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PREM 19/2379

Part 17 MT.

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Legislative Programme.

PARLIAMENT.

Part 1: May 1979.

Part 17: Nov. 1987.

PREM 19/2379

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
9.11.87		19.5.88.					
10.11.87.		24.5.88 (PM)					
23.11.87		27.5.88					
24.11.87		4.6.88 (TPA)					
26.11.87		24.5.88					
7.12.87.		17.6.88					
10.12.87		20.6.88					
11.12.87		21.6.88					
15.12.87		24.6.88 (PA)					
22.12.87		27.6.88					
12.1.88		29.6.88					
15.1.88		30.6.88					
27.1.88		6.7.88					
3.2.88		27.7.88					
17.2.88		19.7.88					
16.2.88		27.7.88					
1.3.88		3.8.88					
2.3.88		18.8.88					
3/3/88		13.9.88					
9.3.88		23.9.88					
14.3.88		PTA ENDS					
15.4.88							
28.4.88							
5.5.88 (PA)							
9.5.88							
17.5.88							

PART 17 ends:-

MS/ENERGY to LPC. 23.9.88

PART 18 begins:-

PCO to PAB. 4.10.88

DEPARTMENT OF ENERGY
THAMES HOUSE SOUTH
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THE MINISTER OF STATE

The Rt Hon John Wakeham MP
Lord President of the Council
& Leader of the House of Commons
Privy Council Office
68 Whitehall
LONDON SW1

23 September 1988

Dear John.

PETROLEUM ROYALTIES RELIEF BILL

In your letter of 15 April to Cecil Parkinson you agreed to the expansion of the Continental Shelf (Amendment) Bill to include provisions dealing with the abolition of Royalty in the Southern Basin of the North Sea. You urged that the Bill should be ready for introduction at the very beginning of the next Session.

We now have both sections of this Bill at an advanced state of readiness and I will wish to submit it to the first meeting of Legislation Committee called to consider Bills for the next Session with a view to introducing it as soon as possible.

Negotiations with the Irish are going well and there is every prospect that they will be completed in time. However I have made it clear to our negotiators that I would not permit any delay in reaching agreement with the Irish to hold up the introduction of the very urgent Royalty provisions and that, if it should become necessary, I would strike the Continental Shelf provisions from the Bill and proceed with the Royalty Relief provisions on their own. I hope you can agree to this approach.

I am copying this letter to the Prime Minister, the Chancellor of the Exchequer, my opposite numbers in other Departments, Members of QL, Sir Robin Butler and First Parliamentary Counsel.

Yours ever,
Peter.

PETER MORRISON

PARLIAMENT: Legislation

Pt 1

NOTE FOR THE RECORD

TIMETABLE FOR ELECTRICITY AND WATER PRIVATISATION LEGISLATION

I discussed with Alison Smith (Lord President's Office) the correspondence stemming from the Lord President's letter of 26 July. I told her that I saw little point in putting the papers to the Prime Minister at this stage. It was clear that all the other interested Ministers were likely to continue to press for both the water and electricity Bills to be enacted no later than the end of July 1989. I assumed that was the objective and that it would not be clear until around Easter 1989 whether or not it was achievable.

Alison agreed it probably was too soon to bring the point to the Prime Minister's attention. She agreed to advise the Lord President to send out another minute noting the responses received to his 26 July note, confirming that the aim was to get both Bills enacted by July 1989, but also noting that this might not be achievable; in that case the issue of relative priority would have to be faced nearer the time.

RLCG

PAUL GRAY

13 September 1988

CC PU

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

12 September 1988

NBPM
PRC6
14/9

Dear Nigel

FLOTATION STRATEGY

Thank you for your letter of 9 August, taking account of the letters from Cecil Parkinson and Nicholas Ridley of 29 July and 1 August respectively. / will require if req

We shall certainly give total priority to both the water and electricity privatisation bills with the aim of having them both enacted by the end of July 1989. We may nevertheless need to take decisions about the relative priority between these two bills as the session develops and, if so, I shall need to seek your views again.

I am copying this letter to the Prime Minister, Nicholas Ridley, Cecil Parkinson, John Belstead, David Waddington and Sir Robin Butler.

Yours ever

John

JOHN WAKEHAM

Rt Hon Nigel Lawson MP
Chancellor of the Exchequer

CONFIDENTIAL

CC(88)

NBPM

PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

12 September 1988

Dear Nigel

top - flap

LEGISLATIVE PROGRAMME 1988/89: HOUSING (SCOTLAND) BILL

Thank you for your letter of 18 August in reply to mine of 26 July about Malcolm Rifkind's proposal to drop the Housing (Scotland) Bill from next session's programme.

I hope you will agree that the letter I am sending Nicholas Ridley today about his Housing and Local Government Bill is as accommodating as we can be on the length of that measure and, on that basis, I am most grateful for your agreement to the postponement of the Housing (Scotland) Bill to a later session.

I am copying this letter to the Prime Minister, Nicholas Ridley, Kenneth Baker, Peter Walker, Malcolm Rifkind, John Belstead, David Waddington and Sir Robin Butler.

Yours ever

John

JOHN WAKEHAM

Rt Hon Nigel Lawson MP
Chancellor of the Exchequer

CONFIDENTIAL

PARL

Leg Prog pt 17

chex.ps/mw/1 **CONFIDENTIAL**

cc PM

Treasury Chambers, Parliament Street, SW1P 3AG
01-270 3000

18 August 1988

Rt Hon John Wakeham MP
Lord President of the Council
Privy Council Office
Whitehall
LONDON SW1A 2AT

Dear Lord President,

LEGISLATIVE PROGRAMME 1988-89

Thank you for your letter to me of 26 July about Malcolm Rifkind's proposal to drop the Housing (Scotland) Bill from next Session's programme. I should also like to comment on your letter of 26 July to Nicholas Ridley about the Housing and Local Government Bill; I have seen Kenneth Baker's letter of 28 July and Nicholas's reply to you of 3 August.

I should be reluctant to lose the Housing (Scotland) Bill. It would improve the targeting of resources on home improvement grants in Scotland, and achieve consistency with the arrangements that will be introduced in England and Wales. But I recognise the difficulties the business managers face, and I should be prepared to agree to this Bill being dropped on the understanding that you will not be quite so inflexible on the length of the Housing and Local Government Bill as your letter of 26 July implied, if it turns out that the Bill needs to be a little longer in order to accommodate all the points that Nicholas Ridley and I agree in due course are essential.

I am copying this letter to the Prime Minister, Nicholas Ridley, Kenneth Baker, Peter Walker, Malcolm Rifkind, John Belstead, David Waddington and Sir Robin Butler.

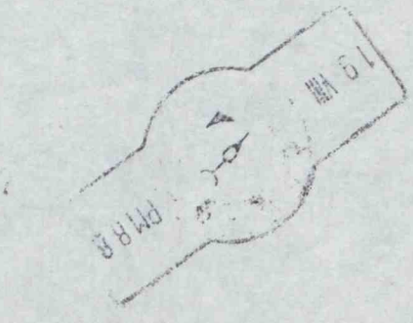
Yours sincerely,

Moira Wallace

pp **NIGEL LAWSON**

(Approved by the Chancellor and signed in his absence)

PARL legislation pt 17



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PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

August 1988

Dear Nick,

LEGISLATIVE PROGRAMME 1988/89 : HOUSING AND LOCAL GOVERNMENT BILL

As I indicated in my letter of ~~26~~ 1st July, I am most grateful to you for agreeing to reduce the size of your Bill in the way which we have discussed, particularly since I know that this has entailed dropping some proposals which you had very much hoped to be able to bring forward. As I suggested in that letter, perhaps you could now agree with Nigel Lawson - and indeed with other interested colleagues - the priority to be attached to the various elements to be included in the Bill and advise the draftsman accordingly.

As you know, QL accepted your bid on the basis that instructions would be ready by the Spring. As we recognised at our meeting on 19 July, the timetable has slipped because both your officials and the draftsmen who would be dealing with the Bill continue to be preoccupied with the present Session's Bill. I am glad to see that most of the instructions can now be sent this month, with the remainder being sent in September, but inevitably this means that the Bill will not be ready until after Christmas and it was for this reason that I sought your agreement that the Bill should be restricted to what can be introduced by the end of January and in any event to no more than around 120 clauses or 90 pages of print.

As to your more general comments about the availability of drafting resources, I understand that this is being considered as part of Sir Robert Andrew's review of the Government legal service.

I am sending copies of this letter to the Prime Minister, John Belstead, Kenneth Baker, Malcolm Rifkind, Peter Walker, John Major, David Waddington and Sir Robin Butler. I am also sending copies of this letter and yours to Nigel Lawson and Patrick Mayhew.

Yours ever

JOHN WAKEHAM

The Rt Hon Nicholas Ridley AMICE MP
Secretary of State for the Environment
Department of the Environment
2 Marsham Street
LONDON
SW1P 3EB

CONFIDENTIAL

PARLIAMENT: Legislation PT17.

SECRETARY OF STATE FOR THE ENVIRONMENT

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434
My ref:
Your ref:

The Rt Hon John Wakeham MP
Lord President of the Council
Privy Council Office
Whitehall
LONDON
SW1A 2AT

3 August 1988

Dear Lord President

LEGISLATIVE PROGRAMME 1988/89: HOUSING AND LOCAL GOVERNMENT BILL

Thank you for your letter of 26 July.

I do not find the situation very happy in relation to this Bill. The only reason why you have pressed me to leave out some of the important matters planned to go in this Bill is that there is not the capacity to draft it in time. Most of the instructions can be sent to the draftsman this month and the remainder in September. The proposition that the Government's programme should be reduced or postponed for no other reason than shortage of draftsmen is not a reasonable one, and I trust that they will now be able to produce draft Clauses quickly in response to the Instructions being sent to them.

It is clearly much more sensible to include as much as possible in the Bill. One long Bill takes far much less Parliamentary time than three short Bills. A certain tedium sets in, both at Committee and on Report, when Clause 80 and Schedule 10 are reached: in a separate Bill they would attract much more interest. I therefore believe we should make this a Bill which includes all the vital matters for next Session, and indeed the purpose of my letter of 21 July was to identify just those items. I am glad you recognise the very real sacrifices I have been prepared to make in bringing the size of the Bill down from over 200 clauses to something nearer 120.

Much of the Bill, (but not all), is vital for the introduction of the new system of local authority finance which is to start in April 1990. This is the last chance to enact it in time. I also think you will find that colleagues are unhappy at dropping even what I offered to drop in my letter of 21 July. You will have seen John Major's letter of 26 July about fees and charges. I expect other colleagues to comment similarly - for example you will have seen Kenneth Baker's letter of 28 July.

