

DTI *cc/c*

**dti**

the department for Enterprise

The Rt. Hon. Lord Young of Graffham  
Secretary of State for Trade and Industry

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*Dear Chedon,*

**PRIME MINISTER'S SPEECH IN BRUGES**

Your letter of 14 September to Bob Pierce asked for final comments on your latest version of the speech. You also requested a short paragraph on aspects of the Single Market on which we are ahead of the pack.

We only have one comment on the speech itself which, in general, we think a further improvement on earlier versions. It does though seem a pity to drop - on page 28 - all reference to the specific measure which have been agreed over the last few months. You might conclude the paragraph as follows after "government intervention":

"Over the last few months alone, we have agreed on liberalisation of capital movements, mutual recognition of professional qualifications, and liberalisation of road haulage quotas. Big steps towards a less regulated, more open Community. And quite right too."

The attached paragraph on areas where the UK leads has been cleared with FCO and Department of Transport. Rather than put it at the end of the section on "Europe Open for Enterprise" it might fit best on page 45 before the paragraph on monetary matters. There would then be a natural flow into that paragraph, another area where the UK has taken practical steps ahead of the rest. That paragraph could then begin: "Or take monetary matters ....."

I am copying this letter to Alex Allan (HM Treasury), Brian Hawtin (Ministry of Defence), Shirley Staff (MAFF) and Roger Lavelle (Cabinet Office).

*Yours ever,  
Neil T*

NEIL THORNTON  
Private Secretary

*DTI*

**the  
Enterprise  
initiative**

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The UK has been in the lead here. In financial services, the City of London has long been open to institutions from all over the world: that is why it is the biggest and most successful financial centre in Europe. In telecommunications, we have opened up our market for equipment; introduced competition into the market for services, and even the network itself: steps others in Europe are only now beginning to face, or have not even contemplated. In air transport we have also taken the lead in liberalisation: and have seen the benefits in cheaper fares for consumers and a wider choice and higher standard of services.

