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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

25 July 1988

Dear Peter,

SPACE

The Prime Minister was grateful for your Secretary of State's minute of 21 July about the future role of BNSC; she has also seen the draft memorandum in response to the House of Lords Select Committee attached to Rosalind Cole's letter of the same date.

I should be grateful if you and copy recipients would ensure that this letter is seen only by named individuals with a clear operational interest.

The Prime Minister is not persuaded by the proposal to retain the present structure of BNSC. She recognises that there is an administrative task connected with the Government's continued space activity. But she thinks that it would be a logical consequence of decisions already made and announced for the work now carried out by the BNSC to be absorbed within the DTI.

As a consequence, the Prime Minister has noted that it will be necessary to amend paragraphs 11-12 of the draft memorandum to the House of Lords Select Committee. She is, however, content with the rest of that draft, and in particular welcomes the strong statement in paragraph 7 about industry's role.

I am copying this letter to the Private Secretaries to members of E(ST), Trevor Woolley and John Fairclough (Cabinet Office).

Yours,
Paul

(PAUL GRAY)

Peter Smith, Esq.,
Office of the Chancellor of the Duchy of Lancaster.

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