PREM 19/805

PART 2

MT

Confidential filing

Information technology.
Inadequacy of Interdepartmental Whitehall Machinery

ACARD Report.

INDUSTRIAL POLICY

Pt. 1. January 1980

Pt. 2. April 1981

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
(new file covers) 31.10.82 - ends —							

PREM 19/805

PART 2 ends:-

31.10.81

PART 3 begins:-

2.11.81

TO BE RETAINED AS TOP ENCLOSURE

Cabinet / Cabinet Committee Documents

Reference	Date
IT (81) 8th Meeting, Minutes	2.4.81
IT (81) 48	21.5.81
IT (81) 10th Meeting, Minutes	28.5.81
IT (81) 50	8.6.81
IT (81) 49	9.6.81
IT (81) 51	9.6.81
IT (81) 52	10.6.81
IT (81) 11th Meeting, Minutes	11.6.81
IT (81) 55	20.7.81
IT (81) 56	20.7.81
IT (81) 57	24.7.81
IT (81) 58	4.8.81
IT (81) 59	7.8.81
IT (81) 60	26.8.81
IT (81) 62	30.9.81

The documents listed above, which were enclosed on this file, have been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate **CAB** (CABINET OFFICE) CLASSES

Signed A Wayland Date 6 September 2012

PREM Records Team

QUEEN ANNE'S GATE LONDON SW1H 9AT

31 OCT 1981

Thank you for your letter of 16th October, jointly with Barney Hayhoe, describing the activities planned for Information Technology Year 1982. The Home Office will help to make this initiative a success and I shall certainly take a personal interest in the developing programme. I should, however, make it clear that the resources we shall be able to contribute for activities which are not already part of our essential developments in information technology are severely limited.

Home Office Officials have already been involved with some of the preliminary planning in the Department of Industry and in the Central Computer and Telecommunications Agency. We shall, therefore, find it convenient to nominate two people to act as points of contact. They are: Mr. K. H. Dawson, an Assistant Secretary in our Police Technical Services Department, and Mr. A. Norbury, a Principal in our Management Services Division.

I am sending copies of this letter to the Prime Minister, to Ministers in charge of Departments, and to Barney Hayhoe.

Yours ever

c.c. Dr. Simpson
Mr. L. P. Wright
Mr. Shuffrey
Mr. Andrew
Mr. Hyde

Kenneth Baker Esq., M.P.

1

PRIME MINISTER

Video-tape Message to Launch Information Technology Year

This was to have been done on Tuesday but because of the Censure Debate I have moved it to Friday 30. It has to be taped before Monday 2 so we do not have a great choice of dates. I am afraid this makes Friday 30 October look pretty bad as far as media commitments are concerned as you already have Barry Askew, editor of the News of the World, and Keith Gore of Worcester College for the Northern Ireland interview.

As the above will be filmed I hope you will be happy to do your own make-up and to have had your hair down the previous day? Yes MT

MT.

21 October 1981

1

PRIME MINISTER

Information Technology Year 1982

You agreed to videotape a personal message for the launch of IT Year. Since the launch is on 2 November, we will arrange for the recording to take place next week. I hope that if the recording team can set up their equipment in one of the State Rooms the recording itself need not take up more than ten minutes of your time.

You commented that you were not happy with the first paragraph of the Department of Industry draft message. You felt this did not give a simple enough definition of information technology. I attach at 'A' a redraft of the first paragraph which I suggest you might use. Is this on the right lines?

Are you content with the rest of the draft at 'B'?

CWSR

MT

20 October 1981

I would like to talk to you for a few moments about information technology. Information technology is the application of micro-electronics to the handling of information. It is not something that will just happen during Information Technology Year; it is here already.

This message I am recording proves that. The videotape on which I am being recorded, and the television on which you are seeing and hearing me are both examples of information technology. They are helping me get my message, my "information", across to you. And whenever you pick up the telephone, it is information technology that helps you get your message across.

Information technology is in our offices in the form of computers and word processors, and in our factories through robots and computer aided design. I want to see people introduce it wherever it can be of real help.

PRIME MINISTER'S VIDEO BROADCAST ON INFORMATION TECHNOLOGY

I'd like to talk to you for a few moments about information technology. Information technology is not something that will just happen during Information Technology Year; it's here already. It covers all manner of activities from satellites to computer games, it's in our homes through the telephone and the television, in our offices through computers and word processors and in our factories through robots and computer-aided design and it is also in our hospitals and schools.

In the last few years, rapid changes in microelectronics have made the creation, the passing and the recording of information the fastest growing economic activity in the world. It is this all-reaching nature of IT which makes it so important for our future economic prosperity.

The development of IT products and services is a vital step for Britain because we have a wealth of experience in communicating through the arts and through broadcasting and through the universality of the English language.

This is a great opportunity and we mustn't miss out on it. That's why the government, ~~has launched~~ in partnership with industry, is supporting a major programme, IT Year 1982, to make us all aware of the importance of IT. Did

M13AAL

you know that only half of the companies in Britain use microelectronics at all? It is only by using these new technologies that we can remain competitive. The way forward is to create more opportunities and that is why we decided to end the telecommunications monopoly in Britain. This is an industry which must be driven forward by competition and not dominated by monopoly. At the same time, we have increased the investment in the telephone network of Britain because we want to ensure that we have the best communications system in the world. If we don't, then businesses will migrate from our country.

In 1982, Kenneth Baker, the Minister for Information Technology will co-ordinate this programme. Many new initiatives will be taken. We've announced the offices of the future in Whitehall, the Micros in Schools Scheme which I launched in April has been an outstanding success and it will be extended in 1982 to all Secondary Schools. For the young and unqualified unemployed, we are setting up a national network of IT centres.

IT Year '82 will give us an opportunity to celebrate our achievements but more important, it will point the way to the great opportunities that lie ahead for British industry.

JU593

DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
123 VICTORIA STREET
LONDON SW1E 6RB
TELEPHONE DIRECT LINE 01-212 3301
SWITCHBOARD 01-212 7676

Secretary of State for Industry

16 October 1981

William Rickett Esq
Private Secretary to the
Prime Minister
10 Downing Street
London SW1

papers please. attached

WR 19/10

Dear Willie

INFORMATION TECHNOLOGY YEAR 1982:MESSAGE FROM THE PRIME MINISTER

Thank you for your letter of 13 October and for letting me know that the Prime Minister has agreed to record a personal message on video tape for IT Year. I have asked Mr John Symes of our Information Technology Division to get in touch with No 10 direct about the detailed arrangements.

2 As requested in your letter, I attach the redraft of the first paragraph of the message suggested by my Secretary of State. I hope that this is suitable.

3 When we spoke on the phone on 13 October, you mentioned Mr Baker's request (his minute of 25 August) that the Prime Minister should be interviewed for the BBC series on computer literacy. I can confirm that that request still stands but I should be grateful if you would take no action on it at present. Since Mr Baker minuted the Prime Minister, the BBC have suggested some changes in the use to which the interview would be put. Mr Baker will be meeting representatives of the BBC next week and he hopes to clarify then whether the proposed interview would be given sufficient coverage to justify the call on the Prime Minister's time.

Yours ever
Richard.

RICHARD RILEY
Private Secretary

I'd like to talk to you for a few moments about information technology. Information technology is the application of microelectronics to the handling of information. It is not something that will just happen during Information Technology Year; it's here already. We all use information technology daily; in our homes through the telephone and the television, in our offices through computers and word processors and in our factories through robots and computer-aided design and it is also in our hospitals and schools.

Ind Pol

CM 19/10

FROM THE
MINISTER OF STATE
FOR INDUSTRY AND
INFORMATION TECHNOLOGY
DEPT OF INDUSTRY
ASHDOWN HOUSE
123 VICTORIA ST
LONDON SW1E 6RB

FROM THE
MINISTER OF STATE FOR
THE CIVIL SERVICE
DEPARTMENT
WHITEHALL
LONDON SW1A 2AZ

1 Mr Whitmore
2 Prime Minister

I will shortly be putting to you recommendations for the introduction of new technology in Correspondence Section here in Downing Street, based on an expert study.

WR 16/10

The Rt Hon William Whitelaw CH MC MP
Secretary of State for the
Home Department
50 Queen Anne's Gate
LONDON SW1H 9AT

16 October 1981

Dear Willie,

INFORMATION TECHNOLOGY YEAR 1982: DEMONSTRATION PROJECTS

The Prime Minister has designated 1982 as Information Technology Year. The purpose of this is to highlight the whole range of business activities which will shape the office, the factory and the home of the future, with emphasis on increasing the competitive strength of British industry. Taken together these industries range from satellites to computer games. Britain is well placed in some of them but not in them all. They represent the fastest growing area of activity in the economy and unless we benefit to the full from their exploitation, our economy will remain sluggish and not generate the wealth needed to sustain our way of life.

A wide range of activities is being planned for next year. The climax of the programme will be a major conference on IT in December 1982 which the Prime Minister will open and which other Cabinet Ministers will be invited to attend. An essential part of the success of next year will be the Government's commitment and the whole-hearted participation of the public sectors. We are writing to you now to enlist your support and help to ensure that your Department, and

M14AAA

other parts of the public sector for which you have responsibility, take an active part.

To this end officials in our Departments and elsewhere have over the last few months been engaged in an exercise to identify suitable projects which demonstrate the effective use of IT. The exercise has revealed a large number of interesting projects both within the Civil Service and the public sector generally which could, with the cooperation of the appropriate Ministers, be publicised to increase public awareness, to demonstrate what can be done, and to encourage the wide use of IT.

Many of the projects for which we can usefully seek more publicity are existing applications: they also have the advantage that they are more likely to provide something to demonstrate sooner rather than later. Given that there is not a great deal of time before IT 82 begins, and that we need to be able to show IT working effectively and successfully, the main emphasis of our contribution will probably need to be on such applications. In addition, however, DI is developing a number of "Office of the Future" trials in various public sector locations, and, in cooperation with CCTA, in central Government. The CCTA itself also has, in cooperation with Departments, a developing programme of projects to test the impact of new office systems on Civil Service work. We hope that both these programmes will advance quickly and effectively during 1982 to make a further important contribution. We would be grateful if you would take a close personal interest in the plans being drawn up in your Department for publicising existing or planned applications as part of the IT 82 programme, and encourage as imaginative and effective contribution as possible. Our officials will be in touch with yours shortly for more detailed discussions.

Departmental contributions to IT 82 can take many forms. Possibilities are:

Participation in appropriate exhibitions and conferences;

Mounting 'open days';

Seeking opportunities for press publicity, articles and media coverage about existing or prospective uses of IT;

Bringing forward IT applications in Departments;

INFORMATION TECHNOLOGY 82

Assigning resources to new IT applications;

Mounting demonstration projects.

We would be grateful for any other suggestions you or your officials may have and our Departments would be happy to advise on implementing any of these ideas. The Department of Industry has some very limited funds for the support of exceptional projects for which funding is not wholly available from your own resources, but which you consider are sufficiently innovative and valuable to warrant funding from elsewhere.

We are also anxious that the opportunity of IT 82 should be used to stimulate interest and awareness in IT within the Civil Service and the public sector generally. The Civil Service College and the CCTA already organise many courses within the Civil Service and with outside organisations for this purpose, but they will be supplementing them with 40 one-day 'IT Awareness' Seminars aimed at executive staff which will be held in London and Regional Centres throughout the country. Your support for these seminars by making local facilities available and encouraging staff to attend would be greatly appreciated.

We should also be grateful if you could discuss with those parts of the public sector for which you have responsibility what action of a similar kind they can take and review with them suitable applications for wider publicity.

The official launch of IT 82 will be on 2 November, and the media is likely thereafter to begin to ask questions about the Government's contribution. Our Departments will be providing information about the various central initiatives, but you may find it helpful to ensure that your Department too can respond positively. Both for this purpose, and to provide a point of contact for our officials to discuss your departmental plans, it may be helpful if you could nominate somebody to be responsible for co-ordinating your contribution to IT 82.

We are copying this letter to the Prime Minister and to all Ministers in charge of Departments.

Yours ever

Kenneth

KENNETH BAKER

Barney

BARNEY HAYHOE

FILE

VLB

MR. UNWIN
CABINET OFFICE

Government Input to Prestel

Thank you for your minute to Michael Scholar of 14 October, reference Hn 0321.

Given that there is no immediate threat to the existence of the COI unit, and given that there is no Ministerial disagreement on this issue, I have decided not to submit it to the Prime Minister at this stage, especially given the other pressures on her time.

I note that Mr. Heyhoe questions whether the case for the COI Prestel unit will be as strong in 1984 as it is now, given the rapidly changing requirements of central Departments. I am not sure the Prime Minister would want to express an opinion now on the value of the COI unit which might prejudice the review of its future in 1983. I know, however, that she will take an interest in that review.

W F S RICKETT

CS

15 October 1981

Hn 0321

MR SCHOLAR - No 10

GOVERNMENT INPUT TO PRESTEL

Mr Hayhoe has copied to the Prime Minister his letter of 9 October to Mr Kenneth Baker (copy attached).

2. Some brief background to this issue may be helpful to you.

3. A small Unit at the COI (3 people) provides an "umbrella" service for a number of Government Departments and agencies in inputting information to Prestel. This both saves money (COI pay a single information provider fee on their behalf) and supplies for those Departments the necessary experties in preparing information for display on Prestel in the appropriate way. Although some large Departments operate in their own right (eg DHSS) it is largely the skill and enthusiasm of the COI Unit that has maintained a good deal of the Government input during Prestel's "teething" period.

4. On present manpower plans the Unit has been due to be disbanded by 1983. Mr Baker sought an extension (entailing a small switch in manpower priorities) so as to keep the Unit in being longer. The main argument, which I strongly endorse, is that for the Government to be seen to be pulling out of Prestel (which could happen if the Unit is disbanded) could seriously undermine it when we are concerned to make a success of this British technological "first".

5. In his letter Mr Hayhore reports that it will now be possible to keep the Unit in existance until 1984 and suggests that its future should be reviewed a year or so before then. This provides a welcome temporary reprieve and I have suggested to Mr Baker that he should accept this offer.

6. There is, of course, no cause for the Prime Minister to intervene in this correspondence. But if she wished, without commitment, to give some indication of her support for the work on Prestel she could note briefly that she attaches importance to the successful exploitation of Prestel, hopes that it will be possible to maintain the momentum of the kind of work the COI Unit has been able to do, and notes that the position will be reviewed again before 1984.

IT Unit
Cabinet Office

J B UNWIN
14 October 1981

B/F

Press Office

10 DOWNING STREET

From the Private Secretary

13 October 1981

Information Technology Year 1982: Message from the Prime Minister

The Prime Minister has seen your Secretary of State's minute of 7 October, and has agreed to record a personal message on video tape to be used in the launch of IT Year, and throughout the year at conferences, etc.

As I told you on the 'phone, the Prime Minister would be able to set aside 15 minutes to record this message at 1730 on 27 October, She is broadly content with the draft message attached to your Secretary of State's minute, except that she would prefer a simpler and more informative definition of "information technology" to be drafted to replace the last sentence of the first paragraph. You said that you would arrange for a redraft to be provided. I should be grateful if this could reach us as soon as possible.

I am copying this to Chris Eagles (Department of Education and Science).

W. F. S. RICKETT

Richard Riley Esq
Department of Industry

MR GAFFIN

Please see the attached. It seems that the Department of Industry intend to delegate the handling of this video tape recording to their press office. Perhaps you could liaise with them over the arrangements.

WR

13 October 1981

MR RICKETT

Mr Baker's Office have confirmed that they will be coming to us with revised advice (see X)

WR 20/10

Department of Industry confirm that they are indeed still interested in the Prime Minister making a contribution to the launch of the BBC television series on computer literacy as well as to the launch of IT Year.

