



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

21 March 1985

The Rt Hon Norman Tebbit MP
Secretary of State for Trade and Industry
Department of Trade and Industry
1 Victoria Street
LONDON SW1

Norman

FOLLOW-UP OF MMC REPORTS ON NATIONALISED INDUSTRIES

Thank you for your letter of 28 February in reply to mine of 11 January. I have also seen comments by Peter Walker, Patrick Jenkin, David Young and George Younger.

Despite reservations expressed by George and Patrick on some aspects and some qualifications on points of detail, there appears to be a fair measure of support for the proposals in my letter. It should be possible to apply the suggested procedures flexibly to overcome any difficulties which might arise in particular cases.

I agree that we should now take matters forward with the NICG and MMC as you propose. Our officials are already in touch about this and will bring in other Departments at a later stage. I hope too that you will be able to speak to the Chairman of the Liaison Committee to encourage the Select Committees to take a closer interest in action on MMC reports and that colleagues will similarly approach the Chairmen of the Select Committees with which they deal.

I am copying this letter to the Prime Minister, other members of E(NI), the Lord Privy Seal and Sir Robert Armstrong.

Nigel Lawson
NIGEL LAWSON

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PTO



25 MAR 1985



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Secretary of State for Trade and Industry

12 April 1985

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer
Treasury Chambers
Parliament Street
LONDON
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R Nigel

FOLLOW-UP OF MMC REPORTS ON NATIONALISED INDUSTRIES

Thank you for your letter of 21 March 1985.

As you say, arrangements are in hand to carry the proposals forward with the NICG and the MMC and I propose to speak to the Chairman of the Liaison Committee after my return from Japan.

You will be interested to know that coincidentally the members of the Monopolies and Mergers Commission have independently expressed a renewed interest in the follow-up action to their reports. This should provide a useful platform for discussions with them.

NORMAN TEBBIT

I am copying this letter to the Prime Minister, Members of E(NI), Lord Privy Seal and Sir Robert Armstrong

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Secretary of State for Trade and Industry

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DEPARTMENT OF TRADE AND INDUSTRY
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2 July 1985

Margaret O'Mara
Private Secretary to the
Chancellor of the Exchequer
Treasury Chambers
Parliament Street
London
SW1P 3AG

Dear Margaret,

FOLLOW-UP OF MCC COMPETITION ACT REPORTS ON NATIONALISED INDUSTRIES

The Chancellor will wish to know that my Secretary of State has now spoken with the Chairman of the Liaison Committee, Mr Terence Higgins, and suggested to him that the Select Committee should take a closer interest in MMC reports and subsequent follow-up.

2. My Secretary of State explained that the MMC has now completed a substantial number of efficiency audits of nationalised industries and other bodies and the reports contain constructive recommendations for improving performance; that we are continuously seeking to improve follow-up in the light of experience; that since Select Committees commonly take evidence from the more important of their industries and from sponsor Departments and have access to MMC reports and the industries' annual reports it would be beneficial for them to question the industries on the action they have taken in response to specific criticisms; and that while we believe that no one area of an industry should be subject to an MMC investigation more frequently than every 4 years, the time has now come to consider re-references, and greater Select Committee interest in MMC reports could therefore fulfil a dual purpose in enhancing follow-up and helping to identify areas where a re-reference would be useful.

3. Mr Higgins accepted these points, welcomed the suggestion and undertook to speak to the relevant Select Committee Chairman.

4. I am copying this letter to the Private Secretaries to the Prime Minister, Members of E(NI), the Lord Privy Seal and Sir Robert Armstrong.

Yours Sincerely,
A. D. Lansley
ANDREW D LANSLEY
Private Secretary

