

PRIME MINISTER

STATEMENT ON FUTURE COMPETITION POLICY IN TELECOMMUNICATIONS

To see Mr. Tebbit's draft statement and his minute explaining his proposals.

To see also Policy Unit's comments.

- (i) Agree to statement broadly on these lines?
- (ii) Agree Mercury duopoly *of* 5 years with review thereafter (an improvement on earlier suggestion of "five years at the earliest")?
- (iii) Agree I put Policy Unit's comments to DTI as suggestions?

*I think 5  
years too  
short - but  
to be  
considered.  
mt*

*Yes but -*

My only reservation is over resale which appears to be a question of delicate judgement. Is it better to delay resale, which is in principle desirable, in order to give Mercury a better chance to establish itself? Having gone down the alternative network route, is it not better to see it through? It is difficult to challenge Mr. Tebbit's judgement on this.

*on resale I agree  
with your observations  
and with the statement.  
mt*

*AT*

Andrew Turnbull

4 November 1983