2. Further to Mr Baker's note of 25 August, D/Industry now tell me that an exhibition has been organised through the Parliamentary Information Technology Committee. This will be staged in the Upper Waiting Room of the House of Commons between 15-20 November. Mr Baker's Private Office should be coming to you with a proposal for the BBC to conduct an interview with the Prime Minister during that exhibition, for use at the launch of their programme in December. As I said to you, this would be one interview, not two as mentioned in Mr Baker's note, and it is not now intended to use it as an introduction to the series itself.

X

3. For the launch of IT Year it is hoped to record a message by the Prime Minister to be put on video for use at the press conference on 2 November. This recording could be made at any convenient time until then and Shandwick PR, retained to organise IT Year publicity, will provide the cameraman and equipment necessary.

HUGH COLVER
PRESS OFFICE

9 October, 1981.

hd Pol.

Civil Service Department
Whitehall London SW1A 2AZ
Telephone 01-273 3000

Minister of State

Kenneth Baker Esq MP
Minister of State for Industry
and Information Technology
Department of Industry
Ashdown House
123 Victoria Street
LONDON SW1E 6RB

9th October 1981

Dear Kenneth,

WM 12/10

GOVERNMENT INPUT TO PRESTEL

Thank you for your letter of 7 August in which you express concern about the future of the Prestel Unit which is at present located in the COI. I am sorry you have not had a reply before now but I have had to take advice on a number of important aspects of this.

I fully agree with the emphasis you place on the importance of viewdata for the future. I am in no doubt that the Unit has played an important part in the use Government departments have made of Prestel.

As you say the Unit was set up to see Prestel through its market trials. At the time, COI was seen as the appropriate department because the need was to advise departments on the use which could be made of Prestel as a means of disseminating information. A good deal of experience has been gained in the process and the Unit has become a centre of expertise on matters relating to Prestel.

However, given the rapid pace of development on viewdata systems generally, of which Prestel is a fairly simple example, it seems likely that departments will increasingly need guidance of the technical nature which it is the responsibility of the Central Computer and Telecommunications Agency to provide, rather than with such matters as the design of Prestel frames; by 1984 even small departments may well be capable of designing frames for themselves. COI management feel able to keep the unit in existence until 1984. I suggest therefore that we look at this question again a year or so before then when the nature of the central role required should be clearer.

I am copying this letter to the Prime Minister and to Francis Pym.

Yours ever
Barney

BARNEY HAYHOE

JH 675

Prime Minister cc Press Office,

Would you be willing to record a videotape message for the launch of IT Year on the lines of the draft at A ?

Yes. MT

WR 9/10

Write
27 October
1730-1745.
No10.

PRIME MINISTER

INFORMATION TECHNOLOGY YEAR 1982: MESSAGE FROM THE PRIME MINISTER

As you know, we announced earlier this year our decision to designate 1982 as Information Technology (IT) Year as part of our programme to stimulate interest in and awareness of information technology. The arrangements for the Year are being managed by a Committee, largely composed of private sector interests, and will be financed jointly by industry and the Department.

2 We intend to launch IT Year on 2 November and to invite representatives of the national, technical and world press to the launch. We plan to support the launch by using some practical examples of information technology at work. For instance we will be using British Telecom's Confravision service to launch the Year around the country, the fist time that the Confravision service has been used in this way. Kenneth Baker has suggested - and I agree - that we should add a personal message from you on video tape as an unannounced final bonus to the proceedings.

3 Your personal connection with the Year would give a valuable lead to the many different interests who will be contributing - in many cases giving generously of their time and money. In particular it will be a prelude to the end of year Conference which you have agreed to open.

4 The purpose of this minute is therefore to ask whether you

would be prepared to pre-record a three-minute message on video-tape. The message would then also be used on other occasions throughout the year at conferences; exhibitions, etc. I attach a draft of the sort of message we have in mind. In addition to drawing attention to the importance of IT and the opportunities if offers, I think the message should stress the importance of educating children to use the new technology - a theme which you developed at the launch of the Micros in Schools scheme.

5 I am copying this minute to Keith Joseph.

PJ

P J
7 October 1981

Department of Industry
123 Victoria Street

A

PRIME MINISTER'S VIDEO BROADCAST ON INFORMATION TECHNOLOGY

I'd like to talk to you for a few moments about information technology. Information technology is not something that will just happen during Information Technology Year; it's here already. It covers all manner of activities from satellites to computer games, it's in our homes through the telephone and the television, in our offices through computers and word processors and in our factories through robots and computer-aided design and it is also in our hospitals and schools.

better to write this phrase.

In the last few years, rapid changes in microelectronics have made the creation, the passing and the recording of information the fastest growing economic activity in the world. It is this all-reaching nature of IT which makes it so important for our future economic prosperity.

The development of IT products and services is a vital step for Britain because we have a wealth of experience in communicating through the arts and through broadcasting and through the universality of the English language.

This is a great opportunity and we mustn't miss out on it. That's why the government has launched a major programme, IT Year 1982, to make us all aware of the importance of IT. Did

M13AAL

you know that only half of the companies in Britain use microelectronics at all? It is only by using these new technologies that we can remain competitive. The way forward is to create more opportunities and that is why we decided to end the telecommunications monopoly in Britain. This is an industry which must be driven forward by competition and not dominated by monopoly. At the same time, we have increased the investment in the telephone network of Britain because we want to ensure that we have the best communications system in the world. If we don't, then businesses will migrate from our country.

In 1982, Kenneth Baker, the Minister for Information Technology will co-ordinate this programme. Many new initiatives will be taken. We've announced the offices of the future in Whitehall, the Micros in Schools Scheme which I launched in April has been an outstanding success and it will be extended in 1982 to all Secondary Schools. For the young and unqualified unemployed, we are setting up a national network of IT centres.

IT Year '82 will give us an opportunity to celebrate our achievements but more important, it will point the way to the great opportunities that lie ahead for British industry.

Hn 0264

MR LANKESTER (No 10) Mr Riddell (please:)

cc Mr Ibbs

DATA PROTECTION LEGISLATION

Mr Halliday of the Home Office has copied to me his letter to you of 28 September enclosing a draft reply for the Prime Minister to Mr Charles Read's letter of 11 September about data protection. Mr Read, the Director of the Inter-Bank Research Organisation, is one of the Information Technology Advisers appointed earlier this summer by the Prime Minister.

2. I am generally content with the Home Office draft, subject to one important point. This relates to the statements in the third paragraph about the Government's decision not to establish an independent data protection authority.

3. This accurately reflects the view taken by the Home Affairs Committee in their discussion last February (H(81)4th Meeting). They were not in favour of establishing an independent Authority, and this "decision" has been included in various Home Office Ministerial statements since then. However, this remains an extremely contentious issue, on which the Government may be under considerable pressure, and which Ministers will undoubtedly need to consider again when the Home Office bring before them a draft White Paper (with Green edges) on data protection later this year.

4. Home Office officials are currently drafting detailed proposals on the basis that the various responsibilities for registering computer systems, enforcing the new regime etc will be located entirely within the Home Office. There is, however, already strong opposition to this both inside and outside Government, the main doubt being whether such an "in house" arrangement would be credible either domestically or with our international trading partners. If it is not, the economic and other objectives of the legislation will not be achieved. These doubts are expressed strongly in the paper sent to the Prime Minister by Mr Read, and I have little doubt that similar views will be expressed by the other IT Advisers when the Home Office proposals are published later this year.

5. It would, of course, be wrong to preempt the outcome of further consideration of this issue now. I think, however, that the Prime Minister would be well advised to be a little less specific than the Home Office draft suggests, so that too many words

do not have to be eaten should the Government take a different view later. Ministers could well decide that some form of independent arrangement - which need not be a large 'authority' of the kind Lindop originally recommended - is necessary to achieve the objectives of the proposed legislation.

6. I suggest, therefore, that the third paragraph of the draft letter should be slightly revised as follows:-

"Timothy Raison has made it clear, in a letter replying to a recent approach from Sir Norman Lindop and in public speeches to the BMA and others, that the Government sees difficulties in the idea of an independent data protection authority and that under our proposals the Home Office would not exercise all the functions of an authority of the kind suggested by the Lindop Committee. In reaching this view we took into account the kind of arguments in favour of an authority which are included in your paper.

However, we are very much aware ...".

7. May I also suggest that the Prime Minister indicates that she will welcome the views of the IT Advisers in due course by adding something on the lines of the following to the last paragraph of the letter:-

"I shall also be interested in any further views that you or the other Information Technology Advisers have on the proposals".

J B UNWIN
29 September 1981

IT UNIT
Cabinet Office

From: THE PRIVATE SECRETARY

C.F. ~~MPS~~? No

HOME OFFICE
QUEEN ANNE'S GATE
LONDON SWIH 9AT

Type for PM, pl. 28.9.81
Attach Mr Raison's letter for reference.

MAP 29/IX.

Dear Tim,

Thank you for your letter of 14th September enclosing a copy of one sent to the Prime Minister by Mr. Charles N. Read of the Inter-Bank Research Organisation about data protection. Mr. Raison received a similar approach from Sir Norman Lindop and you may like to have the enclosed copy of his reply.

Also enclosed is a draft reply for the Prime Minister to consider sending to Sir Norman. It deals only indirectly with the penultimate paragraph in his letter about interdepartmental co-ordination, but states implicity that such co-ordination exists (in fact it involves a number of interested departments including Trade, Industry, and the main users of public sector computers) and draws attention to the role of the Information Technology Unit.

I am copying this letter and its enclosure to Brian Unwin in Cabinet Office.

Yours ever,

John Halliday

J. F. HALLIDAY

T. P. Lankester, Esq.

FILE NUMBER .....

DRAFT LETTER

ADDRESSEE'S REFERENCE .....

TO	ENCLOSURES	COPIES TO BE SENT TO
Charles N Read Esq Director Inter-Bank Research Organisation 32 City Road LONDON EC1Y 1AA	Nil	B Unwin Esq Cabinet Office
(FULL POSTAL ADDRESS)		(FULL ADDRESSES, IF NECESSARY)

LETTER DRAFTED FOR SIGNATURE BY ..... The Prime Minister .....
(NAME OF SIGNATORY)

Thank you for your letter of 11 September about data protection with which you enclosed a copy of a report on the subject prepared by former members of the Data Protection Committee appointed by the previous Administration. I was grateful for the opportunity of reading the views of Sir Norman Lindop and his colleagues on the Government's developing proposals for data protection legislation.

We are of course mindful of the importance of developments in information technology. As the Home Secretary said in his Parliamentary announcement on 19 March these played an important part in our decision to introduce legislation when an opportunity arises.

Timothy Raison has made it clear, in a letter replying to a recent approach from Sir Norman Lindop and in public speeches to the BMA and others, that the Government does not believe that an independent data protection authority is called for, and that under our proposals the Home Office would not exercise all the functions of an authority of the kind suggested by the Lindop Committee. Our decision not to establish an authority took into account the kind of arguments in favour of an authority which are included in your paper but on balance we came down against it for the substantial reasons given in the Home Secretary's Parliamentary announcement.

// /We are very

We are very much aware of the lively interest generated by the subject and of the concern that has been expressed in many quarters that our legislative proposals should be well-considered, adequate and consonant with developing international practice. You may be assured that the Government intends that its proposals should satisfy these criteria.

We have in mind to publish a more detailed account of our plans in a White Paper. This will embody the fruits of current interdepartmental consultations, to which the Information Technology Unit of Cabinet Office is making a helpful contribution.

10 DOWNING STREET

From the Private Secretary

14 September 1981

CSF

I should be grateful for a draft letter for the Prime Minister to send in reply to the enclosed letter from the Director of the Inter-Bank Research Organisation concerning data protection and privacy legislation. 121/9

I am sending a copy of this letter and enclosure to Brian Unwin (Cabinet Office).

T. P. LANKESTER

J.F. Halliday, Esq.,
Home Office.

SF

14 September 1981

I am writing on behalf of the Prime Minister to thank you for your letter of 11 September.

This is receiving attention and a reply will be sent to you as soon as possible.

T. P. LANKESTER

Charles N. Read, Esq.

JH 566

cc Press

PRIME MINISTER

BBC/TV SERIES ON COMPUTER LITERACY

The BBC are to broadcast a weekly series of 10 television programmes at a peak viewing time starting on 10 January 1982 explaining what computers are, the broad principles on which they operate, what they can do and, to some extent how to use them. We have made a small contribution to the costs of developing the programmes.

Just as other BBC series have had an associated "book of the series" so will this one, but it will also have "the computer of the series" - a powerful new Acorn microcomputer, made in the UK, the standard version of which will retail at £235. Although the programmes will refer extensively to this machine it will not be a prerequisite for understanding them. This is one of the two machines used in the Micros in Schools Scheme.

The series comes at just the right moment to capitalise on the growing interest in the home computer. It will be seen in future years as a milestone in educating the wider public in computing. Consequently both the BBC and I are particularly keen that the programmes are given the best possible launch. The BBC are laying on a range of publicity exercises. We both think these would be greatly enhanced if you gave your backing to them - particularly as the series will start at the beginning of IT year.

The proposal is that some time in the first two weeks of December David Wilson and James Wilkinson should interview you for television and radio respectively, probably in the context of an exhibition in the House of Commons. We can count on the BBC using your interview in the news programme at the time of the launch but it could also be used as part of the introduction of the actual programmes - January 1982.

I am copying this to Mark Carlisle.

K.B.

KENNETH BAKER

25 August 1981

JT

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Ind Pol

DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON, SE1 7PH

TELEPHONE 01-928 9222

FROM THE MINISTER OF STATE

R

Kenneth Baker Esq MP
Minister of State and Minister
for Information Technology
Department of Industry
Ashdown House
Victoria Street
LONDON SW1

12 August 1981

Dear Kenneth,

RESPONSE TO ACARD REPORT ON INFORMATION TECHNOLOGY

Thank you for sending Mark Carlisle a copy of your minute of 31 July to the Prime Minister and of the draft response to this report. I am replying in Mark's absence from the office. We are content for you to send it to Dr Spinks but I would like to suggest some small amendments to the education section of the response to take account of developments since the draft was prepared and to ensure that the response better reflects the current emphases of the educational initiatives.

The amendments I would wish to see are as follows:-

Paragraph 31

replace "..... are to ensure that every secondary school pupil during his or her time at school has some worthwhile experience ....." by

"..... are to stimulate and support action by local education authorities (LEAs) and schools which is designed to give secondary school pupils some worthwhile experience ....."

In our view this better reflects the aims of the two Programmes.

Paragraph 32

Add the following sentence at the end of this paragraph.

"At the post graduate level, the Science and Engineering Research Council (SERC) has initiated, and now supports, MSc courses in integrated circuit design at a number of universities."

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This gives a better overall picture of the contribution of the education service.

Paragraph 33

(i) Replace the existing second sentence beginning "Institutions will face difficult choices ....." by

"The University Grants Committee (UGC) has now announced its grant allocation to individual universities for 1981/82 and provisional grants for later years, and has offered institutions both general and particular guidance on their expenditure. The Government hope that consistent with this guidance institutions will take into account the contribution which certain disciplines relevant to IT can make to the long term health of the economy and of the current level of demand from potential students for such courses."

(ii) amend the final sentence to read:

"Proposals in this area were published on 27 July."

Both these changes are necessary to take account of developments since the original draft was prepared.

Finally there is a reference in paragraph 20 to the Science Research Council which should now be amended to the Science and Engineering Research Council to reflect the change in the Council's title.

I am copying this letter to the recipients of your minute.

