

Conservative Research Department

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GSC/MJH

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MRS. THATCHER

cc. Lord Thorneycroft
Sir Keith Joseph
Mr. Maude
Mr. Reece
Mr. Patten

The Nationalised Industries Policy Group Report

You will by now be aware of the leak of our nationalised industry policy group report to the Economist. A copy of the article is attached.

The Economist gives a largely accurate account of the report. There are direct quotations. Whoever wrote the account clearly had access to both the report itself and the confidential annex. This point is significant: the two documents were separated at an early stage in their career.

The report (plus annex) was in final form in July 1977. The policy group which prepared it consisted of: Nicholas Ridley, Michael Heseltine, Maurice Macmillan, Sir John Eden, Paul Channon, Peter Tapsell, Peter Rees, David Alexander, John Wood, Nicholas True.

The text produced by the group was substantially the same as the text recently discussed by ourselves at later meetings.

In July 1977 the paper was discussed by the Economic Reconstruction Policy Group. Its members were: Sir Geoffrey Howe, Sir Keith Joseph, Sir Ian Gilmour, David Howell, James Prior, John Nott, John Biffen, Sally Oppenheim, Sir Leonard Neal, Brian Griffiths, Adam Ridley, Anne Bulloch.

The papers were also received by Charles Bell, who receives all Economic Reconstruction papers.

The report was next distributed (without the annex which the Economist has clearly read) to the Policy Sub-Committee, for a discussion on 13th March 1978. The annex was brought separately

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to the meeting and distributed to those present, who were:-

Sir Keith Joseph
Sir Ian Gilmour
Sir Geoffrey Howe
Patrick Jenkin
Angus Maude
Nicholas Ridley
Alexander Walker
George Cardona
Patrick Rock

(I also gave Adam Ridley a copy later).

At the end of the meeting those present were asked to return their copies of the annex. We can therefore account for all the copies distributed.

The annex was then brought by myself to the meeting we held on 15th March 1978 in your room, but it was not distributed. All copies were brought back to the Research Department. They were then taken by Patrick Rock to the second meeting in your room on 10th May, but again they were not distributed. They have been in the Research Department ever since.

We have not as yet been able to account for the leak. The fact that all copies of the annex taken by ourselves since March 1978 have been accounted for opens the possibility that one of the copies distributed last year may have fallen into the hands of the Economist.

GC.

George Cardona