PARLIAMENT: legislation PT7.

For years we have been constrained by the limitation of what Parliamentary Counsel can produce. Such a restriction of supply we would not tolerate in any other profession or industry. The demand is certainly there!

I am copying this letter to the Prime Minister, John Belstead, Kenneth Baker, Malcolm Rifkind, Peter Walker, John Major, David Waddington and Sir Robin Butler.

Yours sincerely

R Ridley

pp NICHOLAS RIDLEY

(approved by the Secretary of State and signed in his absence).

CONFIDENTIAL

PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

28 July 1988

CDP
29/7.

Dear Tom

ELECTIONS (NORTHERN IRELAND) BILL

Thank you for your letter of 25 July, and for copying to me your exchanges of correspondence with James MacKay and Patrick Mayhew about the framing of the proposed new declaration against terrorism by candidates in Northern Ireland local and Assembly elections. Although the addition of these provisions to the Bill will certainly add to the time it takes on the Floor of the House of Commons at a time when we shall be under pressure to proceed with other urgent measures, I confirm that the legislative programme can take on board the expansion of this Bill in the way that you wish. I also confirm that this approval carries with it authority for you to instruct Parliamentary Counsel on the new provisions.

I am sending copies of this letter to the Prime Minister and John Belstead, as well as to Sir Robin Butler and First Parliamentary Counsel.

Yours ever

JOHN WAKEHAM

The Rt Hon Tom King MP
Secretary of State for Northern Ireland

CONFIDENTIAL

Post-leg. Programme
X

PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

27 July 1988

Dear Andy,

Following our telephone conversation earlier today, I am writing to confirm that no pieces of legislation have received Royal Assent since my letter to you of 21 July. at flop.

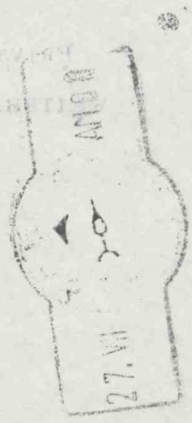
You may also wish to note that the timing of the legislation on the Rate Support Grant has now been announced, and that this will bring the total number of programme Bills for the whole of the session (leaving aside Consolidated Fund Bills) to 44 of which 32 should have recieved Royal Assent by the summer recess.

Yours,
Alison

ALISON SMITH
Private Secretary

Andy Bearpark Esq
PS/Prime Minister
10 Downing Street

PARLIAMENT: Legislation pt 17.



CONFIDENTIAL

cc PM

PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

AB 25/7
to see tpm.

NBPM

26 July 1988

Dear Nick

below.

LEGISLATIVE PROGRAMME 1988/89: HOUSING AND LOCAL GOVERNMENT BILL

Thank you for your letter of 21 July.

I am most grateful to you for your assistance in paring down next Session's Housing and Local Government Bill to the items you regard as essential. I note that your officials reckon that this would reduce the likely size of the Bill from over 200 clauses to around 120 clauses though, as you say, it is impossible to be precise at this stage.

The Housing and Local Government Bill presents a particular problem for the Business Managers because it is already accepted that it will not be ready for introduction until the New Year. It is clear to me that, in view of the very heavy pressures on next Session's programme, the Bill must be introduced no later than the end of January and that a Bill starting as late as that would not be manageable if it were any larger than about 120 clauses or 90 pages of print. If there were any prospect of it being significantly larger than that, we would have to review its place in the programme.

I am therefore writing to seek your agreement that the Bill must be restricted to what can be introduced by the end of January, with any material which is not ready by that date being omitted, and that the Bill should be restricted to the size I have indicated. If you are able to agree to this - and I believe it is the only viable option - I should be grateful if you and Nigel Lawson could agree the priority to be attached to the various elements of the Bill and if you could advise the draftsman accordingly.

I am copying this letter to the Prime Minister, Nigel Lawson, John Belstead, David Waddington and Sir Robin Butler.

Yours ever

JOHN

JOHN WAKEHAM

Rt Hon Nicholas Ridley AMICE MP
Secretary of State for the Environment

CONFIDENTIAL

dti

the department for Enterprise

GCPO

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

.The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer
HM Treasury
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Direct line 215 5422
Our ref PS1BGH
Your ref
Date 26 July 1988

Dear Nigel,

1988-89 SESSION : COMPANIES BILL AND SHARE DEMATERIALISATION BILL

Thank you for your letter of 18 July. I am glad that you agree to the content of the Bills as they stand, subject to the points you mention.

I agree that it is important that the Share Dematerialisation Bill reaches the Statute Book next session; this is our intention. I also agree that we may in the end have to impose a requirement by law to disclose expenditure on R&D, though I hope it will not be necessary.

You make the valid point that primary legislation on company law has become too long and unwieldy, and represents too great a burden on the time of successive Parliaments. I fully agree. There is a strong case for moving as much as possible of the technical provisions to secondary legislation so that they can be kept up-to-date more easily. We certainly intend to provide as much flexibility as possible for the future in the areas which the Bill will cover.

To go more widely and separate out over company law as a whole the parts that should be in primary legislation and those which could be made more flxeible would be a big task. There is always a case for root and branch reform in this field, but it is another matter to find the time and resources to undertake it. We shall, of course, need to take stock of where we will stand after the Bill with regard to future legislative needs, and your point can be taken into account then.

I should finally like to refer to one of the points which has been discussed between Francis Maude and Norman Lamont: the question of exempting small companies with subsidiaries from the requirement to produce consolidated accounts. In his latest letter, Norman points out that this would lead to a lower level of disclosure for such companies. This is something we have always recognise; the counter point is that it would reduce the burden on these businesses. I also think it is important that we should be seen to be taking deregulatory options when these are available in European Directives. There is no tax angle to consolidated accounts and I am satisfied that in this instance deregulation should take precedence over fuller disclosure.

I am copying this letter to the Prime Minister, other members of E(A), the Foreign and Commonwealth Secretary, the Home Secretary and Sir Robin Butler.

Yours ever,

David

PARLIAMENT = Legislation

Pt 17

RESTRICTED

RLE
DA

10 DOWNING STREET
LONDON SW1A 2AA

From the Principal Private Secretary

25 July 1988

Dear Alison,

LEGISLATIVE PROGRAMME 1988-89

The Prime Minister has seen the Lord President's minute of 22 July about next Session's legislative programme. She is in agreement with the four points listed in paragraph 13 of the Lord President's minute.

I am sending copies of this letter to Nick Gibbons (Lord Privy Seal's Office), Murdo Maclean (Chief Whip's Office) and Trevor Woolley (Cabinet Office).

Yours ever,
Nigel Wicks

(N.L. WICKS)

Ms. Alison Smith,
Lord President's Office.

RESTRICTED

SECRET

Prime Ministers 10

A good minute

Agree the proposals in §13?

PRIME MINISTER

LEGISLATIVE PROGRAMME 1988-89

Yes

N.C.W. 22-7

A number of decisions about next session's programme have been taken in recent wees, and some points have emerged with greater clarity since Cabinet approved the programme in March. This note reviews how we currently stand and seeks your approval for how we should proceed.

RECENT ADDITIONS AND DELETIONS

2 As you know, the main changes so far made to the programme that Cabinet approved in March have been the replacement of **Broadcasting** by **Security Service**, and the addition of a new Bill on **Football Hooligans**. In addition, if it is manageable, you will wish us to expand **Elections (Northern Ireland)** to include provisions on anti-terrorist declarations by candidates. On the other hand, **Representation of the People,** which is included in the provisional programme will need to be taken on the Floor of the House of Commons at all stages and, as I said in my minute of 23 March, I think we should postpone a final decision on its inclusion until nearer the time when we can make a better assessment of the likely Opposition attitude to it. I have checked with Douglas Hurd that he does not dissent.

3 The overall effect of these changes is to make the programme heavier than when it was approved by Cabinet. We should find a way of shedding some of the excess weight, and I return to this in paragraph 9.

MANAGEMENT OF THE TIMETABLE

4 Aside from the overall weight of the programme, one further aspect to its management is the fact that there are two waves of Bills for which early Royal Assent is requested. First, there are the following four Bills that are needed within the first four months or so.

Prevention of Terrorism (which must be enacted by 29 March 1989)

Security Service (which must be well on its way before **Official Secrets** can be introduced)

Football Hooligans (which is needed as soon as possible to enable the football authorities and clubs to make their dispositions)

Northern Ireland Elections (which will be needed in good time for the local elections in May 1989)

All stages of the **Security Service** Bill will need to be taken on the Floor of the House, and at least one of the other Bills may need to be handled similarly. This means that inevitably there will be less time for giving Second Readings to other Bills in the early part of the Session. Second, there are the heavy Bills - **Water; Electricity;** and **Social Security** - for which Royal Assent is requested before the Summer Recess, with all the pressures that this means.

5 I have now checked the state of preparation of all the important Bills with the sponsoring Ministers. Overall, the position seems satisfactory. There is, however, one important exception: the **Housing and Local Government Bill** is most unlikely to be ready for introduction before January at the earliest. There is little that can be done about this because the officials and draftsmen concerned are still occupied by this Session's Housing Bill. But the late start of a Bill of some 200 clauses, as envisaged at one stage, would clearly be a headache throughout the session.

THE PRESENT SESSION'S EXPERIENCE

6 In looking ahead to the management of the main Bills next session, I think we should have regard to our experience with the flagship Bills in the present session. The growth to date of these three Bills is set out in the following table, to which substantial addition will certainly need to be made for the remaining stages of the Housing Bill in the spillover.

BILL	ORIGINAL SIZE	CURRENT SIZE	GOVERNMENT AMENDMENTS	
			Commons	Lords
Education	147 clauses (11 schedules)	238 clauses (13 schedules)	600	520
Housing	109 clauses	127 clauses	356	[20]
Local Govt Finance	131 clauses (12 schedules)	152 clauses (13 schedules)	353	505

7 No doubt our very heavy Bills in future will continue to expand somewhat during their passage, though I would hope that **Water** and **Electricity** will benefit from the fact that they have had more time for preparation than did this session's flagships. I must, however, record that in my judgement we are getting close to the limit of Parliament's tolerance of very heavy Government amendments during the passage of legislation, particularly when these include substantial policy changes.