Yours ever

Dorothy

BARONESS YOUNG

Copied to Civil Service Pts. Long Term Policy

CABINET OFFICE
70 WHITEHALL
LONDON SW1A 2AS

Hw 078

11 August 1981

W Rickett Esq
Private Secretary
10 Downing Street
LONDON SW1

WR 12/8

Dear Mr Rickett

GOVERNMENT INPUT TO PRESTEL

You will by now have seen Mr Baker's letter of 7 August to Mr Hayhoe on this subject. This is just to say that the IT Unit are fully in support of Mr Baker's case for the retention of the COI Viewdata Unit (and indeed his letter was drafted here).

2. I am copying this letter to David Heyhoe (Paymaster General's Office).

Yours sincerely

R G COURTNEY

CABINET OFFICE

With the compliments of

R G COURTNEY

70 Whitehall, London SW1A 2AS
Telephone 01 233

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Copied to Civil Service MB by Tom Bailey

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CABINET OFFICE
Hw 98
10 AUG 1981
FILING INSTRUCTIONS
FILE No.

FROM THE
MINISTER OF STATE
FOR INDUSTRY AND
INFORMATION TECHNOLOGY
Kenneth Baker

Barney Hayhoe Esq MP
Minister of State
Civil Service Dept
Whitehall
London SW1A 2AZ

Copies to:

Mr Unwin
Mr Courtney
Mr Atkinson
Dr Thynne
Mr Rowe

+ 2 external

7 August 1981

Dear Barney

GOVERNMENT INPUT TO PRESTEL

I should be very grateful for your help on an issue which is relatively small in terms of the resources involved but very important in my view if we are to exploit the outstanding technical success that British Telecommunications and British Industry have had in developing Prestel as the world's first public viewdata system.

The issue that concerns me relates to the provision of information by Government to Prestel and in particular to the important role played in this by the small Viewdata Unit at the COI. Your officials are familiar with the background, but it may be helpful if I summarise it briefly.

Government Departments and associated public bodies contribute at present about 10,000 frames to the Prestel data base (which currently holds about 180,000 frames). Nine departments provide information separately and each pays to Prestel an annual service charge (currently £2,400). Eleven other departments or associated bodies (mainly smaller ones) operate under the aegis of the COI Viewdata Unit which pays a single service charge on their behalf.

The COI Unit was established in the early days of Prestel with the limited objective of seeing the new medium through its market trials. There was no authorised complement for viewdata work and COI transferred four staff from regular information work to form this special Unit. As well as operating a central information inputting service for the eleven departments or associated bodies referred to above, it has co-ordinated Government contributions to Prestel generally and taken a lead, within the Association of Viewdata Information Providers, in bringing together the interests of providers of "social" information. It has also advised and trained staff from other departments in the use of Prestel and helped to promote Viewdata at overseas exhibitions.

I understand, however, that as part of its required reduction in manpower the COI will have to disband the Viewdata Unit by April 1984, unless special manpower arrangements can be made by the CSD to avoid this. This is because the COI do not believe they can make compensating staff savings elsewhere in the Department in order to preserve the Unit. I think this would be extremely damaging. The input of Government Departments to Prestel would almost certainly be reduced and less effective. Some Departments are already considering whether to reduce or withdraw their contributions which would be more difficult and expensive without the help of the COI "umbrella". Any perceived withdrawal by the Government at this crucial stage in Prestel's commercial development could damage its prospects gravely and invite ridicule at a time when the Government are putting great stress on the importance of information technology for the nation's future industrial success and are currently launching a major information technology awareness programme.

I very much hope, therefore, that it will be possible to take a longer view about the Government input to Prestel and keep the COI Viewdata Unit in being so that it can continue to provide a centralised inputting service for the smaller departments and co-ordinate Government information provision as a whole. Assurance of its future would also enable the Unit to take the lead in examining ways of cutting costs and providing the desirable service most cost-effectively. I should myself also like to see the Unit in due course explore the possibilities for extending the Government input, enlarging the present data base and exploiting new technical developments. But I accept that decisions on this will need to be taken in the light of the resources available and the crucial requirement now is to make sure that the Unit itself is not disbanded.

I hope, therefore, that you will be able to see your way to enabling the Unit to be kept in being within the COI. For the reasons above I firmly believe it would be shortsighted and damaging to the national interest to break up the expertise and enthusiasm that has been developed.

I should add that I have taken the opportunity of discussing the issues with the external Advisers on Information Technology who were appointed by the Prime Minister at the beginning of July. They strongly share my view that any reduction in the Government contribution to Prestel now would seriously undermine the credibility of the Government's support for it.

I am sending copies of this letter to the Prime Minister and to Francis Pym.

Yours ever
Kenneth

KENNETH BAKER

DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
123 VICTORIA STREET
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FROM THE
MINISTER OF STATE
FOR INDUSTRY AND
INFORMATION TECHNOLOGY

MO

P.M.

You will be interested to see the leaflet we've already got out on the IT. centres. We are preparing a fuller version. The team is in place and the work has started.

K.J.

Adapting to new technology-

Information Technology Centres

A Department of Industry and Manpower Services Commission initiative

MSC Manpower Services Commission

INFORMATION TECHNOLOGY

ADAPTING TO NEW TECHNOLOGY

It is essential that young people are given training and practical experience in the use of the new technologies which will form the basis of so many future jobs.

Information Technology Centres are a joint Manpower Services Commission and Department of Industry initiative to provide young unemployed people with an introduction to microelectronics and computers and involve them in the development and production of saleable products. Some of the products developed in the Centres may be attractive enough to industry to be taken up and produced on a commercial basis by new or existing enterprises.

WHAT ARE INFORMATION TECHNOLOGY CENTRES?

Information Technology Centres aim to provide young people with training and work experience in the development and production of new technology items and an introduction to basic computer skills. Trainees will learn basic computer programming, develop keyboard skills, have access to microprocessors and enter the world of electronics through "hands on" experience. They will start with the building of simple electronic products and gradually progress to more sophisticated items. Supervision and training will be provided by experienced adults within an industrial type training environment. Centres will also attempt to offer young people experience in a range of other saleable skills, for example clerical, purchasing etc., which will develop their potential and improve their prospects of finding permanent employment. Centres will normally provide about thirty training places and have six adult staff, but larger units can be considered.

WHO SETS UP AND RUNS THE CENTRES?

Centres may be set up and run by any responsible organisation or individual but they are particularly appropriate to private employers with an interest in new technology. Other groups might include Local Authorities and voluntary organisations.

Such groups will be responsible for administering the scheme and directly employing the adult staff. Additional staff may be seconded from local industry. Those running the Centres will assume the normal responsibilities of employers towards the adult staff and will be accountable to DI/MSC for the running of the scheme and for its financial probity.

TRAINEES

The trainees will be young people registered as unemployed who will be recruited through the Careers Service, local Jobcentre or Employment Office. Training will normally last between six and twelve months and will include an induction programme; life and social skills training in such areas as applying for jobs, interviews and safety at work; day release opportunities for further education, and personal advice and support. Trainees will be encouraged at all times to seek permanent employment. While in the Centres they will be paid the Manpower Services Commission trainee allowance.

WHO PAYS FOR THE CENTRES?

Up to twenty Centres will be funded jointly by the Department of Industry and the Manpower Services Commission. Local companies will be invited to support each Centre with staff, funds, equipment and advice.

FURTHER INFORMATION

For further information please contact your local office of the Special Programmes Division of the Manpower Services Commission whose address and telephone number can be found in your local telephone directory. Alternatively written enquiries may be directed to:—

J.R. McCarthy
Special Programmes Division B2
Selkirk House
166, High Holborn
London WC1V 6HF

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Strathclyde A, B & C

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July 1981

MSC Manpower Services Commission

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Printed in England by Rank Xerox (Copy Bureaux) Ltd.

2410 7/81/53

File

cc: HO
LCO
FCO
HMT
LPO

10 DOWNING STREET

From the Private Secretary

3 August 1981

O/M
MoD
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SO

WO
NIO
DHSS
D/Trade
DES
CPRS, CO

RESPONSE TO ACARD REPORT ON INFORMATION TECHNOLOGY

The Prime Minister was grateful for Mr. Baker's minute of 31 July.

She is content with the draft response to ACARD attached to his minute, and agrees that he should send this to Dr. Spinks in the next couple of weeks.

I am sending copies of this letter to John Halliday (Home Office), Michael Collon (Lord Chancellor's Office), Brian Fall (FCO), John Wiggins (HM Treasury), Jim Buckley (Lord President's Office), Richard Dykes (Department of Employment), Brian Norbury (MOD), David Edmonds (Department of the Environment), Godfrey Robson (Scottish Office), John Craig (Welsh Office), Mike Hopkins (Northern Ireland Office), Don Brereton (DHSS), John Rhodes (Department of Trade), Peter Shaw (Department of Education and Science), Gerry Spence (CPRS) and David Wright (Cabinet Office).

W. F. S. RICKETT

Jonathan Hudson, Esq.,
Department of Industry.

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Prime Minister

1

This draft response gives a fairly impressive list of initiatives. Press Office do not feel that publication in August will detract from its impact. Content for Mr Baker to respond to ACARD as proposed?

WR 31/7

Yes - it will get more publicity in August - because of lack of substantial news.

PRIME MINISTER

RESPONSE TO ACARD REPORT ON INFORMATION TECHNOLOGY

This report was published in September 1980 and its wide ranging recommendations covered many aspects of IT policy. Much has happened in IT since then with the Government being particularly active. We have announced new industrial initiatives, launched IT Year 1982, introduced the Micros in Schools scheme, established the Advisory Panel, steered the BT Bill through to Royal Assent and launched the IT centres. I have therefore delayed preparing a response to the Council until more of these initiatives had been announced and the general shape of our IT strategy could be seen.

However, I think it is now appropriate to respond to the Council. This will enable us to show that many of their recommendations have been accepted and will provide a document for release to the Press which conveniently summarises much of what we have been doing in IT.

I therefore attach a draft response to the ACARD report for your approval and hope that I will be able to send this to Dr Spinks in the next couple of weeks.

I am copying this minute, and the draft response, to the Home Secretary, The Lord Chancellor, the Foreign Secretary, the Chancellor of the Exchequer, the Lord President, the Secretaries of State for Employment, Defence, Environment, Scotland, Wales, Northern Ireland, Social Services, Trade and Education and Science, Robin Ibbs and to Sir Robert Armstrong.

KB

KB
31 July 1981

DRAFT

RESPONSE TO ACARD REPORT ON INFORMATION TECHNOLOGY

Introduction

1. The Government welcomes the report by the Advisory Council for Applied Research and Development (ACARD) on information technology (IT) both for its important contribution to policy formation in IT and for its stimulus to wider debate about the significance of information technology. Like ACARD, the Government regards the effective development and application of IT as a key element in the future industrial and commercial success of the United Kingdom and recognises the great potential significance of IT for both society and the individual. Important new developments are already in hand - for example new information systems, including accounting systems, in banks, offices and shops; greatly extended use of satellite transmissions; new, interactive uses for the domestic TV etc - which neither public nor private sectors in the United Kingdom can afford to neglect.

2. There are already, of course, notable United Kingdom successes in IT. As ACARD pointed out, many of the displays used in calculators and digital watches rely on our technology. British software has a high international reputation. We have powerful interests in satellite communications technology and a world lead in some types of marine navigational equipment. And perhaps of most significance for the future, the United Kingdom had the first operational public viewdata service (Prestel) and teletext services (Ceefax and Oracle), both being new forms of information service with potentially huge applications invented entirely in the United Kingdom. In addition, the United Kingdom is a respected supplier of all types of information - news, educational, financial etc - and has the great advantage of the worldwide use of the English language. Government, through its regulatory functions, purchasing power and financial aids, must help industry and commerce to build upon these strengths.

3. Outside the telecommunications responsibilities of British Telecom, which are of key importance, the main responsibility for exploiting the new technological developments in commercial markets both here and overseas must, of course, rest with the private sector. The success of British industry and commerce in marketing new products and services rests fundamentally on the skills and resources available within the private sector. But the Government

can play a key role by pursuing general financial and economic policies designed to promote an environment in which private initiative and enterprise can flourish so that the new market opportunities opened up by IT may be vigorously exploited.

4. The Government also recognises that it has a specific role in promoting the development and application of IT more directly. There are three main aspects to this role -

i. First, there is the development of an appropriate legal,regulatory and physical framework for IT. Government policies towards British Telecom influence the provision of the national communications infrastructure and the international links that are crucial to the development of IT. Government regulates the use of radio frequencies and represents United Kingdom interests in international negotiations on the allocation and use of such frequencies and on the technical and operating standards for radiocommunication services. It is responsible for the legal environment in which information services operate and it has an important role to play in the development of computer and telecommunications standards.

ii. Secondly, the Government can assist the development of IT products and the effective exploitation of IT through, for example, support of R and D, assistance in the development of new products through the Product and Process Development Scheme, supporting the identification and exploration of new applications of IT, encouraging "awareness" of IT in industry, commerce and the public generally and helping to provide suitably qualified manpower through the educational and training systems.

iii. Thirdly, Government itself handles large quantities of information and needs to make extensive use of IT products and services throughout its own activities. Through enlightened public purchasing decisions, it can stimulate the manufacture of new commercial products and can influence the development of standards that run across a wide range of applications.

5. The response to the specific recommendations in the ACARD report that are given below illustrate how, in those areas covered by ACARD, the Government is developing policies to fulfil those roles.

Recommendation i.

One Minister and Government Department should be responsible for co-ordination of Government policies and actions on the promotion and development of information technology and its application through awareness, education and training, sponsorship of industry, provision of risk capital, public purchasing, publicly funded R and D, national and international regulations and standards, legislation, communications and related programmes such as satellite technology.

6. ACARD made it clear that this recommendation did not imply a transfer of detailed responsibilities, but improved arrangements for co-ordinating policies that affect the development and application of IT. Government has also recognised the need to address the questions posed by the new technology in a coherent manner, and to respond effectively to the challenges of IT, and has therefore made significant changes in its own policy-making and executive structures.

7. A Minister with specific responsibilities for IT was appointed in November 1980, the first such appointment in any country. The Minister of State for Industry and Information Technology takes responsibility, under the Secretary of State for Industry, for all the Department of Industry's activities concerned with IT, but he has in addition a general responsibility for overseeing the development of coherent Government policies towards IT.

8. Secondly, the Prime Minister announced on 2 July that a panel of advisers representing a wide range of IT interests had been appointed to provide the Government with a market-orientated input to policy. Much of Government policy on IT is aimed at creating an environment in which market forces can operate effectively and it is therefore important that private sector interests should contribute to policy formation. The members of the panel are:

Mr M J Aldrich	Managing Director, Rediffusion Computers Ltd
Mr I H Cohen	Managing Director, Mullard Ltd
Mr C A Davies	Managing Director, Information Technology Ltd
Dr D F Hartley	Director, Cambridge University Computing Services
Mr C N Read	Director, Inter-Bank Research Organisation
Mr C G Southgate	Chief Executive, Computer Services Division British Oxygen Company Ltd.

They will individually or collectively, be available to advise all Departments on the implications for IT of their policies, This will again add coherence to Departments' policies.

9. Thirdly, interdepartmental machinery for examining IT issues at official level has been established. In support of this, a small unit has been set up in the Cabinet Office specifically concerned with ensuring the coherence of IT policy, helping to promote IT within Government and providing continuing contact between the external advisers and Departments. This unit is headed by Mr J B Unwin, an Under Secretary on loan from the Treasury and includes staff seconded from the private sector as well as officials. The formation of the unit was also announced by the Prime Minister on 2 July.

10. Finally, the relevant official responsibilities in the Department of Industry have been reorganised to bring together under one Deputy Secretary command the divisions responsible for sponsorship of the electronics and computing industries, for the Microprocessor Application Project (MAP), and for British Telecom. This change has strengthened the links between units responsible for different elements of IT policy. In addition, the Central Computer Agency of the Civil Service Department was re-organised last year to improve its ability to handle the growing connection between computers and telecommunications that is characteristic of IT. The Agency's title was, as ACARD acknowledged, changed to the Central Computer and Telecommunications Agency.

