

PRIME MINISTER

John Moore discussed with me this afternoon his thinking on the tactics for pushing forward our campaign for introducing more competition and consumer choice for airline passengers.

A UK Presidency compromise will be discussed at a Transport Council early next week. The French are proving difficult, and will, John Moore thinks, block any agreement (though David Williamson is not so sure).

If agreement is blocked, the question arises of what to do then. In particular, John Moore is wondering whether you should be involved and make this a big issue at the Anglo-French Summit and at the European Council in December. His inclination is not to involve you at this stage.

His reasoning is as follows. The UK Presidency compromise on airline deregulation is a fairly weak one. Already, the consumer lobbies, such as 'Which', are castigating John Moore for weakness, arguing that the outcome will not bring much benefit to the airline passengers. You would thus be espousing a Presidency compromise in which we have not got much faith. Far better, according to John Moore, for you to keep your powder dry until after our Presidency and then weigh in on the side of a really good package which brings real benefit to the airline passengers.

I told John Moore that I thought that you would agree with his tactic. (David Williamson told me that he certainly does).

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N.L.W

N. L. Wicks

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