

SUBJECT MATTER

CONFIDENTIAL

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MEETING RECORDED



a. pps/moratorium

10 DOWNING STREET cc BG

LONDON SW1A 2AA

From the Principal Private Secretary

14 June 1990

BROADCASTING BILL: MORATORIUM ON TAKEOVERS

The Home Secretary had a brief talk with the Prime Minister before Cabinet. He said that in the Commons, Mr. Mellor had succeeded in resisting demands for a moratorium on takeovers but at Second Reading in the Lords this was one of the few issues which had been contested. Lord Ferrers believed that if the Government made no move an amendment would be put down for a three-year moratorium and the Government might be defeated. There was substantial support for a moratorium including from Government peers such as Lord Whitelaw. The Home Secretary recommended that the Government should pre-emptively table an amendment for a one-year moratorium. Lord Whitelaw and Mr. George Russell believed that this could secure a consensus.

The Prime Minister expressed concern about making a concession which would undercut the position successfully defended in the Commons. (The Home Secretary assured her that Mr. Mellor agreed with his recommendation.) There was little merit in the proposal which stemmed simply from the wish of the existing franchise holders to enjoy a quiet life. She agreed, however, that a one-year moratorium should be offered but only if the Government could be sure that this would take the trick. One year was the maximum that should be conceded.

I am copying this letter to Martin Stanley (Department of Trade and Industry).

(ANDREW TURNBULL)

Colin Walters, Esq.,
Home Office.

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