Recommendation ii.

> Responsibility of regulation of communications and broadcasting should be exercised by a single Government Department.

11. ACARD drew attention to four principal responsibilities which should, it suggested, be brought together -

- control of the use of radio frequencies;
- regulation of private communications systems;
- approval of equipment for connection to the public communications network;
- regulation of 'value added' services using the network.

12. The Radio Regulatory Department of the Home Office is responsible for the allocation of radio frequencies and, in conjunction with British Telecom (BT), for regulation of private communications systems.

13. The approval of equipment for connection to the public communications network is at present the responsibility of the Post Office but the liberalised telecommunications regime envisaged by the Government will require the establishment of independent standards-making and certification procedures. This task will be under-

ken by existing bodies with the necessary expertise - the British Standards Institution (BSI) and the British Electro-Technical Approvals Board (BEAB). BSI has agreed to write the new standards that will be required, and in doing so will take full account of existing relevant national and international standards and recommendations. The BEAB has been asked to undertake responsibility for certifying that particular items of equipment meet the standards laid down by BSI. It is intended, though, that the standards themselves will not take effect for network connection purposes until they have been approved by the Secretary of State for Industry in consultation with BT.

14. A final decision on licensing policy for value-added network services and transmission services has still to be made, so that it is not yet possible to define precisely what organisational arrangements will be required. The Department of Industry will have a major interest but, as in the case of terminal equipment, it is likely that the Office of Fair Trading (OFT) will play an important monitoring role under any licensing system in order to ensure fair competition.

15. The organisational changes outlined in paragraphs 7 - 10 above will enable these policy areas to be properly co-ordinated. The Minister of State for Industry and Information Technology and the IT Secretariat in the Cabinet Office will have a broad co-ordinating role and will be well placed to take up any issues which bear on information technology. But bringing the relevant functions now carried out in different Departments and outside Government goether in a single organisation would raise a wider range of issues going well beyond IT.

16. Wider issues also arise from the allocation and regulation of radio frequencies for which the Radio Regulatory Department (RRD) of the Home Office is responsible. The frequency spectrum is a limited resource. Great care is needed to ensure that priority users like the emergency services are adequately catered for and that interference among users - whether in the United Kingdom or elsewhere - is minimised. In addition, international regulatory agreements impose constraints on the allocation of frequencies within the United Kingdom while there are also, as ACARD acknowledged important links between radio regulation and broadcasting. In view of these various and, at times, competing interests, the Government considers that the Radio Regulatory Department ought to remain within the Home Office, RRD

will, however, work closely with the Department of Industry and with the IT unit in the Cabinet Office, which will help to ensure that industrial and commercial issues receive due weight in relation to the other issues which must be taken into account.

Recommendation iii.

> The Government should make it clear that effective exploitation of information technology is essential to the future industrial and commercial success of the United Kingdom. This commitment should be emphasised on all suitable occasions by Ministers and officials.
>
> The Government should support its views with publicity for existing United Kingdom achievements in information technology and imaginative promotion of them.
>
> Innovative applications of information technology by Government Departments, local authorities and public corporations should be encouraged and plans for them should be publicised.

17. The Government fully endorses the view of ACARD that the effective exploitation of IT is essential to this country's future industrial and commercial success. Ministers and officials are indeed making this clear on suitable occasions. The appointment of a Minister with specific responsibilities for IT emphasises the Government's commitment to the importance of IT.

18. The Government sees a need not only to promote United Kingdom achievements in IT but more generally to create awareness of possibilities and implications of IT. The Minister for Information Technology recently announced plans for a co-ordinated information technology awareness campaign which will provide publicity for IT through Ministerial visits and speeches, exhibitions, seminars and other events culminating in a major IT Week and Conference in the autumn of 1982 - designated as IT Year. The objective of the campaign is to increase awareness in all areas of society of what IT offers, and so enable them to take advantage of the new services and equipment. Initiatives already taken include the DOI's Micros In Schools scheme and the Education Departments' £10 million Microelectronics in Education Programme. These two projects complement each other in assisting schools to understand and use microelectronics and its applications. In addition the MAP Microtrain launched on 6 May provides

mobile exhibition, lecture room and advice centre. It is visiting 21 centres throughout the country demonstrating, and allowing people to try out a wide range of British microelectronics applications, including those in IT.

19. The Government is also providing support and publicity for a number of projects demonstrating United Kingdom capabilities in IT. These will create interest in potential applications and help to promote new and innovative applications of this technology. They include the projects in education mentioned above, in the health sector, in improving access to information held in Government Departments and other public bodies such as the Health and Safety Executive (for instance the Companies Registration Office is examining the possibility of providing access to some its records via Prestel), in telecommunications and in a wide range of office automation applications. The Department of Industry has announced plans for eight 'office of the future' projects, costing in total up to £2million. These will stimulate the development of new products by UK manufacturers and enable them to demonstrate the capabilities of their systems. Particular attention will be paid to promoting interest in viewdata and teletext, where the United Kindgom has a world lead. The Department of Industry, for example, is installing its own internal viewdata system on a pilot basis to explore the scope for improving information handling within the Department and to improve services to firms. Further major projects are being planned.

20. ACARD pointed out the significence of developments in satellite communications and broadcasting technology. The Government has supported the creation of a strong United Kingdom presence in space technology through participation in the European Space Agency (ESA) where the United Kingdom has emphasised the need for collaboration in telecommunications, and is continuing to promote such applications of space technology. Project Universe, for instance, is a three year, £3million project, which will demonstrate business communication via satellite between computers in six locations and will involve the Department of Industry, Science Research Council, British Telecom, GEC-MARCONI, Logica, Loughborough University of Technology, Cambridge University and University College, London. It utilises the ESA Orbital Test Satellite, one of ESA's communications satellites, for all of which British Aerospace have acted as prime contractor. Further stimulus to the UK space industry will come from the Ministry of Defence's decision to purchase a new military communications satellite from British Aerospace and Marconi Space and Defence Systems. Direct broadcasting by satellite was the subject of a Home Office study published in May 1981. In a forward to this report, the Home Secretary indicated that the Government favoured the introduction of a two channel operational service in the mid 1980's, provided that such a service could be founded from private source.

21. The Government is aware of the need to encourage industrial users of information to take advantage of the rapidly growing opportunity for on-line searching of information data banks in science, technology, medicine and general business information. For many United Kingdom users of information, the introduction of BT's public packet switched telecommunications network will bring down the costs of using interactive data bases in the near future. In particular, users will have cheaper and easier access to the information held on European data base hosts on the EURONET/DIANE network.

22. Recognising the need to stimulatethe use of on-line searching, the Department of Industry has provided the United Kingdom focus for access to the European Space Agency's computerised information system (now also available on EURONET) through services from the Technology Reports Centre (TRC) at Orpington. The services are DIALTECH, which enables users with their own terminals to dial directly and carry out searches on any of the 30 data bases now available. For users without terminals, or less familiar with on-line information retrieval, there is a second service, TECHSEARCH, in which experienced staff carry out searches on behalf of the customer. During 1980/81, demand for DIALTECH showed an increase of about 30 per cent, with industrial users accounting for almost 70 per cent of the total usage.

23. In addition, DoI and the British Library jointly fund the On-Line Information Centre, an information and referral service for potential users of on-line search services and equipment. In 1980/81 this centre answered almost 2000 enquiries, an increase of 54 per cent on the 1979/80 figure, with almost 60 per cent coming from the industrial and industrial service sector.

Recommendation iv.

> The Post Office (or its successor for telecommunications) should have the mandate to provide a world-competitive United Kingdom communications network and should have sufficient finance for procurement and installation, whether from public or private sources.

24. The Government agrees that a first class telecommunications system will be a crucial element in determining the ability of United Kingdom firms to exploit IT. It therefore attaches great importance to the investment programme it has agreed with BT, whose plans involve a substantially increased level of expenditure during the next few years compared with the recent past. This is designed to enable

customer demand to be met, to improve the quality of service and to modernise the network in order to facilitate the application of new IT systems in the United Kingdom. The Government recognises, however, that the industries' internal resources are unlikely to prove sufficient for its investment programme and has agreed to provide substantial quantities of external finance. It increased BT's external financing limit (EFL) for 1980/81 to £223 million, which compares favourably with recent years when net repayments were required and has announced for 1981/2 a £200million increase in the EFL, bringing it up to £380million.

25. However, the Government hopes also to see the private sector taking an increasing share in telecommunications investment following the passage of the BT Bill. It would welcome joint ventures between BT and the private sector which would inject private sector finance into particular areas of investment, for example in the supply of attachments and the provision of services auxiliary to the main network. The introduction of private sector competition into certain areas following the relaxation of the telecommunications monopoly could help to free resources for investment in the main telecommunications network. The Government has also indicated its readiness to consider possible new forms of financing for industries such as BT, but has specified that such new forms should introduce a market discipline for the management of the industries concerned, and should tap new cources of finance in order to avoid adverse effects on the money supply.

Recommendation v.

> Careers services at both school leaver and higher levels should review the guidance given to students about opportunities in information technology, in order to attract entrants from a wide range of disciplines.

26. The Government agrees that careers services should take account of the new opportunities in IT-related occupations. The relevant part of the ACARD report has been drawn to the attention of careers officers in the Local Education Authority Careers Services.

27. The Careers and Occupational Information Centre (COIC) of the Manpower Services Commission (MSC) provides an up-to-date careers information service for the benefit of students, careers advisers and members of the public. IT and related developments are already mentioned in most of the relevant COIC products.

COIC has also offered, through the columns of its journal "Newscheck", to act as a clearing house for ideas, projects, experiences etc from the field of careers education where IT has been used or where its use is proposed. Some careers services - both private and public - are already using Prestel to provide careers information.

Recommendation vi.

> The Government, its agencies concerned with training, and educational bodies at all levels, should examine the provision of education and training courses in subjects related to information technology and propose measures to stimulate an increase of training in firms.

28. The Government agrees with ACARD that there must be an adequate supply of appropriately skilled people if the United Kingdom is to take up the opportunities offered by IT. It also agrees that industry should train for its own needs, as it is far more likely than Government to know how best to meet those needs. Nevertheless the Government recognises that both education and training services need to adapt their programmes - and also use IT in their activities - in order to supply people with the requisite knowledge and awareness. This calls for contributions from all stages of the education service and all aspects of the training services. In bringing forward the measures described below, the Government has taken stock of the existing provision for education and training in subjects relevant to IT. It will continue to do so.

Education

29. Two publicly funded programmes, the Microelectronics in Education Programme (MEP) covering England, Wales and Northern Ireland, and the Scottish Microelectronics Development Programme (SMDP) have been started in order to widen the awareness of young people and their teachers of the applications of microelectronics and more generally of IT. The planned expenditure on these Programmes up to the end of 1983/84 is approximately £10 million. The Education Departments have recently published the strategies for the Programmes; MEP is to concentrate on teacher training, software development and dissemination of information through a system of Regional Centres. SMDP has already completed the first phase under which 68 institutions were supplied with hardware on loan and some back-up support. Its second phase will concentrate on the development of software for use in the institutions which benefited under the first phase.

30. In a complementary initiative announced by the Prime Minister on 6 April the Government is making available up to £5 million to assist those secondary schools which do not already have a microcomputer ot purchase one. Government support will contribute half the cost, matching on a pound for pound basis funds provided locally. Two British manufactured machines are being offered under the scheme - the Research Machines Ltd RML 380Z and Acorn Computers Ltd BBC Microcomputer. A condition of the scheme is that two teachers from every school which applies have already undertaken or are about to undertake, a period of suitable in-service training in the use of microcomputers in education. Approaching 1000 applications have already been received.

31. The aims of the two Programmes and the scheme to supply microcomputers are to ensure that every secondary school pupil during his or her time at school has some worthwhile experience of using microcomputers; and that as a step in this direction every secondary school has its own microcomputer by the end of 1982.

32. The main source of the new supply of highly qualified manpower at both graduate and sub-graduate level, which will enable the United Kingdom to exploit IT to the full, is the higher and further education system. This is also a major provider of training for industry directly, for industrial training organisations and for national training organisations in the IT field. Demand for relevant courses in the electronics, computing and allied fields is at present bouyant. For example the numbers of undergraduates on single and joint honours courses in computer science in universities has nearly doubled - from 1000 to 2000 since 1974-75. Applications have shown an even sharper rise by 160 per cent since 1976. Similar increases have occurred in the number of studends studying for degrees and Higher National Diplomas in computer science and closely-related disciplines in polytechnics and colleges. During this period considerable investment in equipment has been made in universities, polytechnics and colleges. The Computer Board has for example set aside over £1.5 million since 1979 from its grant to universities to allow them to purchase microprocessors for the development of computing networks.

33. In line with the Government's policy of restraining public expenditure, spending on higher education is to be reduced by rather more than 8 per cent compared to previously published plans by the end of 1983-84. Institutions will face difficult choices in finding these savings; but the Government hope that, in making these choices, institutions will take into account the contribution which certain disciplines relevant to IT can make to the long-term health of the economy and of the current level of demand from potential students for

such courses. One of the Government's objectives in their consideration of the future management and structure of public sector higher education (ie polytechnics and some other colleges) is to find ways of safeguarding and developing initiatives in subjects crucial to economic regeneration. Proposals in this area will shortly be published.

34. The Open University (OU) is already making a significant contribution to the supply of qualified manpower through the provision of courses relevant to IT. Over 6000 students were taking courses relevant to IT in 1981. Moveover, through the application of IT to its own operations, it is helping both to assess the potential for the wider application of IT in education and to widen public awareness of IT. The expertise and experience built up over the last 10 years by the OU have given the United Kingdom an international lead in this field. The OU is now seeking to expand considerably its activities in the post-experience education field. These could play a very important part in the national re-training effort which the rapid development of IT will require.

35. This need for up-dating and retaining is, of course, particularly clear in education itself. If teachers at all levels are to be in a position to widen the awareness of young people of IT, and to apply it successfully to the teaching of their own disciplines, they will need up-to-date knowledge of developments in IT and the confidence in applying it which can only come through "hand on" experience. Consequently, MEP (and SMDP) are supporting the development of appropriate in - service training; this will complement the existing efforts of local education authorities (LEAs) and institutions of higher education. In addition, schemes for seconding teachers to industry are operated by some LEAs; these can be of particular value in widening the awareness of teachers of IT.

Training

36. Although fundamental to the long-term supply of appropriately skilled people, the measures being taken in education will not immediately solve the problem of supply of skilled manpower. Here the role of the training services is crucial. In times of recession or rapid change this may not always occur on a sufficient scale and some element of support by the public training services may be called for. The present level of the Government's involvement in training for computer skills is very substantial. This accords with a widespread view of the importance of public training to contribute to the profitable exploitation of new technology and to meet the needs of cros sector occupations where efforts by individual industries seem likely to lead to shortfalls.

37. The Manpower Services Commission (MSC) has mounted a programme of action involving Industrial Training Boards (ITBs) and other training bodies to help spread awareness of new technology and to ensure that analysis of training need, training provision and content and throughput of trainees is adequate. It also supports relevant training by the MSC under the Training Opportunities Scheme (TOPS), the Training for Skills Programme and the Threshold Programme (for unemployed school-leavers). The number of places being provided on appropriate courses is rising and in 1981-82 it is expected that about 8,000 trainees will benefit from this support.

38. The MSC is making increasing use of information technology as a major component of computer based training. The 'Open Tech' proposals which have been published for consultation, would need to use information technology very widely and could contribute to IT training needs.

