

will be closed. The Board of Trade is establishing "super-development areas" within existing development areas. The attractions for industry will be even greater—a Board of Trade factory rent-free for five years, for example. Building grants and loans at moderate rates of interest will also be available. This will be costing a total of £100 million in the period up to 1971.

What emerges from all this? First, the coal industry will continue to contract, although the special arrangements will slow the process down in the difficult years up till 1970. Natural gas will go ahead fast, and oil will continue to expand, whatever obstacles are put in its way. Nuclear power will do no more than hold its own, at least until 1970. After that, Mr Marsh may be able to get back to the cheap fuel policy he set his heart on when he first became minister.

Nuclear Confusion

THERE is increasing impatience in industry, and in the Atomic Energy Authority, over the Government's reluctance to announce new plans for the organization of nuclear power in Britain. For the past six months it has been clear that some sort of reorganization is inevitable, but it is still doubtful what form it will take. Part of the responsibility for the delay must be laid at the door of the Select Committee on Science and Technology, which will publish on November 22 its report on the nuclear power industry. The Government is using the report as an excuse, if not for inaction, at least for declining to comment.

Reformers divide into two schools. One, led by the Atomic Energy Authority, favours the setting up of a central design authority, which would do research and design new stations. Individual parts of power stations would be put out to tender, but the formal structure of the consortia would be broken down. Overseas the AEA would tender for contracts, and would be responsible for the export work now done by the British Nuclear Export Executive. Only one consortium, Atomic Power Constructions Ltd, favours this solution.

The other two consortia, and the Central Electricity Generating Board, favour an arrangement which retains at least an element of commercial competition. (The AEA sometimes argues that competition from the USA is going to be more than enough to keep nuclear power in Britain on its toes.) It is generally accepted that the number of consortia would be reduced to two, possibly by a merger between Atomic Power Constructions and Nuclear Design and Construction. The two ministries involved, the Ministry of Technology and the Ministry of Power, agree that discussions have been going on between them, but decline to say what, if anything, has been decided. The Minister of Power, Mr Richard Marsh, did agree with the select committee that the question of the single design authority was crucial. "It is one of the biggest arguments involved in this particular issue."

But this was as long ago as June. Since then, little has been done to clarify the position. It is unlikely, though, that this silence can be taken as evidence of a division of opinion between the two ministries. Reports that the Government is preparing legislation to compel the formation of one central design authority are also heavily discounted in Whitehall. No mention

was made of such legislation in the Queen's Speech, and it would be very hard to find room for it in the parliamentary calendar. But if the idea of a single design authority has found favour, it is hard to see how it could be imposed except by legislation. The only alternative would be to force the consortia into line by an edict from the Central Electricity Generating Board, which buys the stations. If the buying policies of the CEGB were manipulated, then there is no doubt that a single design authority could emerge. The CEGB need only say that in future it would buy stations only from the AEA, and the consortia would soon be forced to knuckle under. Unfortunately for supporters of the idea, the CEGB has not always seen eye to eye with the AEA, and does not approve of the idea of a monopoly design authority. Thus if the Ministry of Technology is really wedded to the idea of a single design authority—and there is some evidence that it is not—it may have to force the idea through the CEGB.

Barriers to Collaboration

EXPORT efforts by British firms are often hindered by tariff barriers. One possible answer is to collaborate with foreign firms and either set up partly owned subsidiaries in the countries concerned or let the foreign companies make the product under licence. Although this sounds simple, Mr C. de Hoghton, author of a report called *Cross-Channel Collaboration* published by Political and Economic Planning (PEP), points out that there are many pitfalls because of different licensing laws, language barriers, the difficulty of finding the right company and the lack of comprehensive advice. Provided the company's outlook is realistic, however, it should not find collaboration with a European firm intrinsically more difficult than collaboration with a firm at home.

Mr de Hoghton points out that there is a profusion of sources of advice and assistance, but these sources are not used because firms are unaware of their existence. In some cases they offer only partial advice and help and they are distrusted, or the companies fail to recognize the need, in certain circumstances, for outside assistance. He recommends that an Institute of Industrial Licensing should be set up as a competently staffed clearing-house to assist firms in the profitable exploitation of their know-how abroad. A pilot scheme, limited to Western Europe, might be run by the British National Export Council.

Among the other recommendations Mr de Hoghton makes are that it should be standard drill for companies to comb through their product lines and their research and development to identify items which could be licensed abroad or exploited by other appropriate means in foreign countries. Both Government and private bodies should give greater publicity to the advantages of collaboration, and especially of collaboration with European firms. Consultants should concern themselves more actively with the whole range of issues raised by collaboration. Trade associations should consider what additional help they could give members who want to collaborate and should always become members of international European associations where they exist, seeking to be admitted as observers to those European associations limited to the EEC.