) and MISC 92, Sir Robert Armstrong and John Sparrow.

LEON BRITTAN

~~DRAFT~~ LETTER TO THE RT HON NORMAN ST JOHN STEVAS
House of Commons

MONOPOLIES AND MERGERS COMMISSION (MMC) : PROGRAMME OF
S11 REFERENCES

As you probably know the Government tries to announce in advance forthcoming nationalised industry references to the MMC. I thought I should write to let you know that we shall shortly be announcing the programme for 1983.

2. We thought very carefully about the implications of your Bill for this announcement. I think you would agree that ^{unless} ~~and~~ and until any new arrangements are made it is better for the MMC to continue in business as usual. To do otherwise would mean a period when the industries were not subject to any regular ^{external} scrutiny. And if it were the case that your Bill led to a new regime being introduced I do not think that would clash with this programme of references which covers 1983 only.

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2 - MAR 1983

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Prime Minister (2)

From the Secretary of State

Mes 7/3

CONFIDENTIAL

The Rt Hon Leon Brittan QC MP
Chief Secretary
Treasury Chambers
Parliament Street
London
SW1

ms
7th

March 1983

Dear Sir,

1983 PROGRAMME OF SECTION 11 REFERENCES TO THE MONOPOLIES AND MERGERS COMMISSION

Thank you for your letter of 1 March ^{TPM} about my announcement of the 1983 Section 11 Programme.

I intend to make the announcement on Wednesday 9 March and I have no objection to your giving St John-Stevas twenty four hours advance notice.

I am however concerned that the terms of your draft letter suggest some doubt about the MMC's continuing to carry out efficiency audits of nationalised industries. Your compromise proposals of course entail a continuing MMC role with greater Parliamentary involvement in the selection of references and in monitoring follow-up. I see no reason for your letter to St John-Stevas to do more than forewarn him that I shall be announcing the 1983 programme in the usual way.

I am copying this to Members of E(NI) and MISC 92 and to John Sparrow and Sir Robert Armstrong.

Yours,
LORD COCKFIELD

17 MAR 1983

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cg/or

NBRM

SECRETARY OF STATE FOR
TRADE
MILLEBANK LONDON SW1P 4QJ

01 211 6402

ms 3/3

The Rt Hon the Lord Cockfield
Secretary of State for Trade
1 Victoria Street
London
SW1H 0ET

3rd March 1983

Stan Arthur

MMC PROGRAMME FOR 1983

Thank you for sending me a copy of your letter of 23 February
to Geoffrey Howe.

I am content with your proposed statement, including the
references to the South Wales Electricity Board and to
the receipt of the report on the NCB. Given the background
sensitivities I attach great importance to getting the
timing right for publication of the NCB report, and John
Moore is in touch with Gerry Vaughan about this.

I am sending copies of this letter to recipients of yours.

NIGEL LAWSON

Nigel Lawson

Not End,
Pd. 148

3. = MAR 1983



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DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EE

01-212 3434

The Lord Cockfield
Secretary of State for Trade
Department of Trade
1 Victoria Street
SW1H 0ET

Prime Minister (2)
ms 2/3

1 March 1983

MS

Dear Mr...

I refer to your letter of 23 February to Geoffrey Howe, about the 1983 and 1984 programmes of references of national industries to the Monopolies and Mergers Commission.

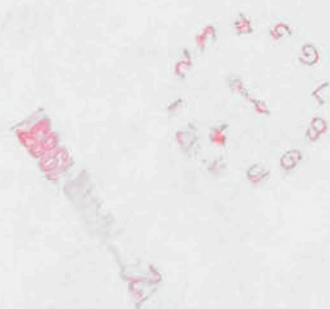
I am content with the draft announcement on the 1983 programme, including the reference to London Transport. For 1984, I agree to the provisional inclusion of an aspect of British Rail, subject to circumstances following decisions of the Serpell report. But I understand that you accept that should it prove inappropriate to refer part of BR at that time my Department will not automatically be expected to suggest an alternative candidate.

Handwritten signature of David Howell

DAVID HOWELL

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MS. 1/3
SETV



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Secretary of State for Industry

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

TELEPHONE DIRECT LINE 01-212 3301
SWITCHBOARD 01-212 7676

28 February 1983

The Rt Hon Lord Cockfield
Secretary of State for Trade
Department of Trade
1 Victoria Street
LONDON
SW1H 0ET

Dear Arthur,

1983 PROGRAMME OF NATIONALISED INDUSTRY REFERENCES TO THE
MONOPOLIES AND MERGERS COMMISSION

Thank you for sending me a copy of your letter of 23 February to
Geoffrey Howe, together with the draft statement announcing the
1983 programme of Section 11 references to the Monopolies and
Mergers Commission.

2 I am content with both the proposed Parliamentary Question
and the reply.

3 I am copying this letter to the recipients of yours.

Yours
faithfully

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1 - MAR 1983

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CONFIDENTIAL

DEPARTMENT OF TRADE

1 VICTORIA STREET LONDON SW1H 0ET

Telephone 01-215 7877



MS 23/2
1 Mr. Sheldon
2 Prime Minister

Content ~~not to be~~
~~published~~?

WR
23/2

From the Secretary of State

The Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
Treasury Chambers
HM Treasury
Parliament Street
London
SW1P 3AG

23rd February 1983

Sir Geoffrey

MS

I attach a draft statement I should like to make as early as possible in March, announcing the programme of references of nationalised industries to the Monopolies and Mergers Commission in 1983. The loss of British Telecom has been made good by the inclusion of an aspect of the Post Office.

I believe an early announcement will, by confirming our resolution to proceed with current procedures, be helpful to our position in the Committee on the Parliamentary Control of Expenditure (Reform) Bill.

Although I propose to announce only the 1983 programme, we have as usual been considering the provisional workload for the Commission in the first half of 1984. Norman St John Stevas' Bill makes the outlook twelve months hence more uncertain than usual, and two of the candidates have particular uncertainties. We have in mind, however, an aspect of British Rail, should the circumstances post-Serpell permit, and the British Airports Authority, on the understanding that the dispute with the airlines has been resolved. We shall be able to review their suitability nearer the time. The third investigation for the first six months of 1984 would be an aspect of the water industry.

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From the Secretary of State

I should welcome comments on the draft statement by 1 March. I am sending copies of this letter and the statement to colleagues in E(NI) and MISC 92, Sir Robert Armstrong and John Sparrow.

A handwritten signature in dark ink, appearing to read 'John Sparrow', with a long horizontal stroke extending to the right.

LORD COCKFIELD

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DRAFT INSPIRED PQ AND ANSWER

To ask the Secretary of State for Trade if he will report progress on the rolling programme of references to the Monopolies and Mergers Commission of nationalised industries.

During the course of 1982 reports were published on four bus undertakings and the sewerage functions of the Anglian and North West Water Authorities. The report on Caledonian MacBrayne will be published shortly and I have also received the Commission's report on the National Coal Board which will be published in due course.

The Commission is currently investigating the costs and efficiency of the Civil Aviation Authority's air traffic control services, and the Yorkshire Electricity Board. The latter investigation will be followed by a study of the costs and efficiency of the South Wales Electricity Board.

In addition, I shall shortly be referring the bus maintenance operations of London Transport, and later the Merchant Shipbuilding activities of British Shipbuilders. Towards the end of the year I intend to refer an aspect of the operations of the Post Office.

Terms of reference will be announced as each reference is made.