39. Within the Civil Service, a wide range of training and educational activity on IT takes place. A nationwide programme of courses and seminars on all aspects of IT is organised by the Civil Service college in consultation with the Central Computer and Telecommunications Agency. There is co-operation with the computer industry and educational institutions on training for managers at the most senior levels. Recently, for example, a new course on managing information held at the London Business School was attended by a number of Permanent Secretaries.

Recommendation vii.

> The Government, through Trade Associations and the National Economic Development Council, should improve the links between supplier and user interests in information technology in order that United Kingdom firms may be better able to anticipate future requirements.

40. The Government agrees that closer links should exist between supplier and user interests but looks to the commercial and industrial interests principally concerned to recognise the advantages of co-operation and establish appropriate arrangements. The encouragement of such contacts if of course central to the Government's public purchasing policy. The National Economic Development Council has also realigned its own work in the electronics field and established at the beginning of 1981 a new Information Technology Committee, reporting to a reconstituted Electronics EDC. This committee will examine the present structure of the United Kingdom industry to determine how best future demands in IT can be met. Membership of the IT Committee includes supplier, trade union and user interests. Trade associations in the IT field are also represented in the EDC itself and other Sector Working Parties and are in frequent contact with the Department of Industry. A Space Consultative Committee, to provide advice from industry on matters of space policy has also been established.

Recommendation viii

> The Government should recognise the importance, to the information technology supply and application industries, of United Kingdom strength in international discussions on regulations and standards, and staff and financial support must be avilable for such activities to ensure that our deligations go to them well prepared technically, commercially and politically, and ready to argue strongly for our national interest. Trade associations must similarly be prepared to play their part on behalf of their industries.

41. The importance of standards in the supply and application of IT is fully recognised by the Government. The Department of Industry has recently set up a Focus Committee on Information Technology Standards under the chairmanship of Mr Michael Marshall MP, Parliamentary Under Secretary of State at the Department. The membership of the Committee comprises

leading figures from the supply and user sides of information technology as well as from British Telecom (BT), the National Computing Centre (NCC), the British Standards Institution (BSI) and central government, and its function is to advise the Department and other organisations on strategy and activities across the field of information technology standards. The committee will draw on the views and actions of more specialised "sectoral" committees which will concentrate on IT standards in the private users', the public users' and the suppliers' sectors, and the Department sees this committee structure as one of its chief sources of industry views on standards. Views are also taken through the many Departmental contacts with industry on IT matters, including those stemming from representation on BSI committees, which have members from both government and industry.

42. One of the principal issues in IT standardisation is how best the United Kingdom should relate national to international activities. On the one hand it can be argued that no attempt should be made to adopt standards until they have been fully agreed in the appropriate international organisation; to do so would be to run the risk of being left in an exposed position. On the other hand there are many examples of successful moves at both national and company level to pre-empt the formal procedures by widely adopting a way of working which, by the universality of its adoption, becomes the prime - if not only - candidate for formal standardisation. There can be no general rule as to which of these approaches is right for United Kingdom, but it is certainly true that more forceful attempts than hitherto should be made to use the second one; for example, British viewdata and teletext standards are being vigorously promoted overseas.

43. The European Commission sees the use of standards in IT as an instrument of commercial policy in harmonising practice throughout member states and in trying to prevent one state, either inside or outside the Community, from imposing its practices (and hence its products) widely, and thus gaining a

monopoly position. The Commission, however, are also aware of the need to open up competition between member states (the 'Davignon initiative') and are conscious of the role standards can play in providing a basis for this. They have set up a Working Group on Standards to advise on the standards aims of the Four Year Programme on Information; this Group contains representatives of national government and of standards bodies (eg BSI) within the Community. The United Kingdom's aim on this Group is to ensure that Community IT standards strategy is, as far as possible, compatible with the needs of its own IT interests.

44. There are also the other international organisations referred to in the ACARD report, whose decisions are not legally binding but which work as a result of the wide acceptance of their recomended actions. One of the first tasks of the Focus Committee will be to examine United Kingdom representation, and support for United Kingdom representatives, on these bodies.

Recommendation ix

> The Government should bring forward proposals for data protection legislation, taking into account the views of the Data Protection Committee, without delay.

45. The Home Secretary announced on 19 March the Government's intention to introduce legislation imposing safeguards on the way information about individuals stored in electronic systems is maintained and handled. On 14 May 1981 the United Kingdom became the ninth country to sign the Council of Europe Convention on Data Protection. The Home Secretary's announcement signified the Government's recognition of the need to afford greater protection to individual privacy in this way, to help increase the competitiveness in overseas markets of our manufacturers of IT products and to ensure that the flow of data into the United Kingdom from countries which have already introduced such safeguards is not restricted. The legislation, which will take a little time to prepare, will enable the United Kingdom to ratify the Council of Europe Convention. The terms of the announcement will provide a basis for planning future information systems.

Recommendation x

The Government should put in hand urgently a review of the legal reforms required to aid and expedite the use of information technology in the United Kingdom and should then legislate to bring about such reforms as fast as possible.

46. ACARD made specific reference to copyright and the admissibility of computer generated evidence in legal cases, and passing reference to the laws of libel and fraud. The Government is not aware of legal difficulties in the latter areas. As for copyright the Government's Green Paper on copyright published on 15 July (Reform of the Law relating to Copyright, Designs and Performers' Protection - A Consultative Document; Cmnd 8302) contains a number of proposals for clarification of the law of copyright as it related to computers. In particular it follows the suggestion made in paragraph 6.19 of the ACARD Report that information held, for example, in electronic, magnetic or optical forms should be subject to copyright protection. The Green Paper proposal that the loading of a work into a computer should be a restricted act, requiring the authorisation of the copyright owner, will provide the necessary means of control over all subsequent uses of the work within the computer, including its transmission to distant terminals.

47. There is no general statutory provision governing the admissibility as evidence in criminal proceedings of computer records. Records of information generated by a computer and not merely stored by it would probably be admissible for this purpose if the courts were satisfied as to the way they were produced. However, records of information merely stored by a computer are usually hearsay evidence which is generally not admissible unless it constitutes a recognised exception, either at common law or by statute, to the hearsay rule. These statutory exceptions include, under the Criminal Evidence Act 1965, documents containing trade or business records compiled from information supplied by persons having personal knowledge of the matter dealt with in this information.

48. The Criminal Law Revision Committee in its Eleventh Report on Evidence (Cmnd 4991) recommended a general provision whereby computer records would be admissible as evidence in criminal proceedings if certain conditions were met. The Government will be looking into this matter further during the general consideration which it will be giving to the law on evidence in the context of the report of the Royal Commission on Criminal Procedure (Cmnd 8092).

49. In civil proceedings, the same distinction must be made between information generated by a computer and information merely stored by it. The latter is admissible under section 5 of the Civil Evidence Act 1968, provided that certain procedural requirements are complied with. However, this provision applies only to hearsay evidence, and the court must have regard to all the circumstances, such as the likelihood of its being accurate, in evaluating the weight which should be attached to it. The 1968 Act has worked well in practice, but as it does not apply to original evidence, computer-generated material is not covered by it. No problems have arisen so far in this respect and, as mentioned above in relation to criminal evidence, it is probable that information generated by computer would be admitted as long as the court was satisfied about the way in which it had been produced.

50. The Government has noted that the British Computer Society have recently produced a report on the admissibility of computer generated evidence and it will be considering the present position further with the Society in the light of that report.

Recommendation xi.

The Government should consider legislation to permit the creation of new organisational forms to aid joint information technology projects, taking into account precedents in France and Belgium.

51. New IT systems and services - providing, for example, for exchange of information and cash transfers between travel and hotel interests - may require the co-operation of public and private sector organisations and the setting up of joint organisations to operate the system. ACARD suggested that new forms of company entity are needed to facilitate such enterprises and in particular cited the French 'Groupment d'Interet Economique' (GIE) as an example of what was required. The Government believes, however, that United Kingdom company law and in particular the scope for using the private company for joint ventures, is already sufficiently flexible to provide for such enterprises. It does not, therefore, see the need for different legal terms of company entity.

Recommendation xii.

> The Post Office should be free to supply terminal equipment and information technology services for use with its network but should not have an exclusive right to do so. It should not be the approving authority for terminal equipment and services provided by others.

52. ACARD recognised, in a footnote to its report, that this had been adopted as Government policy. The arrangements for approving terminal equipment have been outlined above. Powers contained in the British Telecommunications Bill also permit the Secretary of State to license "value added" network services operated by third parties using BT's network, and commercial networks additional to the main public network (which will remain with BT). In his July 1980 statement, the Secretary of State for Industry announced that the Government intended to allow people more freedom to use BT's circuits to offer to others services not at present provided by BT. Subsequently the Department of Industry commissioned a study by Professor Beesley of the London Business School on the economic implications of allowing the use of leased circuits for all types of commercial services. This study was published in April 1981, and recommended full freedom for private sector suppliers to use the national network to provide services to third parties. The Government is attracted to Professor Beesley's recommendations in this area, but will hear the views of interested parties before coming to a final decision in July. Professor Beesley also considered the possibility of liberalisation of use of BT's international circuits and of competition with the main BT network in the United Kingdom. The Government has asked for BT's views on the complex issues raised by the first of these subjects; it has been exploring the scope for competing transmission systems and intends to make a statement on this as soon as possible.

Recommendation xiii.

> The Government should employ public purchasing to pull through novel developments in information technology.

53. Government is a very large purchaser of IT products and services - it has, for example, more than 650 large and medium sized computers and spent £86 million on the purchase, hire and maintenance of administrative and scientific computers and £180 million on telecommunications in 1980-81.

The Government has already taken a major general initiative on public purchasing policy, which is being co-ordinated by the Secretary of State for Industry. The new policy emphasises the need for closer relationships between public sector purchasers and their suppliers, and the need for product specifications to be set wherever possible with export potential in mind, particularly in the case of novel and innovatory applications. This policy will be as vigorously applied to IT as to other sectors of industry. Within the international rules on public purchasing - the EC Supplies Directive and the GATT Agreement on Government Procurement - the Government will therefore continue to support British IT suppliers, in order to help them compete effectively. The projects funded to help promote awareness of IT - such as the Micros in Schools scheme - will provide further opportunities to support United Kingdom supplying interests.

Recommendation xiv.

> The Government should consider the possible role of information technology in promoting national objectives, and give appropriate financial support to relevant projects.

54. The Government accepts that IT can assist in promoting many national objectives such as the raising of productivity throughout the economy and particularly in the public sector. It also enables many public services to be provided more speedily and effectively. But applications will, of course, have to be examined not only for their value in contributing to IT development but also with regard to the general constraints on Government expenditure and manpower. Where possible, though, such applications will be supported and the Department of Industry, through its Product and Process Development Scheme and in other ways, is already supporting many developments.

55. ACARD cited specifically the use of IT to assist the physically handicapped. The Government has actively pursued work for the handicapped generally in the International Year for the Disabled. It has sponsored research into electronic aids, for example at the National Physical Laboratory, and into their applications, through amongst others the Council for Educational Technology. It is now concerned to raise the awareness of National Health Service authorities, local education authorities and voluntary bodies

about the opportunities presented by IT. To this end, it is funding exhibitions, sponsoring conferences and supporting trials during this year and proposes to continue its encouragement during 1982 with a programme focussed on the needs of the disabled.

Recommendation xv.

> The Science Research Council and the Department of Industry should keep their research priorities under review in the light of the needs of information technology.

56. The Government fully agrees with this recommendation and the current practice of both the Science and Engineering Research Council and the DOI is in fact in accordance with it. The former Computer Systems and Electronics Requirements Board regularly reviewed its priorities and made them known to contractors, potential contractors and the SERC. An attempt is at present being made to quantify the relative importance of the items in the latest statement of priorities which are: open systems interconnection; means of designing and implementing computer based facilities; aids to the efficient performance of office tasks; and data capture techniques.

57. SERC also reviews and states its priorities from time to time as is evidenced by its Specially Promoted Programmes (SPPs). In giving support for software tools and techniques, SERC has expressed the wish to increase support for the applications environment and for products and systems (displays, new computer architectures and microcircuit components). Emphasis is also placed on database utilisation, software technology, resilient systems and the man-machine interface.

58. DOI research priorities are reviewed in the light of perceived industrial IT needs as the major input comes from industrial members of Requirement Boards. Considerable industrial advice is also available to the SERC.

Recommendation xvi.

> The Department of Industry, with the Ministry of Defence, the Science Research Council and the Post Office, should increase the present co-ordination of all publicly funded R and D applicable to information

technology. It should also make a greater effort to ensure both that research which it supports is likely to be applied and that transfer of results to industry takes place.

59. Arrangements have now been established for closer and more regular consultation between Science and Engineering Research Council subject Committees and specialist groups of Department of Industry Divisions and Requirements Boards working in the field of information technology. These arrangements supplement the well-established use of Department of Industry staff as assessors on SERC committees and panels. The Council and Department of Industry have also appointed an industrialist to act as a co-ordinator of their interests in computing and to ensure improved liaison with - and awareness of the needs of - the hardware and software sectors of the industry.

60. Co-ordination of R and D undertaken for different purposes, ie to increase knowledge, to serve defence needs, to serve the needs of telecommunication services or to assist industry, is difficult to achieve and does impose an overhead. Where aims are compatible, co-ordination is improved by collaboration or by joint control. CSERB for example funded projects at RSRE jointly with MOD. In this case it was recognised that to obtain civil applicability and application of work undertaken for defence needs required extra funds and extra effort and the Board provided these.

61. As has been announced, CSERB is to be subsumed into a new Electronics and Avionics RB which will bring in a large application area (Avionics), which is also jointly funded with MOD, into the same forum. MOD and British Telecom will be represented on the new Board, as will DOI and SERC officials. DOI officials also serve on SERC and MOD Committees. Part of their brief will include improved co-ordination. Even more attention will be paid than hitherto to ensure the applicability of R and D support and the exploitation of results.

July 1981

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cc John Vickers

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FROM THE
MINISTER OF STATE
FOR INDUSTRY AND
INFORMATION TECHNOLOGY

Mike Pattison Esq
Private Secretary
10 Downing Street

23 July 1981

Tim

Dear Mike,

I enclose a briefing note for the Prime Minister's speech on 27 July.

Yours sincerely

Jonathan Hudson

JONATHAN HUDSON
PRIVATE SECRETARY

INFORMATION TECHNOLOGY - THE SUNRISE INDUSTRIES

MICROS IN SCHOOLS - Scheme announced by PM in April. Aim a microcomputer in every secondary school by 1982 . It has been an outstanding success. Already about 1000 applications . Hope to extend scheme to other schools. Work for two British companies Research Machines and Acorn.

SATELLITES - British Aerospace and Marconi jointly awarded contract for defence satellite system. At last an all-British capability in satellite communications against overseas competition . Over 1000 man-years of work created. Marconi has joined with Mitisubishi to win orders for satellite earth stations - the first have been in Hong Kong. An example of promising marketing collaboration with Japan in high technology areas . This autumn too will see the launch of Europe's first and largely British(70%) maritime communications satellite.

ROBOTICS - £11 earmarked by Government to help British Industry catch up in robotics. Industry very interested in using new production technologies . Over 300 enquiries in 4 months . 25 projects under consideration and 6 approved.

MICROELECTRONICS - Work under way on construction of INMOS plant in Wales. This Government provided over £25m . Ferranti have a world lead in Uncommited Logic Array (ULA) chips - sold in US and Japan. £25m scheme to develop UK capability in related areas of fibre optics and

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optoelectronics - important initiative to capitalise on the UK's expertise in laser technology. GEC/Plessey cooperation in microelectronic manufacturing processes.

PRESTEL - UK only country with operating public service . Technology sold to 7 countries with 5 others using Prestel compatible standards . Largest number of users for a single database in the world .

TELETEXT - 350,000 teletext sets installed by the end of the year.