PROPOSALS

8 Against all this background, I believe that we should delete a further Bill from the programme; do all we can to make the **Housing and Local Government Bill** more manageable; and preserve the maximum flexibility on the timing of **Water** and **Electricity.** I comment on these proposals in turn below.

i. Deleting a further Bill

9 You may remember that QL only agreed to three main Scottish Bills on the basis that one of them should be introduced in the House of Lords, where it would start its passage early in the session. In practice, the Bill to start in the Lords would have had to be the **Education (Scotland) Bill** since the **Housing (Scotland) Bill** could not be brought in ahead of the England and Wales Bill, and the **Transport (Scotland) Bill** which is a privatisation measure, was probably unsuitable for Lords introduction. In addition to the general pressure on the programme, two new circumstances have arisen. First, the changes to the Education (Scotland) Bill now being discussed in E(EP) will, in Malcolm Rifkind's view, probably make that Bill rather too controversial for Lords introduction to be contemplated. I must say that this seems right to me. Second, the Housing (Scotland) Bill cannot be introduced until the corresponding England and Wales measure is well on its way, and the late start for that Bill pushes the Scottish one into a dangerously late timetable. Taking these points together, Malcolm concludes that the best thing is to withdraw his bid for a Housing (Scotland) Bill for the next session and, provided that it is acceptable to Nigel Lawson, this would certainly be one way of lightening some of the increased pressure on the programme, which we would have no difficulty in justifying to other colleagues on those grounds alone. From my point of view the essential point is that we cannot possibly have three main Scottish Bills starting in the Commons.

ii Housing and Local Government Bill

10 As I have explained above, the main problem with this large Bill is that it cannot be ready until January, because the substantial remaining work on the present Session's Bill must take priority. The Bill for next session will be a large measure (QL were advised that it would be about 160 clauses) and it includes a wide range of material of varying importance from the new capital control and housing revenue account provisions down to fairly minor improvements. Nicholas Ridley has, at my request, been through the Bill in detail, and he now tells me that his officials estimate that it may be possible to include all the material that he regards as essential in a Bill of about 120 clauses, though such estimates are obviously little more than a guess at this stage. In these circumstances I am inclined to take the same approach that Willie Whitelaw suggested on the present session's Bill, which was that the timing constraint must be paramount. If we approach the matter in that way, I would tell Nicholas that the Bill must be restricted to what can be introduced by the end of January, and that any material that is not ready by that date must be left out. If we take that approach - and I do believe it is the only viable one - I should also advise Nicholas that the draftsman will need guidance on the priority to be attached to the various parts of the Bill, and that he should agree this with Nigel Lawson. Finally, I think I should also make it clear to Nicholas that a Bill starting as late as we now envisage would not be manageable if it was any larger than about 120 clauses, or 90 pages of print. If there were any prospect of its being significantly larger than that, we would have to review its place in the programme.

iii Water and Electricity

11 You will have seen Nicholas Ridley's letter of 14 July to Nigel Lawson about flotation policy, in which he sets out a timetable for securing simultaneous flotation of all the water industry before Summer 1990. Nicholas explains that this policy which he has, of course, now unveiled, would require Royal Assent to the Water Bill before next year's Summer Recess. I need to consider this alongside Cecil Parkinson's request to have Royal Assent for the Electricity Bill before the summer Recess to enable flotation of the electricity supply industry within this Parliament.

12 While we shall naturally do everything possible to meet the requirements for these major privatisation Bills, I think that it would be quite unrealistic at this stage to guarantee that both of them could be enacted before the Summer Recess. But to maximise the prospects of their enactment then, we need to ensure that both Bills are ready for introduction at the very beginning of the session and are not subject

to substantial policy alterations during their passage. On that basis I believe we could be reasonably certain of receiving Royal Assent to one of them at least before the Summer Recess. If you agree, I will proceed to make these points to Nigel Lawson, Nicholas Ridley and Cecil Parkinson, in particular seeking guidance from Nigel on the priority to give between these two Bills and making clear that for some time yet it will remain prudent to have a back-up plan for either, or both, of them being delayed into next year's spillover.

SUMMARY

13 I seek your agreement that

(a) provided that Nigel Lawson is content, the Housing (Scotland) Bill should be deleted from next session's programme, and that in any event there should be no more than 2 main Scottish Bills starting in the Commons;

(b) I should inform Nicholas Ridley that his Housing & Local Government Bill will need to be confined to what is ready for introduction by the end of January and that it should be no longer than around 120 clauses or 90 pages of text;

(c) that I should seek Nigel Lawson's views on the relative priorities to be attached to the Water and Electricity Bills and that I should register with both him and the sponsoring Ministers that it is too early to discount the possibility of Royal Assent in the overspill to either of these Bills;

(d) once decisions have been taken on the above three matters, I should inform QL of the changes since Cabinet approved the provisional programme for next session and that for these purposes I should refer to the Security Service Bill by some guarded formula.

14 I am sending copies of this minute to the Lord Privy Seal, the Chief Whip and to Sir Robin Butler.

Alison Smith

pp JW
(approved by the Lord President and signed in his absence)

22.7.88

CONFIDENTIAL

2CPU

SECRETARY OF STATE FOR THE ENVIRONMENT

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref:

Your ref:

The Rt Hon John Wakeham MP
Lord President of the Council
Privy Council Office
68 Whitehall
LONDON
SW1

21 July 1988

Dear Lord President

At our meeting on 19 July to discuss next Session's Housing and Local Government Bill, I agreed to go through the proposals for the Bill to check which provisions were absolutely essential. This I have now done.

On the Local Government side, we must include provisions to introduce the new system of controls over local authority borrowing and capital expenditure to link in with the rest of the new financial regime; to tighten controls over local authority companies (which are vital to stop loopholes in the new capital system); and to implement the main changes necessary to local authority administration following the Widdicombe report, which our backbenchers have been awaiting for some time now and which need to be in place before the 1990 local elections in London. In addition three other items are essential - amendments to the current Local Government Finance Bill which time did not allow us to make; a power to give grants to local authorities for emergency expenditure; and a power to capitalise specific Exchequer grants to local authorities paid annually on loan charges. I was hoping to include the other issues arising out of Widdicombe but I am prepared to put these aside for the present - although of course there may be pressure from colleagues to include them later. (Kenneth Baker is anxious, as I am, to proceed with measures to publicise auditors' reports and to require certain core standing orders.)

I am also prepared not to proceed with a number of other highly desirable or long overdue local government items. In particular, we had envisaged including an item on local authority fees and charges that has been postponed from this Session's Local Government Finance Bill. This would enable Ministers to extend the use of fees and charges for local authority services by order. 3 clauses on this are already substantially drafted, but I should be prepared to drop this item if that would help.

On housing, the essential items are the provisions reforming local authority housing accounts (which is another part of the new financial regime and on which we shall be going out to consultation next week) and the reform of the system of home improvement grants, which was held over from this Session and is essential if we are to achieve better targeting of resources. We also need to include hopefully brief provisions relating to the transfer of new town houses, abolition of the Homeloan scheme, legislative cover for financial support to the British Board of Agrement and to non profit making bodies in the construction industry, and perhaps one or two items which the scope of this year's Housing Bill prevents us tackling. I am prepared to hold back proposals relating to houses in multiple occupation, other new town provisions, housing defects and a number of other minor items.

Officials here estimate that the effect of this would be to reduce the likely size of the Bill from over 200 clauses to something nearer 120 - although of course until Parliamentary Counsel has had a chance to consider the Instructions this can only be very approximate. As you suggest Michael Ware will be in touch with Counsel shortly to discuss when Instructions on the particular elements are likely to be ready and how best we can now make progress.

I am copying this letter to Nigel Lawson, Kenneth Baker, Malcolm Rifkind and Peter Walker.

Yours sincerely

PP NICHOLAS RIDLEY

(Approved by the Secretary of State
and signed in his absence)

Legislative Progs

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

21 July 1988

Dear Andy,

You asked for a note on the state of the legislative programme. Aside from Consolidated Fund Bills, the following 23 pieces of Government legislation have received Royal Assent already this Session:

Arms Control & Disarmament (Privileges & Immunities) Act
British Shipbuilders Act
Channel Tunnel Act
Coroners Act
Dartford-Thurrock Crossing Act
Duchy of Lancaster Act
Employment Act
Farmland and Rural Development Act
Finance Act 1987
Immigration Act
Income & Corporation Taxes Act
Licensing Act
Local Government Act
Matrimonial Proceedings (Transfers) Act
Merchant Shipping Act
Multilateral Investment Guarantee Agency Act
Norfolk and Suffolk Broads Act
Public Utility Transfers and Water Charges Act
Regional Development Grant (Termination) Act
Scottish Development Agency Act
Social Security Act
Urban Development Corporations (Financial Limits) Act
Welsh Development Agency Act

23

In addition, the following 9 Bills are due to get Royal Assent on 29 July:

British Steel
Civil Evidence (Scotland)
Court of Session
Criminal Justice
Education Reform
Electricity (Financial Provisions) (Scotland)
Finance (No 2)
Legal Aid
Local Government Finance

9

This leaves for the overspill in the House of Lords 4 Bills which have completed their passage through the House of Commons and are continuing their passage through the Upper House - Firearms, Health and Medicines, Housing and School Boards (Scotland). In addition, there will be the final stage of the Copyright, Designs and Patents Bill (Lords) which is due to go through its remaining stages in the Commons on 25 July. For the

4 Bills

House of Commons in the overspill there will be consideration of the Lords amendments to these and to the Housing (Scotland) Bill, as well as the passage of the most recent additions to the programme - the European Communities Finance Bill which received a Second Reading on 11 July, and the Bill dealing with the Rate Support Grant, the timing of which has not yet been publicly announced.

This (expected) total of 32 Bills receiving Royal Assent by the summer recess thus represents just over three-quarters of the Government's legislative programme, and includes, of course, the two flagship Bills.

Yours,

Alison

ALISON SMITH
Private Secretary

Andy Bearpark Esq
PS/Prime Minister
10 Downing Street

ANNEX A

BILLS RECOMMENDED FOR INCLUSION IN 1988/89 PROGRAMME

ESSENTIAL

HO	Prevention of Terrorism (Temporary Provisions)	medium

To re-enact, with amendments, Prevention of Terrorism (Temporary Provisions) Act 1984.

HMT	European Communities (Finance)	very short

To ratify the Community's increased own resources ceiling, and change the structure of own resources.

CONTINGENT

FCO	Fiji	very short

To make provision consequent upon constitutional changes in Fiji.

PROGRAMME WITH ESSENTIAL ELEMENTS

DEmp	Employment	medium (c 15-20 clauses)

To meet requirements of EC law (essential) and to implement a number of deregulatory measures.

