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10 DOWNING STREET

16 September 1985

From the Principal Private Secretary

REGIONAL INDUSTRIAL EXECUTIVE FOR THE NORTH EAST

I ought to have reported before now the general drift of the conversation at the lunch at Durham University last Wednesday when there was considerable discussion among participants about the value of a regional Industrial Executive for the North East.

All the participants, trade unionist, industrialist, academic alike, pressed the case for the Executive in forcible terms. No-one had a good word for the local authority dominated North Eastern Development Council. The Prime Minister was told that the Executive would "co-ordinate" the activities of the 50-odd agencies interested in development in the north east, and that "authority would be delegated" to the Executive by the agencies.

It soon emerged when the Prime Minister probed the case for the Executive, that its proponents were clear neither about the nature of its function nor about the authority which would be delegated to it. After some further questioning from the Prime Minister, it was suggested that the Executive might act as a "first stop" for industrialists, especially foreign industrialists, in their investigation of sites for development in the north east. The Executive could serve as a "focus" of the region's development promotion, which was, for the moment, diffused over the various agencies.

All in all, a worthwhile discussion. But I do have to say that I believe the Prime Minister was not convinced that the proponents of the Executive had worked through with sufficient rigour its precise function and method of operation. From a number of replies to the Prime Minister's questions, I think that many of the participants in the discussion would agree with that diagnosis.

I am sending a copy of this letter to Robin Young at the Department of the Environment.

John Mogg Esq
Department of Trade and Industry

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