TELECOMMUNICATIONS - British Telecom announced scheme to bring latest communications technology to City. BT responding to new commercial environment brought about by BT Act. Just under half the Cable and Wireless shares to be sold in October.

HEWLETT PACKARD - New factory/R&D unit in Bristol by mid-80s . At least 1300 jobs created , rising by the end of the decade (Hp plan 5000 but refuse to say this) . UK an ideal base for high technology companies.

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Information Technology

Col 463 2.4.81 Inf Pol

Mr. Ian Lloyd asked the Prime Minister, following the designation of 1982 as Information Technology Year, what steps she is taking to ensure that Government policies on information technology take fully into account the needs of private sector suppliers and users of the relevant products and services.

The Prime Minister: The Government fully recognise the importance of information technology for the future industrial and commercial success of the United Kingdom and the central role that the Government must play in promoting its development and application. Government policies are already directed toward encouraging markets for IT products and services tha will stimulate new, profitable business opportunities; and the Government see the effective application of IT as a powerful tool in raising the efficiency and quality of both private and public sector services.

In order to ensure that Government policies and actions are securely based on a close appreciation of market needs and opportunities I am appointing a panel of IT advisers who will be available to advise me and my colleagues on all aspects of IT.

The advisers are:

Mr. M. J. Aldrich — Managing Director, Rediffusion Computers Ltd.
Mr. I. H. Cohen — Managing Director, Mullard Ltd.
Mr. C. A. Davies — Managing Director, Information Technology Ltd.
Dr. D. F. Hartley — Director, Cambridge University Computing Services.
Mr. C. N. Read — Director, Inter-Bank Research Organisation.Mr. C. G. Southgate — Chief Executive, Computer Service Division, British Oxygen Co. Ltd.

In addition, I have established a small team within the Cabinet Office, made up of both permanent officials and personnel on secondment from the private sector. This unit will be a principal link between the advisers and Departments, will help to promote the use of IT within Government, and will seek to ensure the overall coherence of Government policies towards IT, particularly in so far as they span the responsibilities of more than one Department.

These new arrangements will strengthen and broaden the many existing contacts between my right hon. Friend the Secretary of State for Industry and the Minister for Industry and Information Technology on the one hand and private commerce and industry on the other and will reinforce the initiatives already taken by them and their officials.

Pl. VB

Incl PD.

10 DOWNING STREET

From the Private Secretary

MR. WRIGHT
CABINET OFFICE

The Prime Minister has seen Sir Robert Armstrong's minute of 30 June, about information technology advisers.

We will be arranging to answer the suggested Question tomorrow, 2 July.

The Prime Minister is content that there should be a press notice listing the advisers, and that Mr. Ingham should be authorised to tell the Lobby that the Cabinet Office team will be led by Mr. J.B. Unwin.

I am sending a copy of this minute to Mr. Ingham. No doubt the Information Technology Secretariat will liaise with our Press Office about the handling of the press notice.

M. A. PATTISON

1 July 1981

Ref: A05177

Prime Minister (through CAW)
1. Content that we should now arrange this Question & Answer?
2. Agree that Mr Unwin can be identified in lobby briefing?
MAP 30/6.

Yes

Yes

No.

MR. WHITMORE

Information Technology Advisers

Your minute to me of 22nd June reported that the Prime Minister had written to Mr. Southgate, the sixth member of the new panel of information technology advisers.

2. Mr. Southgate has now written accepting the invitation. The way is clear, therefore, to announce the appointment of the Panel and the formation of the Cabinet Office IT Secretariat by means of a written Parliamentary Answer as previously agreed by the Prime Minister.

3. The next meeting with the advisers will be held on 8th July. There would be advantage in making the announcement before then. I therefore suggest that, if the Prime Minister is content, it should be made next Thursday, 2nd July, and I attach a draft Parliamentary Question and Answer which is in similar terms to that previously submitted and approved by the Prime Minister.

4. We would also propose to accompany the Parliamentary Question with a simple Press notice which would contain brief biographical details of the advisers.

5. It is for consideration whether the Answer should name the senior official (Mr. J. B. Unwin) who is in charge of the team in the Cabinet Office. I doubt whether there is much practical significance in this: Mr. Unwin's position is known to the advisers, and his role will become widely known in the industries concerned. There is certainly no point in trying to make a secret of it; and there would be some positive advantage in letting it be known publicly and without delay. Appointments of this kind are not usually announced, however, in Parliamentary Answers. I therefore suggest that the proposed Press Notice should state (or Mr. Ingham should be authorised to tell the Lobby) that the Cabinet Office team will be led by Mr. J.B. Unwin, whose curriculum vitae can be found on page 2645 of Who's Who 1981.

Robert Armstrong
(approved by Sir R. Armstrong and signed on his behalf)

30th June, 1981

DRAFT PARLIAMENTARY QUESTION -

To ask the Prime Minister, following the designation of 1982 as Information Technology Year, what steps she is taking to ensure that Government policies on information technology take fully into account the needs of private sector suppliers and users of the relevant products and services.

DRAFT ANSWER

The Government fully recognise the importance of information technology (IT) for the future industrial and commercial success of the United Kingdom and the central role that Government must play in promoting its development and application. Government policies are already directed towards encouraging markets for IT products and services that will stimulate new, profitable business opportunities; and the Government see the effective application of IT as a powerful tool in raising the efficiency and quality of both private and public sector services.

2. In order to ensure that Government policies and actions are securely based on a close appreciation of market needs and opportunities I am appointing a panel of IT advisers who will be available to advise me and my colleagues on all aspects of IT. The advisers are:-

Mr. M.J. Aldrich	- Managing Director, Rediffusion Computers Ltd
Mr. I.H. Cohen	- Managing Director, Mullard Ltd
Mr. C.A. Davies	- Managing Director, Information Technology Ltd
Dr. D.F. Hartley	- Director, Cambridge University Computing Services
Mr. C.N. Read	- Director, Inter-Bank Research Organisation
Mr. C.G. Southgate	- Chief Executive, Computer Services Division, British Oxygen Co. Ltd

In addition, I have established a small team within the Cabinet Office, made up of both permanent officials and personnel on secondment from the private sector. This unit will be a principal link between the advisers and Departments, will help to promote the use of IT within Government, and will seek to ensure the overall coherence of Government policies towards IT, particularly in so far as they span the responsibilities of more than one Department.

3. These new arrangements will strengthen and broaden the many existing contacts between my right honourable friend the Secretary of State for Industry and the Minister of State for Industry and IT on the one hand and private commerce and industry on the other and will reinforce the initiatives already taken by them and their officials.

PS

TEL: ASCOT 21742

BROADWOOD HOUSE
LADY MARGARET ROAD
SUNNINGDALE
BERKSHIRE
SL5 9QH

cc Mr Wright (CO.)

25 June 1981

R26/6

R 26/6

Dear Prime Minister,

Thank you for your letter of 22 June.

I shall be delighted to accept your invitation to become an external adviser to the new Information Technology Unit and hope I will be able to make a useful contribution.

Yours sincerely

Colin Southgate.

Ind Pol

10 DOWNING STREET

From the Principal Private Secretary

APPOINTMENTS IN CONFIDENCE

SIR ROBERT ARMSTRONG

INFORMATION TECHNOLOGY ADVISERS

I have shown the Prime Minister your minute A05113 of 19 June 1981.

She has written to Mr Southgate and I attach a copy of her letter.

TAW.

22 June 1981

10 DOWNING STREET

THE PRIME MINISTER

22 June 1981

Dear Mr. Southgate,

As you will know, the Advisory Council for Applied Research and Development has advised the Government of the importance of the United Kingdom being fully aware of the opportunities offered by the developments in information technology. The Government intend that full advantage of these opportunities should be taken, and accordingly have set in motion a programme of action within Government Departments. Mr. Kenneth Baker, a Minister of State in the Department of Industry, has been designated as Minister for Information Technology; and a small Information Technology Unit has been set up in the Cabinet Office, to make sure that this programme is pursued vigorously and without delays.

It is important that the proposals being worked out within Government Departments should be subject to external scrutiny from those whose interests and skills are directly in the field of IT, and there is a need for advice from people holding senior and active positions in industry to be made available to Government Departments, individually and collectively.

I should be very grateful if you would agree to become one of the external advisers to whom my colleagues and I, and the Information Technology Unit in the Cabinet Office, could look for such advice and guidance. I understand that you have indicated informally that you would be willing to advise

/ in this

in this way. The appointment would be honorary and unpaid; but I hope you will feel able to accept it.

Yours sincerely

Margaret Thatcher

Colin Southgate, Esq.

3.

Prime Minister.

The letter to Mr Southgate is below, ready for your signature.

TDL 19/6.

Ref: A05113

APPOINTMENTS IN CONFIDENCE

MR. WHITMORE

Information Technology Advisers

As Mr. Le Cheminant's minute to you of 9th June reported, one of the advisers to whom the Prime Minister wrote last month withdrew at a late stage for personal reasons. As a result, although an initial meeting was held with other advisers on 11th June, the announcement about them and the IT Unit was deferred.

2. Mr. Baker has now proposed as a replacement Mr. Colin Southgate, Chief Executive of the Computer Services Division of BOC Ltd. Like Mr. Mills he has an impressive career in the software industry and we think he is a good choice. A copy of his curriculum vitae is attached.

3. I suggest, therefore, that the Prime Minister should write to him on the lines of the attached draft letter inviting him to serve. When we have his acceptance I shall consult again on the form and timing of the announcement.

RTA

(Robert Armstrong)

19th June 1981

APPOINTMENTS IN CONFIDENCE

CURRICULUM VITAE

Name: Colin G Southgate Age: 42

Address: Broadwood House
Lady Margaret Road
Sunningdale
Berks Tel: 0990 21742

Marital Status: Married, two boys, two girls

Present Position: Chief Executive
Computer Services Division
BOC Ltd
99 Staines Road West
Sunbury on Thames
Middx TW15 7AH Tel: 09327 85566

Career Summary

Left school at 18 with intention of becoming an actuary. Soon became disillusioned and joined the newly formed ICT as a programmer. Worked on development and support of 1301 and then on 1900. Eventually moved into sales area in technical support management, then into area sales management.

In December 1969 left to form Software Sciences Ltd on behalf of Miles Roman. Formed consortium of staff to buy out from under Miles Roman collapse and was Chief Executive until 1980. Sold to BOC in December 1979 on a three year buy-out deal, total price in excess of £8 million.

Asked in March 1980 to take over Division, made up of a collection of purchased services companies, either 100% or partially owned. At this time the largest independent computer services activity in the UK, T/O £35 million. Became Chief Executive in May 1980. The Division consists of Software Sciences with T/O £16 million in the year 1980/81, Datasolve (IBM bureau) - T/O £13 million, Knight (Contract Staff Agency) - T/O £4 million and DAtastream (managed by BOC, however only 40% owned) - T/O £7 million, BOC's internal computing group and a 40% holding in TRIAD (software house). Profit for the year will be £2 million and running at 3-3½ (annualised) in last quarter, with 1400 staff.

Software Sciences record in last 5 years is as follows (ignoring BOC involvement and add-ons.)

SSL	1977	1978	1979	1980	1981
Trading Profit	200	284	396	620	1100 (est.)

DRAFT LETTER FROM THE PRIME MINISTER TO
MR. COLIN SOUTHGATE, BROADWOOD HOUSE,
LADY MARGARET ROAD, SUNNINGDALE, BERKS.

Information Technology

As you will know, the Advisory Council for Applied Research and Development has advised the Government of the importance of the United Kingdom being fully aware of the opportunities offered by the developments in information technology. The Government intend that full advantage of these opportunities should be taken, and accordingly have set in motion a programme of action within Government Departments. Mr. Kenneth Baker, a Minister of State in the Department of Industry, has been designated as Minister for Information Technology; and a small Information Technology Unit has been set up in the Cabinet Office, to make sure that this programme is pursued vigorously and without delays.

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3. I should be very grateful if you would agree to become one of the external advisers to whom my colleagues and I, and the Information Technology Unit in the Cabinet Office, could look for such advice and guidance. I understand that you have indicated informally that you would be willing to advise in this way. The appointment would be honorary and unpaid; but I hope you will feel able to accept it.

Ref: A05113

APPOINTMENTS IN CONFIDENCE

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3. I suggest, therefore, that the Prime Minister should write to him on the lines of the attached draft letter inviting him to serve. When we have his acceptance I shall consult again on the form and timing of the announcement.

ROBERT ARMSTRONG

(Robert Armstrong)

19th June 1981

DRAFT LETTER FROM THE PRIME MINISTER TO
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LADY MARGARET ROAD, SUNNINGDALE, BERKS.

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Trading Profit	200	284	396	620	1100 (est.)

CMG (Computer Management Group) Ltd

Lennig House Masons Avenue Croydon CR0 1EH 01-688 2261

BEM/JEP

10 June 1981

The Rt Hon Margaret Thatcher MP
10 Downing Street
London SW1

Dear Prime Minister

Information Technology Advisory Committee

As I believe you have already been told, I have found it necessary to withdraw from the Panel for personal reasons.

I am very sorry not to have recognised the impact of these reasons at an earlier stage, when I would have saved everybody a lot of bother.

Yours sincerely

B E Mills

Copies to Mr Duguid
Mr Robinson.

2.

Prime Minister.

To note.

AH

Gri

P.0497

MR WHITMORE

cc: Mr Moore
Mr Wright
Mr Courtney
Mr Stevens

INFORMATION TECHNOLOGY

with CAW? or GR

Thank you for your minute of 8 June recording the Prime Minister's reactions to my submission of 5 June on the above subject.

2. Unfortunately there has been a last-minute development which alters the timetable. One of the assessors, Mr Bryan Mills, has just indicated that, for personal reasons, he feels it necessary to withdraw his acceptance of appointment as an adviser. He will be writing to the Prime Minister to express his regrets. In the circumstances Mr Baker's view is that it would be preferable to defer an announcement until a successor has been found - a process which may take two weeks - rather than have two bites at the cherry. This would point to an announcement around the end of the month. We will let you have a revised draft PQ answer, incorporating the Prime Minister's suggestions, when the new name is available.

3. Meanwhile it is, so I understand, Mr Baker's intention to continue with the plan to have a first meeting with the five remaining advisers on 11 June. But there will be no publicity.

P Le CHEMINANT

Cabinet Office
9 June 1981

File AH
cc Bernard Ingham

10 DOWNING STREET

From the Principal Private Secretary

MR Le CHEMINANT

INFORMATION TECHNOLOGY

The Prime Minister has seen your minute PO490 of 5 June 1981. She is content with the draft Question and Answer subject to the following changes:-

i) She assumes that the opening sentence of the first paragraph should read something like:-

"The Government fully recognise the importance of information technology (IT) for the commercial success of the UK ....."

Perhaps you would confirm that this was what was intended.

ii) She would prefer to try and distance the IT Secretariat a little from the ordinary Secretariat of the Cabinet Office, if at all possible, and with this in mind she would like the penultimate sentence of the second paragraph of the Answer to read:-

"In addition, I have established a small team within the Cabinet Office, made up of both permanent officials and personnel on secondment from the private sector".

iii) The Prime Minister thinks that it would help to make paragraph three read more clearly if it ran:-

"..... between my right honourable friend the Secretary of State for Industry and the Minister of State for Industry and Information Technology on the one hand and private commerce and industry on the other and will reinforce ....."

AH

I understand that the Civil Service Department have asked for the removal of the words "and monitor" from the last sentence of paragraph two of the draft Answer. I have not consulted the Prime Minister about this but I am sure she would agree to the change.

The Prime Minister is content that the Question should be answered on Thursday 11 June.

She is not, however, happy with the proposal to issue a press notice identifying Mr Brian Unwin as the head of the IT Secretariat. She has commented "I do not like announcing Cabinet Office responsibilities".

TAW.