DEn	Atomic Energy	short

To increase the financial limit for British Nuclear Fuels Limited (essential), and to implement nuclear licensing, insurance and mutual assistance measures.

DTI	Companies	long (c 160 clauses)

To implement EC company diretctives (essential), to amend mergers procedures (originally proposed as part of Fair Trading Bill), and miscellaneous regulatory and deregulation measures.

DTp	Road Traffic	substantial (c 30 clauses)

To introduce a unitary driver licensing system (essential), and to provide for automated traffic guidance systems.

PROGRAMME

MAFF	Pesticides	very short (one clause)

To allow MAFF to recover full costs of dealing with pesticides applications.

DEn	Electricity	long (c 100 clauses)

To provide for the privatisation of the electricity supply industry in Great Britain.

DEn/FCO	Continental Shelf (Amendment)	very short

To give effect to any treaty delimiting UK continental shelf.

DOE	Water Privatisation	long (over 200 clauses)

To provide for the privatisation of the water industry in England and Wales.

DE	Housing and Local Government	long (c 160 clauses)

To reform local authority housing finance; transfer new town housing stock; restructure local authority capital finance controls: implement the most pressing Widdicombe recommendations; and miscellaneous other measures.

FCO	Antarctic Minerals	short

To give effect to any Treaty regulating Antarctic minerals development.

FCO	Brunei (Appeals to Privy Council)	very short

To provide for the Judicial Committee of the Privy Council to advise the Sultan of Brunei in appeal cases from Brunei.

DHSS & LCD	Children and Family Services	long (c 80 clauses)

To improve and clarify law on child care.

DHSS	Social Security	substantial (c 30 clauses)

To make structural changes in social security benefits and miscellaneous other provisions.

HO	Official Secrets	medium

To replace section 2 of the Official Secrets Act 1911 with fresh provisions for safeguarding official information.

HO	Broadcasting	long (c60 clauses)

To reform commercial radio and to strengthen provisions on broadcasting standards.

[redacted]	Representation of the People	very short/short

To amend the law on overseas and absent voting.

NIO	Fair Employment (Northern Ireland)	substantial (c 25-30 clauses)

To strengthen anti-discrimination legislation in Northern Ireland in the field of employment.

SO	Transport (Scotland)	medium

To provide for the privatisation of the Scottish Transport Group.

SO	Housing (Scotland)	long (c 70 clauses)

To reform the home improvement grants system and local authority housing revenue accounts.

SO	Education (Scotland)	substantial (c 30 clauses)

To enable Government to control management side in negotiations on teachers' pay and conditions; and to make various reforms in Scottish education.

DTp	Ports	substantial

To privatise trust ports and ports owned by local authorities; and to eliminate Government financial assistance to London and Liverpool ports.

UNCONTROVERSIAL

HO	Police (Officers Seconded to Central Service)	very short

To provide that a police officer seconded to central service does not cease to be a member of a police force.

1	Conveyancing Procedures	short

To give effect to 4 Law Commission reports on technical issues relating to conveyancing.

OAL	National Maritime Museum	very short

To enable National Maritime Museum to hold land.

DTI	Share Dematerialisation	short

To provide for an electronic means of transferring and registering shares.

NIO	Elections (Northern Ireland)	very short

To amend Northern Ireland local government franchise.

ANNEX B

*Employment	DEmp (medium c.15-20 clauses)
*Atomic Energy	DEn (short)
*Companies	DTI (long c.160 clauses)
*Road Traffic	DTp (substantial c.30 clauses)
Electricity	DEn (long c.100 clauses)
Water Privatisation	DOE (long over 200 clauses)
Housing and Local Government	DOE (long c.160 clauses)
Children and Family Services	DHSS and LCD (long c.80 clauses)
Social Security	DHSS (substantial c.30 clauses)
Official Secrets	HO (medium)
Broadcasting	HO (long c.60 clauses)
Ports	DTp (substantial)

*Programme with essential elements

CONFIDENTIAL

KK

File cc: Policy Unit

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

21 July 1988

Dear Neil,

1988/89 SESSION: COMPANIES BILL AND SHARE DEMATERIALISATION BILL

The Prime Minister has seen your Secretary of State's minute of 7 July and the Chancellor of the Exchequer's letter of 18 July.

The Prime Minister is content to give policy clearance for the changes proposed for these Bills, subject to the points in paragraphs 2-4 of the Chancellor's letter. As regards the point raised in the fifth paragraph of the Chancellor's letter, the Prime Minister has noted that it is too late to consider radical changes in the shape of companies legislation for next Session's Bill, but suggests that this is an issue officials might consider for the future.

I am copying this letter to other Members of E(A), the Foreign and Commonwealth Secretary, the Home Secretary and Sir Robin Butler.

Yours,
Paul

(PAUL GRAY)

Neil Thornton, Esq.,
Department of Trade and Industry.

CONFIDENTIAL

DSG

O10

CC/U.

PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

19 July 1988

Dear Paul

ROGER KNAPMAN'S TEN MINUTE RULE MOTION: WEDNESDAY 20 JULY

WILL REQUEST IF REQUIRED

Thank you for your letter of ~~11~~ July with your proposals for handling Roger Knapman's Ten Minute Rule Motion for Wednesday 20 July.

I agree that the Motion need not be opposed, that, in the event of a division, any colleague present should abstain and that any resultant Bill should be blocked at Second Reading. We shall make any necessary arrangements to secure this, though, with no further time remaining for Private Members' Bills this Session, progress beyond introduction and First Reading is most unlikely.

I am copying this letter to the Prime Minister, members of L Committee, Nicholas Ridley, Sir Robin Butler and First Parliamentary Counsel.

Yours ever

JOHN WAKEHAM

The Rt Hon Paul Channon MP
Secretary of State for Transport

CONFIDENTIAL

Prime Minister
Content as below?
RRCG
20/7

PRIME MINISTER

1988/89 SESSION: COMPANIES BILL AND SHARE DEMATERIALISATION BILL

Lord Young's minute to you of 7 July, copied to members of E(A), seeks policy clearance for the coverage of these two Bills.

The Chancellor has now responded in his minute of 18 July. I understand no other members of E(A) plan to react. George Guise has no comments.

The Chancellor mentions that officials are discussing a number of details on both Bills. More substantially he raises the possibility of also including within the Companies Bill a provision for the disclosure of expenditure on R & D in company accounts if the ASC's recent recommendation is not endorsed by the accountancy bodies. Longer term he makes a case for moving towards a system under which companies legislation provides only basic powers with the mass of detail put into secondary legislation.

Content:

(i) to agree Lord Young's proposals, subject to the Chancellor'S caveat about disclosure of expenditure on R & D?

(ii) to suggest that it is too late to consider radical changes in the shape of companies legislation for next Session's Bill but that this is an issue officials might consider for the future?

RRCG.

PAUL GRAY
19 July 1988
KAYAJF

Yes

CONFIDENTIAL

ps3/1T

ECPU

Treasury Chambers, Parliament Street, SW1P 3AG
01-270 3000

18 July 1988

The Rt Hon Lord Young of Graffham
Secretary of State for Trade
and Industry
Department of Trade and Industry
1-19 Victoria Street
LONDON
SW1H 0ET

1988-89 SESSION: COMPANIES BILL AND SHARE DEMATERIALISATION BILL

You minuted the Prime Minister on 7 July.

Our officials have worked closely together, to ensure that a number of significant items are included in each Bill. But there remains work to be done on the production of consolidated accounts by companies with subsidiaries, and the possibility of removing the mandatory audit requirement from small companies. The Financial Secretary is pursuing both these points with Francis Maude.

I also believe it is most important that the Share Dematerialisation Bill reaches the statute book in the next session because it will permit the modernisation of Stock Exchange procedures which are essential to our wider share ownership policies. There will need to be changes to tax legislation to enable the Stock Exchange's system to work efficiently and tax to be collected simply. Our Departments have been discussing the legislation which will be needed in the Bill. Subject to that, and to the resolution of the issues above, I am content with the Bills as they stand.

One other area where we have already recognised legislation might still be necessary is on the disclosure of expenditure of R&D in company accounts. If the accountancy bodies do not endorse the ASC's recent recommendation then, as I noted in my letter to you of 6 June, there should be no practical problem in legislating should that be necessary. This could either be done by a later addition to the Companies Bill or by secondary legislation.

As you know, we would have liked this Bill to include further deregulatory measures in the financial services field, and a number of provisions to support our wider share ownership strategy. I understand that you do not feel able to provide space for these on this occasion. However, it is evident from what you say about the size of the existing Companies Act and the history of its provisions that primary legislation on company law has become too long and too unwieldy, notably at a time when we want to deregulate, and represents too great a burden on the time of successive Parliaments. The provisions are arguably often only of specialist interest and politically uncontroversial. Is there not now a case for moving towards a system where only basic powers are set out in primary legislation, and the great mass of detail currently in statute is put into secondary legislation? We could then maintain an up-to-date commercial code much more effectively. I recognise it may well be too late to do this through the coming Bill, but it may be worth putting work in hand thereafter, so that the opportunity can be seized next time round.

Copies of this letter go to the Prime Minister, other members of E(A), the Foreign and Commonwealth Secretary, the Home Secretary and Sir Robin Butler.

NIGEL LAWSON

PARLIAMENT: Legislation
Pt 17

dti

the department for Enterprise

CONFIDENTIAL

PRIME MINISTER

1988/89 SESSION : COMPANIES BILL AND SHARE DEMATERIALISATION BILL

I am minuting you as Chairman of E(A) to seek policy clearance for the changes to company law which we propose to make in the Bills provided by Cabinet for the 1988/89 session. Other Departments have already been consulted about parts of the Bills of particular concern to them.

2. The last substantive Companies Act was in 1981. The 1985 Companies Act is a consolidation; some sections of it have, however been amended by the Financial Services Act 1986 and the Insolvency Act 1986.

3. The 1985 Companies Act contains 747 sections and has 25 Schedules. It regulates many aspects of companies' day-to-day operations. Inevitably there are many respects in which this mass of legislation could and should be amended to take account of developments since 1981 in a fast-changing commercial and regulatory scene and of our own deregulation policies. However, for reasons of space, the proposed Companies Bill does not seek to cover all the changes for which a case can be made. Instead, as decided by QL, it concentrates principally on two high priority areas: the implementation of two major European Directives, and deregulation. It also provides a vehicle for carrying out other agreed policies, such as revisions to merger control arrangements.

