



10 DOWNING STREET

From the Private Secretary

Prime Minister

Since you saw the papers at the weekend we have received the Cabinet Office brief and comments from Foreign Secretary (who doubts whether there is much scope for the kind of dual designation BA are advocating).

One dimension not covered in the papers is the charter market. The charter firms have two worries

(i) BA can use profits from the Saudi route etc to cross subsidize British Airways, its charter subsidiary

(ii) BA can use sell surplus seats on some scheduled routes eg Venice, to the tourist market.

AT  
10/9

Charter