8 June 1981

File

RH

Ind Pol

10 DOWNING STREET

From the Private Secretary

8 June, 1981

Information Technology in 1982

Thank you for your letter of 26 May. We had a meeting with the Prime Minister this morning to discuss her 1982 engagements, and this is to confirm that she would be happy to address the Information Technology Conference on Wednesday, 8 December, 1982. The Prime Minister would like Mr Baker to prepare a draft speech for her, and this should reach us not later than the beginning of November. We will also require an up-to-date briefing.

CAROLINE STEPHENS

Jonathan Hudson, Esq
Department of Industry

NM

1. cc Bernard Ingham

Prime Minister.

Content with the draft Question and Answer as amended?

Agree that the Question should be answered on 11 June?

Content that Mr Lincoln's name should be made public, as proposed in paragraph 5 below?

Yes

Do not like announcing Cabinet Office responsibilities this.

P.0490

MR LANKESTER

cc: Mr Moore
Mr Wright
Mr Courtney
Mr Stevens

INFORMATION TECHNOLOGY

Your minute of 21 May, in response to Sir Robert Armstrong's of 18 May (A04932), recorded the Prime Minister's approval to the list of external advisers on information technology suggested by Mr Baker and her agreement that the appointment of the Panel and the formation of the Cabinet Office IT Secretariat should be announced by means of a written Parliamentary Question. It also invited Sir Robert to consider with Mr Baker the appointment of an additional adviser from one of the three major electronics companies.

2. Sir Robert has been in touch with Mr Baker on the latter point. Mr Baker is satisfied that current contacts with GEC, STC and Plessey are quite adequate for their views to be well understood by Government and he sees considerable difficulty in appointing a single representative from them. His conclusion, which seems sensible, is that the list of advisers should not be further extended.

3. All the advisers have now accepted the Prime Minister's invitations to serve and in Sir Robert's absence I attach a draft PQ and Answer announcing their appointment and the formation of the Cabinet Office Information Technology Secretariat. The Answer - which has been cleared with Mr Baker - emphasises the role of the advisers in providing market-orientated advice to Government as a whole, not just the Department of Industry. The IT Secretariat is given a similarly broad span of responsibility.

4. The first meeting of the Advisory Panel has been arranged for the afternoon of Thursday, 11 June and, if the Prime Minister is content, it

would be appropriate to make the announcement on that day.

5. There is one other point I should mention relating to the announcement of the setting up of the IT Secretariat in the Cabinet Office. The fact of the Secretariat's establishment is recorded in the draft PQ Answer. We will need to go a little further than this, eg by announcing that Mr Brian Unwin will head the group so as to establish his locus with industry and commerce. I doubt however that we should go further (eg by announcing the names of other members of the IT Secretariat) because, while harmless in itself, the more we announce the allocation of specific duties in the Cabinet Office, the more we expose those members of our staff whose duties cannot be revealed. A simple press notice should serve here and its terms can be cleared in the normal way. It could issue on the same day as the PQ is answered.

It is to try to distance the IT Secretariat a little from the ordinary Secretariat of the Cabinet Office that I have suggested a change to the end of paragraph 2 of the draft Answer below.

P Le CHEMINANT

Cabinet Office
5 June 1981

DRAFT PQ

To ask the Prime Minister, following the designation of 1982 as Information Technology Year, what steps she is taking to ensure that Government policies on information technology take fully into account the needs of private sector suppliers and users of the relevant products and services and to stimulate the application of information technology within Government.

ANSWER

The Government fully recognise the importance of information technology (IT) for the [and] commercial success of the UK and the central role that Government must play in promoting its development and application in both the public and private sectors. Government policies are already directed towards encouraging markets for IT products and services that will stimulate new, profitable business opportunities; and the Government see the effective application of IT as a powerful tool in raising both the efficiency and quality of public sector services.

2. In order to ensure that Government policies and actions are securely based on a close appreciation of market needs and opportunities I am appointing a panel of IT advisers who will be available to advise me and my colleagues on all aspects of IT. The advisers are:

Mr M J Aldrich	Managing Director	Rediffusion Computers Ltd
Mr I H Cohen	Managing Director	Mullard Ltd
Mr C A Davies	Managing Director	Information Technology Ltd

Dr D F Hartley	Director	Cambridge University Computing Services
Mr B Mills	Chairman	CMG (Computer Management Group) Ltd
Mr C N Read	Director	Inter-Bank Research Organisation

In addition, I have established a small Secretariat within the Cabinet Office, staffed by a mixed team of permanent officials and personnel on secondment from the private sector. This unit will be a principal link between the advisers and Departments, will help to promote and monitor the use of IT within Government, and will seek to ensure the overall coherence of Government policies towards IT, particularly in so far as they span the responsibilities of more than one Department.

3. These new arrangements will strengthen and broaden the many existing contacts between my right honourable friend the Secretary of State for Industry and the Minister of State for Industry and IT and private commerce and industry and will reinforce the initiatives already taken by them and their officials.

CMG

CMG (Computer Management Group) Ltd

Lennig House Masons Avenue Croydon CR0 1EH 01-688 2261

BEM/JSL

4 June 1981

The Rt Hon Margaret Thatcher MP
10 Downing Street
London SW1

Dear Prime Minister

Thank you for your letter of the 26th May inviting me to become an external adviser on information technology. I shall, of course, be very pleased to help and I much appreciate being asked.

I look forward to the first meeting which I believe has been arranged for the 11th June.

Yours sincerely

B E Mills

Information Technology Limited

Information Technology Limited
22 Hyde Street Winchester
Hampshire SO23 7DR England
Telephone Winchester (0962) 65355

R 30/5

cc Mr Wright (10)

29 May, 1981

2 pps

The Right Hon. Mrs. Margaret Thatcher, P.C., M.P.,
Prime Minister of the United Kingdom of
Great Britain and Northern Ireland,
No. 10 Downing Street,
LONDON, S.W.1.

12
22/6

Dear Prime Minister,

I have received your letter of the 26th May, 1981 requesting that I provide you and your colleagues with advice on actions being taken or proposed by Government Departments in the field of information technology.

I have pleasure in confirming my willingness and interest in supporting the Government and the Department of Industry in this way and will make myself available as required.

Yours Sincerely

Tony Davies.

R29/5

UNIVERSITY OF CAMBRIDGE
COMPUTER LABORATORY

Head of Department
Dr. R. M. Needham
Director of the University
Computing Service
Dr. D. F. Hartley

Corn Exchange Street
Cambridge CB2 3QG
Telephone (0223) 352435

on Mr Wright (C.O.)

The Rt. Hon. Mrs Margaret Thatcher M.P.,
10 Downing Street
London SW1

12
1/6

29 May 1981

Dear Prime Minister,

I was honoured to receive your letter of 26th May 1981, inviting me to act as an external adviser in the field of Information Technology. I am pleased to accept and look forward to the opportunity of assisting in this work.

Yours sincerely,

D.F. Hartley

REDIFFUSION
Computers

REDIFFUSION COMPUTERS LTD.
Kelvin Way, Crawley, Sussex, RH10 2LY
Telephone: Crawley (0293) 31211
Cables: Redcom Crawley
Telex: 877369

MJA/ED

cc Mr Wright

Rt. Hon. Margaret Thatcher, M.P.
10 Downing Street,
LONDON, S.W.1.

27th May, 1981

R29

Dear Prime Minister,

Thank you for inviting me to become an external adviser on Information Technology. I am happy to accept and hope that, as a working practitioner, I can contribute to what is already a dynamic and positive approach being taken by the Government to this vital area for the nation's prosperity.

As an adviser, I will be acting in a personal capacity, and I look forward to working with the team to achieve excellent results.

Yours sincerely

Michael J. Aldrich

Registered Office: PO Box 451, Carlton House
Lower Regent Street, London SW1 4LS
Registered in England No. 666844

TELEPHONE: 01-580 6633
TELEGRAMS: MULLECTRON, LONDON, TELEX

MULLARD HOUSE,
TORRINGTON PLACE,
LONDON, WC1E 7HD.

27th May 1981

R29

The Rt. Hon. Margaret Thatcher MP
10 Downing Street
LONDON SW1

Dear Mrs Thatcher

Thank you for your letter of the 26th May.

I should like to confirm my informal indication to the Department of Industry that I shall be very pleased to become one of the external advisers to the Cabinet on the basis outlined in your letter.

Yours sincerely

Ian Cohen

I H Cohen

Charles N Read
Director

Inter-Bank Research Organisation

32 City Road
London EC1Y 1AA

tel 01-628 3070
telex 887440

CF pps R28

cc Mr Wright

IBRO

CNR/JW
27 May 1981

The Rt Hon Mrs M H Thatcher PC MP
The Prime Minister
10 Downing Street
SW1

Dear Prime Minister,

Thank you for your letter of 26 May.

I am very happy to agree to become one of the external advisers to you and your colleagues on the subject of Information Technology.

I am certain that this is a matter of national importance and I will contribute to the best of my ability to your programme of action.

Yours sincerely

Charles N Read.

FROM THE
MINISTER OF STATE
FOR INDUSTRY AND
INFORMATION TECHNOLOGY

Kenneth Baker's Office

DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
123 VICTORIA STREET
LONDON SW1E 6RB
TELEPHONE DIRECT LINE 01-212
SWITCHBOARD 01-212 7676

6401

Caroline/ I have told JH that Mr Baker should make no commitment of the kind at X.
WN 27/5

Caroline Stephens
10 Downing Street
London
SW1

26 May 1981

Dear Caroline,

INFORMATION TECHNOLOGY IN 1982

Thank you for your letter of 12 May to Mr Baker in response to his minute of 7 May. As a result of subsequent events, particularly the crowding of a number of activities relating to Information Technology into October 1982, it has been decided to postpone the major Government Conference until 8-9 December 1982. I would be grateful therefore if you would amend Mr Baker's minute accordingly.

We have in mind that the Prime Minister might open the Conference in the morning of the 8 December, and give a key-note address of, say, 15-30 minutes. The Conference will be held at the Barbican Centre. In association with the Conference we are proposing to hold a Dinner, also in London, at which the Prime Minister might like to be guest of honour. This could be on either 8 or 9 December depending on which is more convenient. I hope this gives you an idea of the extent of the demand on the Prime Minister's diary. I look forward to hearing the result of the diary meeting early next month.

Mr Baker will be holding a press conference on Thursday 28 May at which he will announce what we have in mind for IT Year. Subject to your views, Mr Baker will say that he hopes the Prime Minister will open the Government Conference. X

Yours sincerely,

Jonathan Hudson

JONATHAN HUDSON
Private Secretary

MS8/MS8ADQ

HS.

File
ac o

10 DOWNING STREET

THE PRIME MINISTER

26 May 1981

Dear Mr. Reed.

As you will know, the Advisory Council for Applied Research and Development has advised the Government of the importance of the United Kingdom being fully aware of the opportunities offered by the developments in information technology. The Government intend that full advantage of these opportunities should be taken, and accordingly have set in motion a programme of action within Governments Departments. Mr. Kenneth Baker, a Minister of State in the Department of Industry, has been designated as Minister for Information Technology; and a small Information Technology Secretariat has been set up in the Cabinet Office, to make sure that this programme is pursued vigorously and without delays.

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I should be very grateful if you would agree to become one of the external advisers to whom my colleagues and I, and the Information Technology Secretariat in the Cabinet Office, could

/ look

look for such advice and guidance. I understand that you have indicated informally to the Department of Industry that you would be willing to advise in this way. The appointment would be honorary and unpaid; but I hope you will feel able to accept it.

Yours sincerely

Margaret Thatcher

C.N. Read, Esq.

HB

File acb

10 DOWNING STREET

THE PRIME MINISTER

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Dear Dr. Mills,

As you will know, the Advisory Council for Applied Research and Development has advised the Government of the importance of the United Kingdom being fully aware of the opportunities offered by the developments in information technology. The Government intend that full advantage of these opportunities should be taken, and accordingly have set in motion a programme of action within Government Departments. Mr. Kenneth Baker, a Minister of State in the Department of Industry, has been designated as Minister for Information Technology; and a small Information Technology Secretariat has been set up in the Cabinet Office, to make sure that this programme is pursued vigorously and without delays.

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/ look

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Yours sincerely

Margaret Thatcher

B. Mills, Esq.

HS

file acO

10 DOWNING STREET

THE PRIME MINISTER

26 May 1981

Dear Dr. Davies,

As you will know, the Advisory Council for Applied Research and Development has advised the Government of the importance of the United Kingdom being fully aware of the opportunities offered by the developments in information technology. The Government intend that full advantage of these opportunities should be taken, and accordingly have set in motion a programme of action within Government Departments. Mr. Kenneth Baker, a Minister of State in the Department of Industry, has been designated as Minister for Information Technology; and a small Information Technology Secretariat has been set up in the Cabinet Office, to make sure that this programme is pursued vigorously and without delays.

It is important that the proposals being worked out within Government Departments should be subject to external scrutiny from those whose interests and skills are directly in the field of IT, and there is a need for advice from people holding senior and active positions in industry to be made available to Government Departments, individually and collectively.

I should be very grateful if you would agree to become one of the external advisers to whom my colleagues and I, and the

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Yours sincerely

Margaret Thatcher

C.A. Davies, Esq.

AS.

file

10 DOWNING STREET

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26 May 1981

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Yours sincerely

Margaret Thatcher

D. Hartley, Esq.

HS.

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cc CO

10 DOWNING STREET

THE PRIME MINISTER

26 May 1981

Dear Sir Cohen,

As you will know, the Advisory Council for Applied Research and Development has advised the Government of the importance of the United Kingdom being fully aware of the opportunities offered by the developments in information technology. The Government intend that full advantage of these opportunities should be taken, and accordingly have set in motion a programme of action within Government Departments. Mr. Kenneth Baker, a Minister of State in the Department of Industry, has been designated as Minister for Information Technology; and a small Information Technology Secretariat has been set up in the Cabinet Office, to make sure that this programme is pursued vigorously and without delays.

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Yours sincerely

Margaret Thatcher

I.H. Cohen, Esq., T.D.

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10 DOWNING STREET

THE PRIME MINISTER

26 May 1981

Dear Mr. Aldrich.

As you know, the Advisory Council for Applied Research and Development has advised the Government of the importance of the United Kingdom being fully aware of the opportunities offered by the developments in information technology. The Government intend that full advantage of these opportunities should be taken, and accordingly have set in motion a programme of action within Government Departments. Mr. Kenneth Baker, a Minister of State in the Department of Industry, has been designated as Minister for Information Technology; and a small Information Technology Secretariat has been set up in the Cabinet Office, to make sure that this programme is pursued vigorously and without delays.

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Yours sincerely

Margaret Thatcher

K.J. Aldrich, Esq.

3

PRIME MINISTER

Attached are letters for you to send to the six external advisers on information technology. I had thought that these should be sent after Robert Armstrong has sounded out one other adviser from one of the major electronic companies; but the Cabinet Office now advise that these letters should go off right away. You can write in similar terms if Robert comes up with somebody.

When we have the replies, we will let you have a draft written PQ to announce all this.

TL

21 May 1981

File

I H Cohen Esq Managing Director, Mullard Ltd
Torrington Place
LONDON WC1E 7HD tel. 01 580 6633

C N Read Esq, Director, Inter Bank Research Org.
32 City Road
London EC1Y 1AA tel. 01 628 3070

B Mills Esq, Chairman, Computer Management Group Ltd (CMG)
Sunley House
Bedford Park
Croydon Surrey CR0 2AP tel 01 681 7631

K J Aldrich Esq, Managing Director, Rediffusion Computers Ltd
9/27 Kelvin Way
Crawley, Sussex RH10 2LY tel 0293 31211

Dr D Hartley, Director, Cambridge University Computing Service
Cambridge University Computer Laboratory
Corn Exchange St
Cambridge CB2 3QG tel 0223 352435

C A Davies Esq, Information Technology Ltd (ITL)
22 Hyde
Winchester
Hants SO23 7DR tel 0962 65353

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RS

10 DOWNING STREET

From the Private Secretary

MR. WRIGHT

Information Technology

The Prime Minister has considered Sir Robert Armstrong's minute of 18 May (Ref: AO4932), and has approved his proposals for the external advisers on information technology and his suggestion that she should make an announcement by means of a written PQ. She also agrees that Sir Robert might pursue with Mr. Baker the possibility of adding an adviser from one of the three major electronic companies.

