

PO-CH/NL/0392

PART A

Part. A

Unclassified.

Begins : 19/12/88 .
Ends : 8/2/89 .


 PO -CH /NL/0392

 PART A

Chancellor's (Lawson) Papers:

THE PUBLICATION OF WELSH
COMPANIES ACCOUNTS IN
THE WELSH LANGUAGE

PD's : 25 years

Phyllis

8/12/95

NL/0392

PO -CH

PART A

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From The Secretary of State for Wales

THE RT HON PETER WALKER MBE MP

S/3076/88

19 December 1988

WELSH LANGUAGE COMPANY ACCOUNTS

The Chairman of the Welsh Language Board has suggested to me that the Government should consider inserting a clause into the forthcoming Companies Bill that would allow companies based in Wales to submit their annual accounts to the Registrar of Companies in Welsh. You may be aware that companies can already do so but they must also provide a certified English translation. This has caused difficulties, in the past. The proposal from the Board is that the Registrar, rather than the Companies themselves, could in future arrange for any translation work required.

I see considerable merit in the Board's suggestion and I think that we should consider therefore whether a clause to this effect might be inserted into the Bill. I can see that this might now have to be as an amendment. Such a provision would not involve very many companies in total (fewer than 20) and so would not lead to significant costs but it would demonstrate that we have no wish to place obstacles in the path of those companies in Wales that wish to conduct their affairs in Welsh. Some of the companies likely to take advantage of this proposal are small independent TV producers - a sector which has seen encouraging growth in Wales in recent years - and I do not want to see the success of our policies in that area obscured by what many will see as bureaucratic barriers.

/This issue ...

The Rt Hon Lord Young of Graffham
Secretary of State for Trade and Industry
Department of Trade and Industry
1 Victoria Street
London SW1

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This issue is one that has been exploited in the past by those who demand wholesale legislation in support of the Welsh language. I have made it clear that I prefer to see progress by means of voluntary agreements whenever possible but this is clearly an issue which is solely within the control of Government to resolve. It will be welcomed by the Welsh speaking business community in Wales and will not place any additional burdens on anyone outside Government. I hope therefore that you can agree to this proposal. My officials stand ready to give yours any assistance they require.

I am copying this letter to the Prime Minister, members of E(A), members of L, the Lord President and to Sir Robin Butler.

Page

FROM: SIR ANTHONY WILSON

DATE: 21 December 1988

FINANCIAL SECRETARY

cc PPS
Chief Secretary
Sir P Middleton
Mr Monck
Mr Scholar
Mrs Case
Mr Culpin
Mrs Lomax
Miss Peirson
Mr Burr
Mr Gilhooly
Mr Inglis
Mrs Chaplin
Mr Tyrie
PS/IR
PS/C&E

*Alex - a bit of
Laledichony*

n -

WELSH LANGUAGE COMPANY ACCOUNTS

Your Private Office sent me a copy of the letter dated 19 December from the Secretary of State for Wales to the Secretary of State for Trade and Industry concerning company accounts drawn up in the Welsh language. A suggestion has been made to Mr Walker by the Chairman of the Welsh Language Board that companies based in Wales should be permitted to submit their annual accounts to the Registrar of Companies in Welsh. Companies can already do so, but they must also provide a certified English translation. The suggestion is made that the Registrar, rather than the companies themselves, should in future arrange for any translation work required, presumably at a cost to the public sector.

2. As Mr Walker says that fewer than 20 companies might be involved in all, I can not see this amounts to a major piece of deregulation. It does, on the other hand, thrust more work on the Registrar, even though the cost of translation required by an English speaking citizen of the United Kingdom might be passed on to him to bear. I cannot think that this is an issue in which the Treasury has great interest, and therefore you may not wish to write to Mr Maude, who has responsibility for the Companies Bill, about it. In case you do wish to put in your views, however, you may wish to write on the lines of the attached draft letter.

[Signature]
A WILSON

DRAFT LETTER FROM THE FINANCIAL SECRETARY TO MR MAUDE

WELSH LANGUAGE COMPANY ACCOUNTS

I have seen a copy of Peter Walker's letter of 19 December to David Young containing the suggestion that something fewer than 20 companies based in Wales might wish to submit their annual accounts to the Registrar of Companies in future in the Welsh language. Companies can apparently already do so, but they must also provide a certified English translation at their expense. Although the issue is not an important one from the Treasury standpoint, I feel that present arrangements are preferable since the legitimate interests of those consulting the company files at the Registry would be frustrated if they had to pay translation fees before the accounts they looked at became intelligible.

NL

dti

the department for Enterprise

MP

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

The Rt Hon Peter Walker MBE MP
Welsh Office
Gwydyr House
Whitehall SW1A 2ER

Department of
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Direct line 215 5422
Our ref PB2AGN
Your ref
Date 10 January 1989

Peter Walker

WELSH LANGUAGE COMPANY ACCOUNTS

Thank you for your letter of 19 December about transferring the responsibility and the liability to meet costs of providing an English translation of company accounts filed in Welsh from the companies themselves to the Government.