PS1BCD

4. Both the European Directives are required to be in force in 1990. The Seventh Company Law Directive requires member states to implement a framework for the production of consolidated accounts by companies with subsidiaries. This requires primary legislation to bring our existing framework into line with the Directive's requirements. In doing so we shall in particular:

(a) make improvements to the rules for accounting for mergers and acquisitions, especially in terms of better disclosure in company accounts of the effects of the merger or acquisition;

(b) extend the definition of a subsidiary so as to restrict the use of off-balance sheet vehicles which are used in particular to reduce the amount of debt shown on a company's consolidated balance sheet;

(c) make maximum use of the scope for exempting small companies.

5. The Eights Company Law Directive requires us to change the rules governing the right to audit companies. Under the present law, broadly speaking, the right to audit is simply conferred on members of specified accountancy bodies and on individuals approved by the Secretary of State as having equivalent qualifications. The Directive requires us to set up a more explicit system for ensuring that the right to audit is given only to those who have defined education and training qualifications and are subject to continuing controls on their independence and integrity. Our proposals for implementing this requirement, set out in detail at Annex A, leave the day-to-day administration of the system with the professional bodies, but require their rules and practices to be brought into line ith the Directive's requirements.

PS1BCD

6. On the deregulation side my proposals implement most of the commitments to simplify company law requirements on business contained in the 1985 White Paper "Lifting the Burden" (Cmnd 9571) and developed in the May 1987 Progress Report "Encouraging Enterprise". Briefly, I propose:

(a) to simplify the system for deliving annual accounts and returns to the Registrar of Companies;

(b) to enable private companies, with the unanimous agreement of their shareholders, to dispense with certain Companies Act requirements relating to the internal conduct of the company, along lines suggested by the Institute of Directors;

(c) to streamline and simplify the system for registration of company charges along lines suggeted by Professor Diamond, making the system more workable from the point of view of companies and lenders, and reducing costs at Companies Registration Offices;

(d) to permit Plcs to supply shareholders, with their consent, with abbreviated versions of their annual report and accounts;

(e) to reform the ultra vires doctrine and clarify the law relating to the objects of companies and the authority of their directors;

(f) to reduce the statutory accounting requirements for small companies and, subject to colleagues' agreement which is being sought separately, remove the mandatory audit requirement from small companies.

7. All the above have been the subject of extensive public consultation, as well as separate discussion with colleagues directly affected, and (the small company audit side) the proposals are not in principle controversial.

8. The remaining elements of the Bill are:

(a) clearing arrangements on financial markets - I sought policy clearance from E(A) Committee in my minute of 15 June 1987, and agreement was given in your Private Secretary's letter of 23 June 1987. The proposals are being finalised by the DTI in consultation with the Treasury, the Bank of England and the Exchanges themselves; discussion continues on some of the details, including proposals to simplify the provisions in accordance with QL's wish to reduce the number of clauses which will be required;

(b) mergers controls - to implement the proposals in the White Paper "DTI - the department for Enterprise", as set out in more detail in the departmental policy paper "Mergers Policy", published on 3 March, which was circulated to E(A) under cover of my minute of 16 February;

(c) to implement changes arising out of the Investigations review which I announced in Parliament on 11 May. They involve extending search and entry powers, which is under discussion with the Home Office. I shall also be writing separately to colleagues about the proposal to take powers to assist overseas regulators;

PS1BCD

(d) to implement any change to the law on disclosure of interest in shares which are agreed as a result of the public consultation following the review of the takeover panel whose conclusions were announced by Paul Channon last year. I am about to sent the colleagues concerned a draft of the public consultation document which I want to issue shortly.

9. For the most part these proposals do not in themselves have significant resource implications for Government: they set a legal framework with which the private sector operates. The Eighth Directive is likely marginally to increase the workload in my Department. The mergers control proposals will also (as has been agreed) increase the staffing needs of the competition authorities, but the costs will be covered by charging. The proposals on company charges, however, will lead to significant savings at the Companies Registration Offices which should outweigh any increases elsewhere.

10. I should also welcome policy approval for the other DTI Bill to which the Cabinet gave drafting authority on 10 March. This second Bill is an enabling measure to permit further significant computerisation of the City's operations - and hence increase its international competitiveness - by allowing shares to be held and transferred in electronic form ("share dematerialisation") without the current cumbersome paper-based system. In such cases companies would no longer be required to issue share certificates. This should significantly facilitate share dealings, and also help to reduce dealing costs. The legislation involves changes principally to the Companies Act. QL felt, however, that this should be a separate Bill because of the pressure for quick legislation: the Stock Exchange is keen to introduce a new system on these lines known as TAURUS in the middle of next year.

dti

the department for Enterprise

11. I should be grateful for your agreement to the form of the legislation proposed in this minute. I am sending copies of it to E(A) members, the Foreign and Commonwealth Secretary, the Home Secretary, and Sir Robin Butler.

D Y

7 July 1988

Department of Trade and Industry

PS1BCD

PARL legislation
pt 18

PRIME MINISTER

THE LEGISLATIVE PROGRAMME: THE SCOTTISH EDUCATION BILL AND A STUDENT LOANS BILL

The Lord President's Office have warned us that the Secretary of State for Education and the Chief Secretary are likely to argue strongly at tomorrow's E(EP) meeting that the Secretary of State for Scotland's proposals for a Scottish Education Bill are so weak that that Bill does not merit a place in next session's programme. The space created from dropping the Scottish Education Bill, they will argue, should be used for a Bill on student loans (for which room is envisaged in the 1989/90 programme).

I suggest that if the Education Secretary and the Chief Secretary argue in this way, you should say:-

1) Their arguments are out of order for this meeting. The purpose of the discussion is to consider the policy in Mr Rifkind's proposals. If they have views on the composition of the legislative programme, this should await discussion in the appropriate committee or Cabinet;

2) In any event, any space in next session's programme could well be needed for a Bill on football hooliganism; and

3) The Scottish Education Bill could well be needed for the enactment of opting out provisions for Scotland.

N.L. Wicks
6 July 1988

MJ2CMP

PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

NBPM

1 July 1988

Dear John

FURNITURE AND FURNISHINGS (FIRE) (SAFETY) REGULATIONS 1988

Thank you for your letters of 17 and 23 June in which you sought H Committee's agreement to draft regulations governing the fire resistance of upholstered furniture.

Douglas Hurd and Nicholas Ridley asked for some changes, which you were content to accept, to the details of the regulations. No other colleague commented, and this is simply to confirm that H Committee are content for the new regulations, amended to take account of the points raised by Douglas and Nicholas, to be laid before Parliament.

I am copying this letter to the Prime Minister, members of H Committee and Sir Robin Butler.

Yours ever

JOHN WAKEHAM

John Butcher Esq MP
Parliamentary Under Secretary of State
for Industry & Consumer Affairs
Department of Trade and Industry
Victoria Street
LONDON
SW1

PARLIAMENT: Legislation
Part 7.

GDG

dti

the department for Enterprise

The Rt. Hon. Kenneth Clarke QC MP
Chancellor of the Duchy of Lancaster and
Minister of Trade and Industry

Ms Alison Smith
Private Secretary to
Rt Hon John Wakeham MP
Lord President of the Council
Privy Council Office
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NBPM
AREG
1/7

Direct line 215 5147
Our ref
Your ref
Date 30 June 1988

Dear Alison.

LAW COMMISSIONS' REPORT ON THE SALE AND SUPPLY OF GOODS

The Chancellor's letter of 27 June contained two errors on page three and I attach a corrected version. I apologise for any inconvenience these errors may have caused.

I am copying this letter to the Private Secretaries to the recipients of the Chancellor's letter.

Yours

David Styles.

DAVID STYLES
ASSISTANT PRIVATE SECRETARY

JE5AAS

dti

the department for Enterprise

The Rt. Hon. Kenneth Clarke QC MP
Chancellor of the Duchy of Lancaster and
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Our ref
Your ref
Date 30 June 1988

Dear Rt Wakeham

LAW COMMISSIONS' REPORT ON THE SALE AND SUPPLY OF GOODS

I am writing to seek policy approval for a Bill to implement recent proposals by the Law Commissions to amend the Sale of Goods Act 1979. These were published in May 1987 as Cm 137. Space for the proposals has not been found in a programme Bill for 1988/89, but QL has suggested, and I agree, that, subject to policy approval, they should be offered as a Private Members' handout Bill at the start of the 88/89 session.

The Law At Present

The law on the sale of goods was consolidated in the Sale of Goods Act 1979. Among other provisions:

(i) it states that there is an implied promise on the part of the seller that the goods in a sale transaction are of "merchantable quality";

(ii) it allows the buyer, if he acts within a reasonable time, to reject goods that are not of merchantable quality, and to receive back the purchase price;

JE1ACL

(iii) but it does not allow the buyer a long-term right of rejection: the buyer is allowed a "reasonable opportunity" of examining the goods but once a "reasonable time" has expired he is deemed to have "accepted" them. In other words he cannot reject the goods (and get his money back) if a latent defect comes to light after they have been in use for some time. His remedy in these circumstances is limited to damages.

The Law Commissions' Proposals

The Law Commissions have recommended

(i) that the old term "merchantable quality" should be replaced by a clearer, more up-to-date definition, and that the amended Act should state explicitly that relevant aspects in determining quality should include fitness for all the purposes for which goods of the kind in question are commonly supplied, the appearance and finish of the goods, their freedom from minor defects, their safety, and their durability;

(ii) that a number of other (minor) changes to the 1979 Act should be made (listed at Annex A); but

(iii) that the rules governing acceptance and the loss of the right of rejection should not be changed.

The proposals are accompanied by a draft Bill comprising 8 clauses and 3 schedules. The Department has consulted outside interests widely.

The Main Policy Issues Raised By The Proposals

(a) Should there be a long-term right to reject?

The main policy question is whether there should be a long-term right to reject. The consumer movement has argued on consultation that a consumer should not lose the right to reject goods until all the facts are known to him - ie until he knows whether there is anything wrong with the goods. He should be entitled to his money back so long as he rejects the goods within a reasonable time of discovering that they are faulty. Weight has been lent to the consumer movement's representations by a recent court case in which the judge found that the purchaser of a new car which broke down badly 140 miles and 3 weeks after delivery could not reject it because (although the car was clearly not of merchantable quality) he had had an adequate opportunity of trying it out before it broke down and had

therefore "accepted" it. He was therefore entitled to damages, but not to rescind the contract. The consumer movement argues that this case illustrates just how little time the present law allows a consumer to exercise his right of rejection.

