



SECRETARY OF STATE FOR ENERGY  
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~~CEJR~~

(7)

Robin Butler Esq  
 Principal Private Secretary to the  
 Prime Minister  
 10 Downing Street  
 LONDON SW1

27 March 1985

*Dear Robin*

GAS PRIVATISATION

Thank you for your letter of 26 March recording Ministers' decision that the best course in present circumstances was to go for an overall sale of the whole BGC business. Ministers envisaged legislation in the 1985/6 Session of Parliament and a flotation date in the autumn of 1986.

My Secretary of State believes this timetable can be achieved provided decisions are now taken with the utmost speed and that any temptations to introduce complexities into the decision-taking or the preparatory work are firmly resisted. If there is to be any question of flotation before the end of 1986, the Bill must be law before the 1986 Summer Recess and that in turn must mean, for a Bill as substantial and controversial as this, planning on Second Reading in December 1985. The later the introduction, the greater the incentive to the Opposition to try to hold up the Bill so as to make flotation in this Parliament impossible.

Against this background my Secretary of State is quite clear that the timetable for Ministerial consideration set out in your letter is far too relaxed. He urges most strongly that provision be made for the further small meeting of Ministers before Easter on Wednesday, 3 April. He will circulate a paper on Monday for such a meeting (based on his paper of spring, 1984) and hopes to take account in it of a discussion which he is arranging with the Financial Secretary.

Thereafter he trusts that it will be possible to timetable any further collective discussion so as to permit a Parliamentary statement on the Government's intentions at latest by the end of April. In his view, any further delay runs a very high risk of pre-emption by leak. It would also hamper dangerously the extremely urgent preparatory work on legislation and flotation.

I am copying this letter to Rachel Lomax (Treasury), Helen Goodman (Financial Secretary's office, Treasury) and Sir Robert Armstrong.

*Yours sincerely  
 Michael H*

M F REIDY  
 Private Secretary



Nat Ind: Gas + elec Pt 10.



27 MAR 1985

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