This is, as you say, an issue which has been exploited in the past by the Welsh Language lobby. It needs to be looked at in the overall context of pressures on the Government to make changes in favour of the Welsh language, as in the past it has been felt that a concession in this area might have unwelcome repercussions elsewhere. However, you clearly feel that the benefits to Welsh speaking business outweigh any costs which the concession might entail.

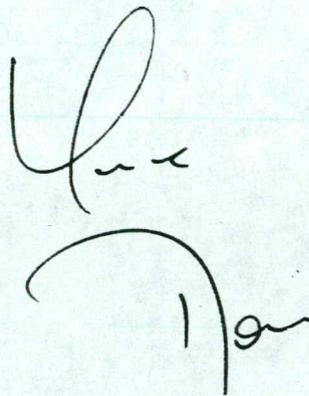
In order to be clear about the scope of the concession I should be grateful if you would confirm that the proposal put to you applies only to company accounts and not to other documents which must be filed with the Registrar of Companies (e.g. the annual return of particulars of company changes), and that you envisage the concession applying only to companies which use one of the Welsh designations (such as Cyfyngedig) specified in the Companies Act. There are about 90 such companies, and I think we must assume that they are all potential candidates for the translation service.

Within such a limited scope, I am prepared to consider further the case for transferring the costs to the Government, provided colleagues accept the addition of this item to the Companies Bill. We would, in particular, need to make sure

that any new system was compatible with European obligations concerning the use of recognised Community languages.

On the practical level, I am assuming that the Welsh Office's Translation Services would be available to undertake the work and will be able to perform it within a short time scale. Although the cost of translation would not be significant in relation to the overall costs of registering company accounts, in principle I do not think it right to ask companies in general to subsidise companies producing accounts in Welsh. Since you put the proposal forward in the interests of the Welsh speaking business community in Wales, I think it would be more appropriate for the Welsh Office to bear the costs. The Welsh Office should also carry any possible liability arising from translations being delayed, or defective in some way. I should be grateful for your views on these points before considering the proposal further.

I am copying this letter to the Prime Minister, members of E(A), members of L, the Lord President and to Sir Robin Butler.

A handwritten signature in black ink, appearing to be 'John' followed by a stylized flourish.

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WELSH OFFICE
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WHITEHALL LONDON SW1A 2ER
Tel. 01-270 3000 (Switchboard)
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From The Secretary of State for Wales

The Rt Hon Peter Walker MBE MP

CT/3046/89

26 January 1989



WELSH LANGUAGE COMPANY ACCOUNTS

Thank you for your letter of 10 January which responded to my earlier letter suggesting that we make an amendment to the Companies Bill that would allow companies in Wales to submit their company accounts to the Registrar of Companies in Welsh.

I very much agree that we need to be clear on the scope of this proposal and that it would be sensible to restrict this provision to annual accounts of companies that have adopted the Welsh version of their company title (ie Cyfyngedig rather than Limited). Any other documentation that they are able to send to the Registrar in Welsh will continue to have to be accompanied by a translation. This will be in keeping with my general policy of making progress in relation to the language albeit that this might fall short of adopting the universal bilingual policies that are urged by some.

On the practical points you raised I am prepared to offer the services of the Welsh Office Translation Unit to undertake the translation work that this proposal would involve. While I am confident that we would be able to cope with the workload generated by the small number of companies that are likely to take advantage of this change (which I expect to be a small proportion of the 90 who have adopted the title Cyfyngedig) you will appreciate that this is something we will have to keep under review.

\I am far less happy....

The Rt Hon Lord Young of Graffham
Secretary of State for Trade and Industry
Department of Trade and Industry
1 Victoria Street
LONDON SW1



I am far less happy with the suggestion that the Welsh Office might bear any liability for any delays or errors that might occur during translation. I am happy for this Department to act as your agents in providing translations but it would be unwise to blur responsibility in this area. Surely it must be for the Registrar to ensure that the law governing the conduct of companies in this area is upheld whilst there must also be some onus on companies, be they English or Welsh, to satisfy themselves that any information in the public records is correct. I hope that our officials will be able to devise a system for handling these Welsh language accounts that will ensure this is the case.

Given that we can find an acceptable mechanism I hope that you are now able to agree that amendments to this effect can be made to the Companies Bill.

I am sending a copy of this letter to the Prime Minister, members of E(A), members of L, the Lord President and to Sir Robin Butler.

dti

the department for Enterprise

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

The Rt Hon Peter Walker MBE MP
Secretary of State for Wales
Gwydyr House
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DATE	09 FEB 1989
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Your ref
Date 8 February 1989

WELSH LANGUAGE COMPANY ACCOUNTS

Thank you for your letter of 26 January. I think we are close to agreement, but I believe that officials need to work out the practical arrangements and resolve the question of liability. I am asking the Registrar of Companies to contact your officials for this purpose.

I understand that you would prefer me not to take up John Belstead's suggestion that the amendment be offered to Lord Cledwyn of Penrhos. In any event I do not envisage the amendment being ready before the Companies Bill leaves the Lords.

I am copying this letter to the Prime Minister, John Belstead, other members of E(A) and L, the Lord President and to Sir Robin Butler.