The Law Commissions however are strongly opposed to a long-term right to reject. They argue that such a right would be extremely unfair to sellers. Consumers who bought a defective product would in effect be entitled to free use of it until the defect emerged: the seller would then be obliged to take back a used product and refund the full purchase price. Such a regime would simply be too biased in the consumer's favour. It would be possible to make a long-term right of rejection less unfavourable to sellers by allowing the seller to deduct an element from the purchase price for use of goods before rejection, and to allow him, before making a refund, to replace the goods or to attempt to repair them. However changes on these lines would greatly complicate the law and would reduce the attraction of the rejection remedy from the consumer's point of view.

The Law Commissions take pains to emphasise that the absence of a long-term right to reject does <u>not</u> mean that a consumer who buys a defective product is without a remedy if the defect takes some while to appear. The consumer still retains the right to damages.

On this question, I very much agree with the Law Commissions' conclusion that the law should not be changed.

(b) <u>Proposed redefinition of "merchantable quality" and other changes to the 1979 Act</u>

The changes which the Law Commissions have recommended <u>should</u> be made (paragraph 3 above) are much less contentious. On consultation they have generally been welcomed by the consumer movement, although sellers have expressed mixed views.

I believe there is a good case for enacting the proposals. Difficulties with the present Act cannot be described as severe, but this is a fundamental area of law and it is sensible that the provisions should be kept under review and updated when necessary. The new provisions on merchantable quality will make the law more easily understandable to consumers, traders, the courts and

everyone else concerned. Other new provisions will usefully correct minor unfairnesses in the present law. In sum the measures should generally serve to promote effective operation of the market and a fair trading environment.

Scotland

Although the two Law Commissions recommend separate provisions for their respective jurisdictions in a number of areas, the underlying policy is consistent. There is just one exception. Both Commissions recommend that a restriction should be introduced on the non-consumer buyer's right to reject the whole of a quantity of goods, where the wrong quantity is delivered, if the excess or shortfall is so slight that it would be unreasonable to do so. The English Commission argue that the restriction should not extend to the consumer buyer, because it is not a situation which consumers (unlike for instance commodity traders) encounter in practice. The Scottish Commission on the other hand argue that the restriction should extend to the consumer buyer, because it would be unreasonable to give the consumer an unqualified right to reject the whole of the goods merely because of a trifling excess or shortfall.

On such a minor issue I see no difficulty about enacting different provisions for the two jurisdictions. However, it would be tidier to bring the two into line. I would prefer the English Commission's approach, for the reason that it does not involve a restriction on the consumer's right to reject, and is therefore in principle more favourable to the consumer. Going for an approach that is less favourable to the consumer than the English Commission has actually recommended, even on so minor a point, might add to the consumer movement's sensitivities about the failure to introduce a long-term right to reject. May I by copy of this letter ask Kenny Cameron whether he would prefer to retain the Scottish approach, or to fall in with the English line?

Northern Ireland

Subject to Tom King's views I am not aware of any reason why the proposals should not be extended to Northern Ireland.

Detailed Points To Be Tidied Up

Two detailed points about the drafting of the clauses which accompany the Law Commissions' proposals arose on consultation and are being pursued by my officials with the English Commission. The first revolves around the question of whether the buyer's right to reject lapses after the expiry of a "reasonable time", or after he has had a "reasonable opportunity

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the department for Enterprise

of examining" the goods: in most situations there is likely to be no distinction, but consumer bodies are concerned that under the proposals as at present drafted, a buyer could be held by a court to have accepted goods because, looked at objectively, a "reasonable time" had elapsed, even though he personally had not had a reasonable opportunity to examine the goods. An amendment is proposed to make clear that a reasonable opportunity to examine is material to the question of whether a reasonable time has elapsed.

The second point concerns the precise working of the redefinition of "merchantable quality": the new definition includes the words "acceptable quality" and some have argued that it is inconsistent that a buyer might be held (by the provisions on acceptance) to have "accepted" goods, which, if they suffer from latent defects, will by definition not be of "acceptable quality" once the defects have come to light.

It is possible that clarification of the drafting on these points will allay some of the concerns that were expressed on consultation. Any changes to the draft clauses which the English Commission propose will be cleared with the Scottish Commission.

Another matter which could usefully be tidied up in the final Bill is the extension of the "slight breach regime" (point iv at Annex A), in the case of England and Wales, to express as well as implied contract terms - this was not covered in the Law Commissions' report as it was outside the English Commission's terms of reference.

Likely Points Of Controversy

The Bill is unlikely to be controversial in party political terms. The most likely source of challenge is the consumer movement which may seek to secure amendments to provide for a long-term right to reject.

Conclusion

The Law Commissions' proposals should improve the legal framework for buying and selling goods. I invite colleagues to give their policy approval for a Bill to enact them.

I am copying this letter to members of H Committee, and to the Attorney General, the Lord Advocate, and Sir Robin Butler.

Yours Sincerely

pp KENNETH CLARKE

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PARLIAMENT: Legislation

PT 17

which is set out in paragraph 7—*[Interruption.]* Not at all. It is not a power at large, but a power to designate individuals or groups whose duties necessarily involve extensive familiarity with the work of the security and intelligence services. That is a specific point which the House will undoubtedly want to discuss in detail, and it seems entirely reasonably within that definition.

Furniture (Fire Resistance)

4.35 pm

The Parliamentary Under-Secretary for Industry and Consumer Affairs (Mr. John Butcher): With permission, Mr. Speaker, I should like to make a statement about the fire safety of furniture.

On 11 January 1988 my hon. Friend the Parliamentary Under-Secretary of State for Corporate Affairs announced the Government's intention to make new regulations about the flammability of domestic upholstered furniture. Draft regulations were circulated for consultation on 1 March and comments invited by 12 May. I am now in a position to announce the changes we propose to make to the regulations as a result of this consultation. I intend to lay the regulations before the House in July.

My hon. Friend announced that the regulations would come into operation on 1 March 1989 for the filling requirements and on 1 March 1990 for covering fabrics. I intend to retain these dates, but to require that furniture supplied to retailers should meet the foam-filling requirement from 1 November 1988. This reflects progress in the changeover to safer materials and gives the retailers a four-month period of grace which will help them to clear existing stocks.

I have decided that covering materials must meet the match resistance test by 1 March 1990. However, some fabrics which are difficult, or impossible, to treat, but whose burning characteristics are less likely to ignite the filling materials, will be permitted, provided they are used with interliners or barrier cloths which meet the ignition source 5 test. The regulations will specify which materials will be acceptable when used with interliners, and the covering materials concerned will have to meet the cigarette resistance test. This will enable the trade to continue to use many of the fabrics at present on the market, but will not prejudice the level of safety to be achieved by the original proposals.

On second-hand furniture, I have decided that a proposal from enforcement and fire safety organisations should be adopted. From 1 March 1993 all trade sales of modern second-hand furniture will have to comply with the full requirements of the regulations. But from 1 March 1990 to that date the regulations will permit the sale of second-hand, upholstered furniture which complies with the 1980 regulations. Private sales of second-hand goods are excluded from the scope of regulations made under the Consumer Protection Act 1987. I also intend to introduce an exemption from these regulations for sales of furniture manufactured before polyurethane foam was generally introduced as a filling material, which was 1950. Furniture made before that date may be traded as collectors' items, but does not contain the material we are banning. This exemption also means that sales of antique or period furniture and reupholstery of antiques are excluded.

For furniture built into new caravans and for garden furniture, the foam requirement will apply from 1 March 1990, because those two sectors of industry have a seasonal pattern of sales that makes it unreasonable to require them to meet the 1 March 1989 deadline. Second-hand caravans will be excluded. The regulations will contain a number of miscellaneous provisions covering specific matters, such as stretch covers, pillows and cushions.

The EC Commission has not raised formal objections, although some member states did object to our original

[Mr. John Butcher]

proposals. The Commission therefore asked that a number of points should be taken into account. In the changes that I have announced, I have met many of those points, and I am satisfied that the regulations will go no further than is necessary in the interests of protecting consumers.

The new regulations have a cost for industry and for the consumer. It would be wrong to underestimate the task that confronts industry in meeting the new requirements within a very short time scale, but there has been a positive response to the challenge. A substantial majority share the Government's determination to ensure that the catalogue of death and injury from fires involving domestic upholstered furniture should be reduced as quickly as is practicable.

Mr. Tony Blair (Sedgefield): Will the Minister join me in paying tribute to all local authorities, trade unions, fire officers, hon. Members and those in industry who have fought so long and so vigorously on this issue. I welcome the regulations in so far as they ban the use of killer foam in furniture, bedding and other items, and the phased extension of the ban to second-hand goods, which represents a major advance in fire prevention. However, we are dismayed at the entirely unwarranted exemption of whole categories of ignitable covers from the new tests.

The view of fire and of trading standard officers to whom I have spoken is that such an exemption from the regulations will make them seriously defective and will open a potential major loophole in fire safety and enforcement.

Does the Minister recall that the history of the campaign is of initial hostility and scepticism in Government, which has been overcome only by sustained campaigning and publicity? Does he further recall that last October we were told that it was "wholly impracticable and undesirable" to ban standard foam, yet in January he banned it? Does he remember that on 11 January we were told that it was virtually impossible to ban second-hand goods, yet today he has banned them? How many more meals of ministerial words must we eat before the Government listen to the fire safety experts who have been proved right?

Does the Minister realise that tests have shown that ignitable covers, even over interliners, can be just as dangerous? Once burning, the covers can overcome fire-retardant material and, more important, become a fire point for other materials such as curtains and carpets?

Is it right that the regulations will allow, without hindrance, non-fire-retardant foam to be made for export? Secondly, will the Minister give a categorical assurance that he will overcome opposition to the regulations, not just in the EEC, but as they will be affected by the completion of the single European market in 1992? Thirdly, does he agree that we need a national programme to encourage smoke detectors in the home, including the amendment of building regulations to enforce installation in new buildings and in multi-occupation homes, where many of the worse fires occur? Fourthly, does he accept that the trading standards officers who will have to enforce the new regulations must have adequate resources to allow them to do so? Is not that absolutely central to the enforcement of the regulations?

Each year 700 deaths and 7,500 injuries are caused by home fires. Does the Minister realise that the proposals will have a huge impact on that carnage only if the Government learn from their past mistakes, remove themselves from the pockets of vested interests in the trade and put themselves in the hands of consumers?

Mr. Butcher: There has been a very intensive and comprehensive consultation period, during which we listened especially to the fire safety officers and those who will be concerned with enforcement of the regulations. I hope that the hon. Gentleman recognises that one measure in the regulations will henceforth be known as the "Graham compromise" — it relates to second-hand furniture.