I am expecting the Prime Minister to write to each of the proposed advisers tomorrow; when we have their replies, and when Sir Robert has followed up the additional external adviser point, you will no doubt let me have a draft PQ and Written Answer.

TL

21 May 1981

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10 DOWNING STREET

The Hoskyns. TL

Do you have any comments on these names – by Wednesday evening pls.

AD, MS

TL

19/5

Prime Minister

Are you content with these proposals? If so, I will let you have letters to write to each of the advisers after Robert Armstrong has come back to you on the point at x.

Yes

Ref. A04932

MR LANKESTER

Information Technology

Your minute of 6 April conveyed the Prime Minister's approval to the proposals in my minute of 3 April for the provision of external advisers on information technology, and I have discussed them with Mr Kenneth Baker. He has taken soundings and has suggested the following names of people from industry for the Prime Minister's consideration:

Mr I H Cohen, Managing Director, Mullard Ltd

Mr C N Read, Director, Inter-Bank Research Organisation

Mr B Mills, Chairman, Computer Management Group Ltd (CMG)

Mr K J Aldrich, Managing Director, Rediffusion Computers Ltd

Dr D Hartley, Director, Cambridge University Computing Service

Mr C A Davies, Information Technology Ltd (ITL)

2. They have all been informally sounded out and, if invited, would be willing to serve in an unpaid capacity as advisers to the Government in general, and to Mr Baker and to the Information Technology Secretariat which has now been set up in the Cabinet Office in particular, in the area of information technology. Brief notes on each of them are attached. Collectively they provide as wide a range of experience and awareness in the field of information technology as is possible in a relatively small group. Mr Aldrich and Mr Davies in particular should supply the entrepreneurial approach that the Government wish to encourage. The major gap in what is proposed is that there are no representatives of the three major electronic companies (Plessy, GEC and STC). Not only may they feel a little put out: it would be valuable to have a source of advice in that area. If the Prime Minister agrees, I will pursue with Mr Baker the possibility of adding an adviser from this area. x

3. The Prime Minister will wish to consider how the announcement of these appointments, and the formation of the Cabinet Office IT Secretariat, should be made. I suggest that she might make the announcement by means of a written PQ. This could emphasise the importance of IT to the Government as a whole and the role of the advisers in relation to Government Departments generally, not just the Department of Industry.

4. Mr Baker will, I think, wish to follow such an announcement with a Press conference at which he will cover other IT developments as well, for example the designation of 1982 as Information Technology Year. If the Prime Minister is content, the IT Secretariat will liaise with the Department of Industry accordingly.

--- 5. I attach a draft letter to the proposed advisers inviting them to serve, together with a list of names and addresses to which the invitations should be sent.

RTA

ROBERT ARMSTRONG

18 May 1981

MR I H COHEN TD., BA Age 50

Managing Director - Mullard Limited since January 1979

- Council Member ECIF
- Chairman ECIF Automotive Electronics Committee
- Member Components Sector Working Party (NEDO)

Previously Divisional Director, Philips Lighting 1977-8

- Divisional Director, Communications & General Industrial Division, Mullard Ltd., 1974-7

- General Manager, Instrumentation & Control Division, Mullard Ltd., 1973-4

- Sales Manager, Computer Electronics Division.
  Manager Market Planning, Industrial Electronics Division.
  Both Mullard Ltd.

  Set up and ran first computer order processing operation of Mullard 1964-7.

Joined Mullard 1957.

Previous jobs in engineering industry 1954-7.

Served Army:- 1952-4 National Service 2/Lt. Royal Signals
1954-69 Territorial Army (Major 1964-9)

University University College London
BA(Hons) in Modern History

MR CHARLES READ

Age 56

Present post: (since 1973)	Director, Inter-Bank Research Organisation
University:	London School of Economics, B.Sc (Econ)
Jobs:	Very extensive experience in Management Science, Computing and Automation, and Telecommunications, particularly in the design, implementation and management of information and control systems in industry, commerce and Government administration.
1970:	Joined Inter-Bank Research Organisation (IBRO) (organisation owned by Clearing Banks to identify problems particularly in area of information handling, retail banking and use of modern technology.)
1973:	Director, IBRO
Other activities:	Formerly member of the Computers, Systems and Electronics Requirements Board, DoI. Member of Data Protection Committee, chaired by Sir Norman Lindop. Member of ACARD Working Group on Information Technology. (Also one of three people asked by Chancellor of Exchequer in 1980 to advise on automation of UK PAYE Tax System).

MR BRYAN MILLS Age 49

Present post: Chairman, Computer Management Group (CMG) Ltd, Croydon (since 1965)

University: Cambridge University (Law and Economics)

Jobs:

1955-56	Assistant Principal, CRO
1956-65	Marketing activities, Burroughs Machines
1965	Founded CMG which is now one of the top six UK software companies. Major activities in UK and Europe, employs 600 staff, turnover ca £15M.

Mr Mills was involved in the formation of the Computer Services Association and was its first President.

MR MICHAEL JOHN ALDRICH Age 39

Present post: (since 1977)	Managing Director and Chief Executive, Rediffusion Computers Ltd
University:	University of Hull BA (History)
Jobs:	
1962-70	Joined Burroughs as salesman in 1962 and rose to UK Marketing Manager.
1970-77	Honeywell: Marketing Manager

Mr Aldrich has had wide design, sales and marketing experience in the computer hardware and softward industry.

DR DAVID F HARTLEY

Age 43

Present post: (since 1970)	Director, Cambridge University Computing Service
University:	MA., Ph.D (Computing Science) Cambridge
1967	Lecturer in Computing Science, Cambridge
Other activities:	Member of the Computer Board since 1979 Member of SRC Facility Committee on Computing.

MR CLIVE ANTHONY DAVIES Age 37

Present post:	Chief Executive, Information Technology Ltd (since 1980)
University:	London, BSc (Electronics)
Jobs:	
1965-68	Research Engineer, Plessey Automation Ltd
1968-70	Marketing Director, CETA Ltd
1970-78	MD and Founder of Membrain Ltd
1978	Sold Membrain to Schlumberger
1978-79	General Manager, Schlumberger, UK Electronics Division
1980	Founded ITL (now holding company for Computer Technology Ltd and Office Technology Ltd)

Hn 08

DRAFT LETTER FROM THE PRIME MINISTER

INFORMATION TECHNOLOGY

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Hn 08

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not sure why he is seen as archetypically entrepreneur

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Hn 08

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CF to file?

12 May, 1981

You wrote to the Prime Minister on 7 May inviting the Prime Minister to open a major international conference on Information Technology in 1982.

I am hoping to have a diary meeting at the beginning of June at which this will be raised. I will contact your office as soon as a decision has been taken.

CAROLINE STEPHENS

Kenneth Baker, Esq, MP

Sph IT speech? 1. CWR
2. CS
Portrum

PRIME MINISTER

INFORMATION TECHNOLOGY YEAR 1982

You launched our Information Technology programme most successfully with the Micros in Schools Scheme. I am following this up with an awareness programme which will build on the successes of the Microelectronics Application Programme. A key feature of this programme will be a major international conference in London in the final week of October 1982 which will be associated with simultaneous conferences organised in major provincial centres, linked by modern communication facilities such as satellite or video-conferencing. These linked conferences will be the climax of a series of events between now and 1982, which is also the year of the British Computer Society's 25th Anniversary Jubilee.

Your personal involvement would, in the opinion of myself and a group of prominent figures from the IT industry who have formed themselves into a Committee to coordinate these events, be essential. It would demonstrate that you as Prime Minister give your personal support and authority to ensuring that Britain gets the most out of Information Technology. The theme will be Britain's achievements and the opportunities that lie ahead. I would therefore like to invite you to open the national conference as the final major event of the year, and to be the guest of honour at a dinner for senior participants. The dates I have in mind are either 27 or 28 October 1982, but there is some flexibility in this.

6 December

Working closely with the 1982 Committee we aim to give the awareness programme a consistent theme and overall direction. Industrial and commercial personalities will be involved, but the main thrust will be to encourage local initiatives from industry, commerce, the professions, local authorities and schools, to develop their own activities and events.

A detailed programme is now being worked out by officials in conjunction with the 1982 Committee. The new IT Advisory Group will have a major contribution to make in drawing up this programme.

I am sending copies of this minute to the Home Secretary, the Chancellor of the Exchequer, the Lord President, the Secretary of State for Employment, Robin Ibbs and Sir Robert Armstrong.

K.B.

KB
7 May 1981

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Mr. Wright

Information Technology

The Prime Minister has read Sir Robert Armstrong's minute of 3 April, and has reluctantly agreed with his proposal that there should be unpaid external advisers on information technology, rather than a sub-committee of ACARD. She has noted that the arrangements for setting up the IT Secretariat will shortly be finalised.

T.P.L.

6 April, 1981.

DSS

Prime Minister

The proposed ACARD sub-committee on IT has nags. RTA has agreed an alternative arrangement with Mr Baker, which would still avoid a new quango. Agree? NJP 31/4

1.

Ref. A04627

PRIME MINISTER

Reluctantly. yes

Information Technology

At your meeting on 3rd March you and your colleagues agreed upon setting up:

(i) a Ministerial Committee under your chairmanship;

(ii) a Sub-Committee of ACARD to be a source of outside advice;

(iii) an Information Technology Secretariat in the Cabinet Office.

2. The ACARD Sub-Committee was a replacement for the original CPRS proposal of an Advisory Group, composed partly of outsiders and partly of civil servants, because an Advisory Group would look like a new quango.

3. There have been further second thoughts about the method of providing the outside advice. When I discussed the matter with the Chairman of ACARD, he made it clear that he would prefer a new advisory group (the need for which he accepted) to be completely independent of ACARD. If necessary, a sub-committee of ACARD could no doubt be made to work; but it would in his view have to be chaired by a member of ACARD and to include at least one other member of ACARD in its composition; and, though it would be able to advise the Government direct, it should also report periodically - say, every quarter - to ACARD itself.

4. On this basis the idea of an ACARD sub-committee does not suit the book of the Minister for Information Technology (Mr. Kenneth Baker), with whom I have now discussed the matter further. He wants to deal direct with the outside advisers, and he thinks that what is envisaged would make for divided responsibility and crossed lines; he wants an arrangement which is more flexible and informal than the ACARD sub-committee seems likely to be; and he wants to draw the advisers from a different stream and generation from members of ACARD. On the other hand he recognises the objections to setting up a new quango.

5. It begins to look as if the idea of an ACARD sub-committee is not going to work very smoothly, and it is certainly not what either the Chairman of ACARD or Mr. Baker wants.

6. I therefore propose that the Minister should nominate five or six people from the industries to act as unpaid external advisers. They would be available, either singly or collectively, to advise and to be consulted by the Minister and the Information Technology Secretariat in the Cabinet Office, and they would also interact, both at meetings with the Minister and direct as appropriate, with the senior civil servants directly involved in information technology. They would be designated as individual advisers and not appointed or constituted as a group; but it would be important for them to interact with each other as well as with the Government, and thus to be able to advise collectively when they needed or were asked to do so.

7. Mr. Baker would be content to proceed in this way. May I tell him that you agree that he should do so?

8. The arrangements for setting up the Information Technology Secretariat are getting on well. We have earmarked one civil servant and one outsider. It has taken a little time to find the right Under Secretary to lead the Secretariat, but I shall have done that by the middle of next week; and as soon as he is appointed and in post we shall get ahead with finding the second outsider, and I shall (without waiting for that) make formal proposals to you for the composition and terms of reference of the new Ministerial Committee under your chairmanship.

RWA

ROBERT ARMSTRONG

3rd April, 1981

MFJ

a/Press office
Ind Pol

1 April 1981

The Prime Minister has seen your letter of 30 March, about Mr. Baker's attendance at the National Association of Broadcaster's Show in Las Vegas on 12 April.

She would be delighted for the suggested message and photograph to be transmitted to Mr. Baker in Las Vegas on that date.

MAP

Jonathan Hudson Esq
Department of Industry.

PART 1 ends:-

IT (R) 39 30/3

PART 2 begins:-

MAP to Ind 1/4

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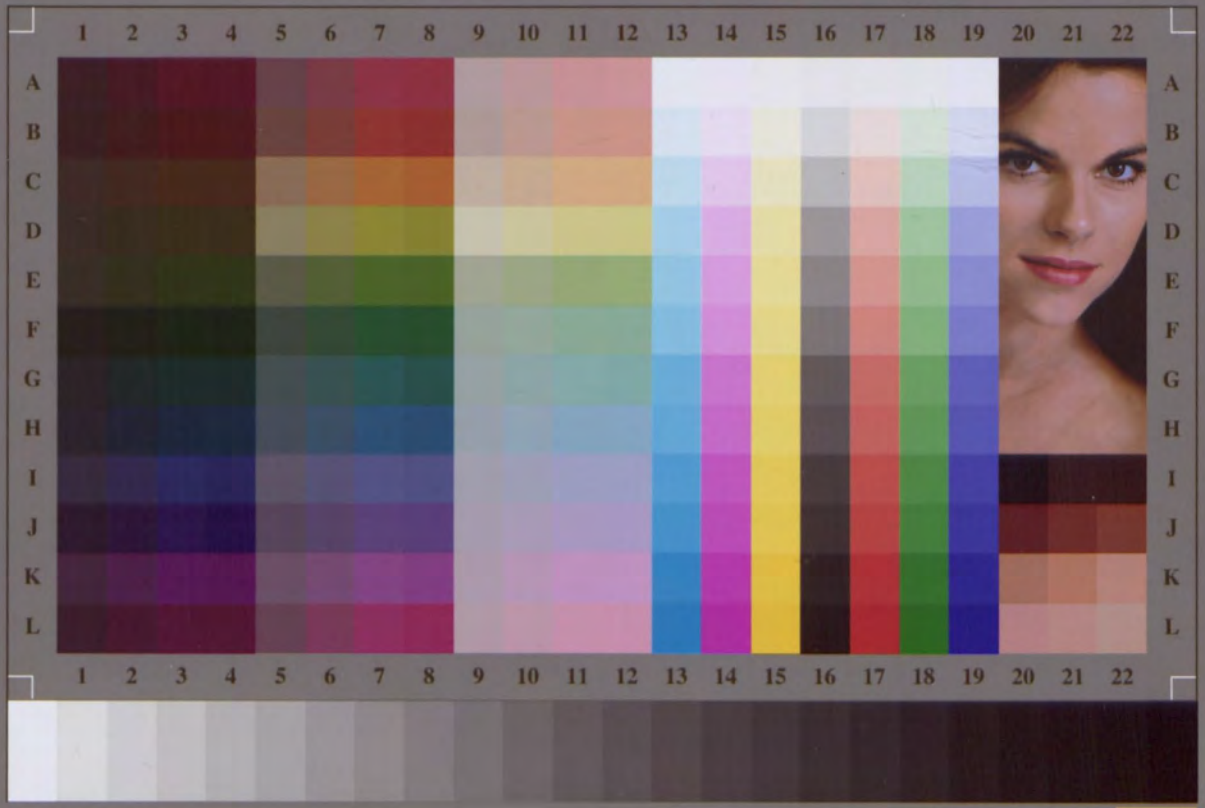

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