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Secretary of State for Industry

1 October 1982

J Sparrow Esq  
Central Policy Review Staff  
70 Whitehall  
London SW1A 2AS

Prime Minister (2)

MUS 1/10

Dear Mr Sparrow,

POSSIBLE PRIVATE SECTOR FUNDING FOR AND PRIVATISATION OF THE POST OFFICE

My Private Secretary's letter of 20 September about objectives for nationalised industries I deliberately did not mention a further study that my Department proposes to undertake. My officials have already talked very briefly to the CPRS and Treasury officials about an exercise to examine the extent to which private sector funding might be introduced into the Post Office and the extent to which privatisation may be possible. Mr Dearing has expressed a readiness to assist in such a study, but understandably he does not want options and possibilities to be the subject of general discussion at the formative stage. It is for this reason that I am now writing separately to advise you of this study.

2 Officials in my Space and Post Office Division will shortly be in touch again with the CPRS and the Treasury.

3 Copies of this letter go to the Prime Minister and the Chancellor of the Exchequer.

Yours sincerely,  
Jonathan Spencer

ap PATRICK JENKIN

(Approved by the Secretary of State and signed in his absence)