I shall restate the context in which the regulations have been brought forward. Even prior to them, Britain had the most rigorous furniture fire regulations regime in Western Europe. The regulations will make that even more rigorous. It is around that position that the House has coalesced during the past four or five months.

I listened carefully to what the hon. Gentleman said about covers, but some materials are difficult to make match resistant without destroying their qualities. We are stipulating that they can be used over interliners that comply with the very strict ignition source 5 as an alternative to compliance. The effect is still rigorous, but the consumers will have a choice. That is a logical and sensible approach. The exemption is not available to the broad range of mainly synthetic fibres, and in general the predominantly natural fibres burn with less heat than synthetics.

I am satisfied that what we are doing today is compatible with the movement towards 1992. It may take five years for the Commission to come forward with proposals and to set minimum standards. We are already ahead of Western Europe, so we have a good chance of complying with any future minimum standards.

The hon. Gentleman will know that smoke detectors are a first issue matter not for me, but for the Home Secretary. Like the hon. Gentleman, I am closely monitoring the experiments in the Granada and Tyne Tees television areas. If he finds this an agreeable response, I shall consider using my safety campaigns under "Think Safety First", and include in them an element that could raise awareness of safety in the home.

We have consulted the trading standard officers and I think they will welcome the clarity of the regulations, because clarity makes life much easier for them.

Mr. Kenneth Warren (Hastings and Rye): I welcome my hon. Friend's statement. He did not refer to the trade's reaction to his proposals, although there has been a tremendous amount of lobbying by the trade. Will he consider discussing the regulations with our right hon. Friend the Secretary of State for Transport, because there are equal dangers on public service vehicles, especially aircraft and trains?

Mr. Butcher: My hon. Friend will be aware that a number of companies are already making strong efforts to comply with what they anticipated would be incorporated in today's statement. There has been a positive reaction. We have stuck to the timetable announced in January and I have provided an extra four months of grace for the manufacturing of furniture to the new foam requirements. On balance, that is about right. I have spoken at length

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the department for Enterprise

The Rt. Hon. Kenneth Clarke QC MP
Chancellor of the Duchy of Lancaster and
Minister of Trade and Industry

NBPM
RRCG
27/6

Rt Hon John Wakeham MP
Lord President of the Council
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Our ref
Your ref
Date 27 June 1988

Dear John.

LAW COMMISSIONS' REPORT ON THE SALE AND SUPPLY OF GOODS

I am writing to seek policy approval for a Bill to implement recent proposals by the Law Commissions to amend the Sale of Goods Act 1979. These were published in May 1987 as Cm 137. Space for the proposals has not been found in a programme Bill for 1988/89, but QL has suggested, and I agree, that, subject to policy approval, they should be offered as a Private Members' handout Bill at the start of the 88/89 session.

The Law At Present

The law on the sale of goods was consolidated in the Sale of Goods Act 1979. Among other provisions:

(i) it states that there is an implied promise on the part of the seller that the goods in a sale transaction are of "merchantable quality";

(ii) it allows the buyer, if he acts within a reasonable time, to reject goods that are not of merchantable quality, and to receive back the purchase price;

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(iii) but it does not allow the buyer a long-term right of rejection: the buyer is allowed a "reasonable opportunity" of examining the goods but once a "reasonable time" has expired he is deemed to have "accepted" them. In other words he cannot reject the goods (and get his money back) if a latent defect comes to light after they have been in use for some time. His remedy in these circumstances is limited to damages.

The Law Commissions' Proposals

The Law Commissions have recommended

(i) that the old term "merchantable quality" should be replaced by a clearer, more up-to-date definition, and that the amended Act should state explicitly that relevant aspects in determining quality should include fitness for all the purposes for which goods of the kind in question are commonly supplied, the appearance and finish of the goods, their freedom from minor defects, their safety, and their durability;

(ii) that a number of other (minor) changes to the 1979 Act should be made (listed at Annex A); but

(iii) that the rules governing acceptance and the loss of the right of rejection should not be changed.

The proposals are accompanied by a draft Bill comprising 8 clauses and 3 schedules. The Department has consulted outside interests widely.

The Main Policy Issues Raised By The Proposals

(a) Should there be a long-term right to reject?

The main policy question is whether there should be a long-term right to reject. The consumer movement has argued on consultation that a consumer should not lose the right to reject goods until all the facts are known to him - ie until he knows whether there is anything wrong with the goods. He should be entitled to his money back so long as he rejects the goods within a reasonable time of discovering that they are faulty. Weight has been lent to the consumer movement's representations by a recent court case in which the judge found that the purchaser of a new car which broke down badly 140 miles and 3 weeks after delivery could not reject it because (although the car was clearly not of merchantable quality) he had had an adequate opportunity of trying it out before it broke down and had

therefore "accepted" it. He was therefore entitled to damages, but not to rescind the contract. The consumer movement argues that this case illustrates just how little time the present law allows a consumer to exercise his right of rejection.

The Law Commissions however are strongly opposed to a long-term right to reject. They argue that such a right would be extremely unfair to sellers. Consumers who bought a defective product would in effect be entitled to free use of it until the defect emerged: the seller would then be obliged to take back a used product and refund the full purchase price. Such a regime would simply be too biased in the consumer's favour. It would be possible to make a long-term right of rejection less favourable to sellers by allowing the seller to deduct an element from the purchase price for use of goods before rejection, and to allow him, before making a refund, to replace the goods or to attempt to repair them. However changes on these lines would greatly complicate the law and would reduce the attraction of the rejection remedy from the consumer's point of view.

The Law Commissions take pains to emphasise that the absence of a long-term right to reject does not mean that a consumer who buys a defective product is without a remedy if the defect takes some while to appear. The consumer still retains the right to damages.

On this question, I very much agree with the Law Commissions' conclusion that the law should not be changed.

(b) Proposed redefinition of "merchantable quality" and other changes to the 1979 Act

The changes which the Law Commissions have recommended should be made (paragraph 3 above) are much less contentious. On consultation they have generally been welcomed by the consumer movement, although sellers have expressed mixed views.

I believe there is a good case for enacting the proposals. Difficulties with the present Act cannot be described as severe, but this is a fundamental area of law and it is sensible that the provisions on merchantable quality will make the law more easily understandable to consumers, traders, the courts and everyone else concerned. Other

new provisions will usefully correct minor unfairnesses in the present law. In sum the measures should generally serve to promote effective operation of the market and a fair trading environment.

Scotland

Although the two Law Commissions recommend separate provisions for their respective jurisdictions in a number of areas, the underlying policy is consistent. There is just one exception. Both Commissions recommend that a restriction should be introduced on the non-consumer buyer's right to reject the whole of a quantity of goods, where the wrong quantity is delivered, if the excess or shortfall is so slight that it would be unreasonable to do so. The English Commission argue that the restriction should not extend to the consumer buyer, because it is not a situation which consumers (unlike for instance commodity traders) encounter in practice. The Scottish Commission on the other hand argue that the restriction should extend to the consumer buyer, because it would be unreasonable to give the consumer an unqualified right to reject the whole of the goods merely because of a trifling excess or shortfall.

On such a minor issue I see no difficulty about enacting different provisions for the two jurisdictions. However, it would be tidier to bring the two into line. I would prefer the English Commission's approach, for the reason that it does not involve a restriction on the consumer's right to reject, and is therefore in principle more favourable to the consumer. Going for an approach that is less favourable to the consumer than the English Commission has actually recommended, even on so minor a point, might add to the consumer movement's sensitivities about the failure to introduce a long-term right to reject. May I by copy of this letter ask Kenny Cameron whether he would prefer to retain the Scottish approach, or to fall in with the English line?

Northern Ireland

Subject to Tom King's views I am not aware of any reason why the proposals should not be extended to Northern Ireland.

Detailed Points To Be Tidied Up

Two detailed points about the drafting of the clauses which accompany the Law Commissions' proposals arose on consultation and are being pursued by my officials with the English Commission. The first revolves around the question of whether the buyer's right to reject lapses after the expiry of a "reasonable time", or after he has had a "reasonable opportunity

of examining" the goods: in most situations there is likely to be no distinction, but consumer bodies are concerned that under the proposals as at present drafted, a buyer could be held by a court to have accepted goods because, looked at objectively, a "reasonable time" had elapsed, even though he personally had not had a reasonable opportunity to examine the goods. An amendment is proposed to make clear that a reasonable opportunity to examine is material to the question of whether a reasonable time has elapsed.

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Another matter which could usefully be tidied up in the final Bill is the extension of the "slight breach regime" (point iv at Annex A), in the case of England and Wales, to express as well as implied contract terms - this was not covered in the Law Commissions' report as it was outside the English Commission's terms of reference.

Likely Points Of Controversy

The Bill is unlikely to be controversial in party political terms. The most likely source of challenge is the consumer movement which may seek to secure amendments to provide for a long-term right to reject.

Conclusion

The Law Commissions' proposals should improve the legal framework for buying and selling goods. I invite colleagues to give their policy approval for a Bill to enact them.

I am copying this letter to members of H Committee, and to the Attorney General, the Lord Advocate, and Sir Robin Butler.

KENNETH CLARKE

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ANNEX

OTHER CHANGES PROPOSED BY THE LAW COMMISSIONS

The other recommendations of main importance are as follows:

(i) that signature of an "acceptance note" should not deprive a buyer of his right to a reasonable opportunity to examine goods;

(ii) that a buyer should not be deemed to have accepted goods merely because he asks for, or agrees to, their repair;

(iii) that a buyer (such as a retailer) should not be deemed to have accepted goods merely because he re-sells them;

(iv) that a commercial (as opposed to consumer) buyer should not be allowed to reject goods for breach of an implied quality term in cases where the breach of contract is so slight that it would be unreasonable for him to do so, or (in Scotland) is not material. A commercial buyer in these circumstances should however retain the right to damages;

(v) that there should be a new right of partial rejection enabling a buyer who buys a quantity of goods and finds that a proportion are defective to keep the good ones and only reject those for which he has no use;

(vi) that legal terminology used in the 1979 Act that is inappropriate for Scots law and has led to confusion in Scotland (the classification of implied terms as "conditions" or "warranties") should be removed and replaced by appropriate new provisions applicable only to Scotland;

(vii) that provisions equivalent to Part I of the Supply of Goods and Services Act 1982 should be made for Scotland. (This extends the provisions of the 1979 Act to certain other types of contract for the transfer of goods, and to contracts for the hire of goods.)

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the department for Enterprise

cc BK

John Butcher MP
Parliamentary Under Secretary of State for
Industry & Consumer Affairs

The Rt Hon Nicholas Ridley MP
Secretary of State for the Environment
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Date 27 June 1988

Dear Nick,

FURNITURE AND FURNISHINGS (FIRE) (SAFETY) REGULATIONS

Thank you for your letter of ~~24~~ June. top enc

You raise two points. The first concerns the alternative route to compliance for covering materials. I accept the point you make and you will have seen from my letter of 23 June to John Wakeham how we propose to meet your concern. We have opted for the course of providing a list of covering materials which can take advantage of the alternative route and this will exclude the materials which you identify as constituting a special risk.

Secondly I confirm your assumption about the reference to "the test of ignition source 5". The reference to ignition source 5 for the interliner or barrier cloth is to BS5852 Part 2. The BSI list is a composite test. The regulations will be drafted so as to avoid any uncertainty or ambiguity.

I am copying this letter to the Prime Minister, John Wakeham, Members of H Committee, Bertie Denham and Sir Robin Butler.

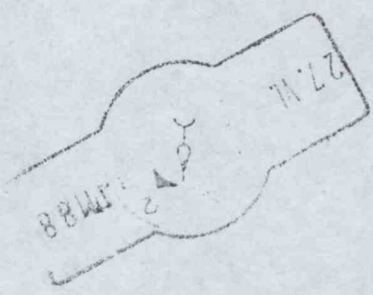
Yours ever

JB

JOHN BUTCHER

the enterprise initiative

PARLIAMENT: Legislation PT17.



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NBPM

SECRETARY OF STATE FOR THE ENVIRONMENT

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My ref:

Your ref:

John Butcher Esq MP
Parliamentary Under Secretary of
State for Industry & Consumer Affairs
Department of Trade and Industry
Victoria Street
LONDON
SW1

24 June 1988

Dear John

FURNITURE AND FURNISHINGS (FIRE) (SAFETY) REGULATIONS 1988

You wrote to John Wakeham on 17 June with proposals for new regulations governing the fire resistance of upholstered furniture and other uses of fabric and foam in the home. I would endorse your general approach, in trying to find the right balance between industrial and consumer interests, there are, however, two points relating to your proposals for covering materials on which I would like to comment.

First, you propose to allow an alternative route to compliance for materials which are not match resistant. This would, unless exclusions are specified, permit the use of covering materials which, if ignited could lead to extensive transient spread of flame, which then might spread the fire to other articles in the room or to the ceiling, Examples of such materials are polypropylene, acrylic fabrics and fabrics containing polyurethane. The regulations would, I feel, be open to considerable criticism if they allow polyurethane in covering fabrics while banning it in foam and I suggest, therefore, that a list of fabrics excluded from the alternative route be included.

Secondly, I presume that your reference to 'the test of ignition source 5' for the alternative route to compliance implies that the materials must meet the requirements of British Standard 5852: Part 2 for ignition source 5, and that the regulations will express the requirement in that way. There will otherwise be some uncertainty about the precise tests to be applied.

I am copying this letter to the recipients of yours.

Yours ever
Nicholas

NICHOLAS RIDLEY

PARLIAMENT: Legislation PT17

dti

the department for Enterprise

NSPM CBG

John Butcher MP
Parliamentary Under Secretary of State for
Industry & Consumer Affairs

The Rt Hon John Wakeham MP
Lord President of the Council
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Our ref D12ABF
Your ref
Date 23 June 1988

Dear John,

FURNITURE AND FURNISHINGS (FIRE) (SAFETY) REGULATIONS

I have seen a copy of Douglas Hurd's letter of 21 June.

I am content with the first of the alternatives in Douglas' letter and I propose to say in the statement that the regulations will provide for a limited class of covering materials which although unable to meet the match test can continue to be used with an interliner. I do not think it necessary to provide in the statement details of the fabrics to be covered but I have in mind materials containing at least 75% cotton, linen, viscose, silk and wool used separately or together.

I hope that it will be possible to find time for a statement in the week commencing 27 June and I am enclosing a draft of what I propose to say.

I am copying this letter to the Prime Minister, Members of H Committee, Bertie Denham and Sir Robin Butler.

Yours ever

John

JOHN BUTCHER

the Enterprise initiative

FURNITURE & FURNISHINGS (FIRE) (SAFETY) REGULATIONS

With permission, Mr Speaker, I should like to make a statement about the fire safety of furniture.

On 11 January 1988 My Hon Friend the Minister for Corporate Affairs announced the Government's intention to make new regulations about the flammability of domestic upholstered furniture. Draft regulations were circulated for consultation on 1 March and comments invited by 12 May. I am now in a position to announce the changes we propose to make to the regulations as a result of this consultation. I intend to lay the Regulations before the House in July.

My Hon Friend announced that the regulations would come into operation on 1 March 1989 for the filling requirements and 1 March 1990 for covering fabrics. I intend to retain these dates but to require that furniture supplied to retailers should meet the foam filling requirement from 1 November 1988. This reflects progress in the changeover to safer materials and gives the retailers an additional 4 months period of grace which will help them to clear existing stocks.

I have decided that covering materials must meet the match resistance test by 1 March 1990. However, some fabrics which are difficult, or impossible, to treat but whose burning characteristics are less likely to ignite the filling materials, will be permitted provided they are used with interliners or barrier cloths which meet the ignition source 5 test. The Regulations will specify which materials will be acceptable when used with interlines and the covering materials concerned will have to meet the cigarette resistance test. This will enable the trade to continue to use many of the fabrics at present on the market but will not prejudice the level of safety to be achieved by the original proposals.

On secondhand furniture, I have decided that a proposal from enforcement and fire safety organisations should be adopted. From 1 March 1993 all trade sales of modern second hand furniture will have to comply with the full requirements of the regulations; but from 1 March 1990 to that date the regulations will permit the sale of second hand upholstered furniture which complies with the 1980 Regulations. Private sales of second hand goods are excluded from the scope of regulations made under the Consumer Protection Act 1987. I also intend to introduce an exemption from these regulations for sales of furniture manufactured before polyurethane foam was generally introduced as a filling material, that is 1950. Furniture made before that date may be traded as collectors' items but does not contain the material we are

banning. This exemption also means that sales of antique or period furniture and re-upholstery of antiques are excluded.

For furniture built into new caravans and for garden furniture the foam requirement will apply from 1 March 1990 because these two sectors of industry have a seasonal pattern of sales which makes it unreasonable to require them to meet the 1 March 1989 deadline. Second-hand caravans will be excluded, since inclusion would mean that traders would have to change the built in furniture at a cost disproportionate to the value of the caravan itself. This would force the business into private or pseudo-private sales which would escape important safety checks the majority of caravan dealers are obliged to carry out by virtue of their membership of the National Caravan Council.

The regulations will contain a number of miscellaneous provisions covering specific matters such as stretch covers, pillows and cushions.

Objections to our proposals have been made by Belgium, France, Germany, Holland and Italy. The Commission have not raised formal objections but have asked that a number of points should be taken into account. In the changes that I have announced, I have been able to meet many of these points and I am satisfied that the regulations will go no further than is necessary in the interests of protecting consumers.

Mr Speaker, the new regulations have a cost for industry and for the consumer. It would be wrong to underestimate the task which confronts industry in meeting the new requirements within a very short timescale, but there has been a positive response to this challenge. A substantial majority share the Government's determination to ensure that the catalogue of death and injury from fires involving domestic upholstered furniture should be reduced as quickly as is practicable.

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HOME SECRETARY

QUEEN ANNE'S GATE LONDON SWIH 9AT

21 June 1988

Dear Lord President,

FURNITURE AND FURNISHINGS (FIRE(SAFETY) REGULATIONS 1988

I am writing in response to John Butcher's letter of 17 June in which he set out his revised proposals for regulations governing the fire resistance of upholstered furniture.

We are all agreed on the need to make early progress with controls over the worst kinds of polyurethane foam and, at the same time, over inappropriate fabrics used as covering materials. However, the present proposals go too far in trying to meet the understandable concerns of the fabric manufacturers. In particular I am concerned about the proposal that any fabric which fails the match test should be permitted in conjunction with an interliner. If the proposals were made public in their present form, there would be an outcry from the Fire Service that the proposed regulations were falling short of what was proposed by DTI Ministers earlier in the year.

I will not deal with the technical details of the regulations in this letter since DTI officials are fully aware of our concerns, but I suggest that John Butcher's statement on the proposed regulations should be qualified in one of the following ways:

(i) by indicating that the regulations themselves will specify those materials which, though unable to pass the match test, will be acceptable with an interliner;

or

(ii) by specifying in the regulations those fabrics which should not be permitted as covering materials, even with an interliner;

or

(iii) by indicating in the announcement that the present proposals are an interim measure until more specific restrictions on the use of the more flammable fabrics can be introduced either within a specific period or as soon as satisfactory test criteria have been established.

The Rt Hon John Wakeham, MP.

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PARLIAMENT: Legislation
Pt 17

I understand that the first of these alternatives may be acceptable to John Butcher's Department and I shall be content if he proceeds in that way.

I am copying this letter to the Prime Minister, other members of H Committee, Bertie Denham, John Butcher and Sir Robin Butler.

Yours sincerely
N.L. Sanderson

(approved by the Home Secretary and signed in his absence)

HOME SECRETARY

QUEEN ANNE'S GATE LONDON SWIH 9AT

20 June 1988

NBPM

Dear Malcolm,

FIREARMS (AMENDMENT) BILL

You wrote to me on 27 April raising a number of points on the Firearms (Amendment) Bill. A number of these were covered when you met with Douglas Hogg, and you will have gathered my views on self-loading rifles and the status of the Firearms Consultative Committee from my recent letters to John Wakeham. I am aware, however, that I have not yet responded to the points which you made in your letter about the proposed new controls on visitors.

Our view is that the present blanket exemption from shotgun certificate requirements for overseas visitors who have been in the country for less than 30 days in the previous 12 months represents a serious defect in the controls which needs to be remedied. We are not persuaded that the proposed permit fees, the difficulty of finding a sponsor, or the minimal bureaucracy involved will deter a significant number of shooters from visiting Great Britain. We have made the procedure as simple as possible and this will be reflected in the forms to be prescribed. Either the host of the visiting shooter or the organiser of the event or competition in which he is taking part will be able to act as a sponsor and, since applications will be made through the sponsor, liaison with the police force issuing the permit should not pose a problem. On fees, we have made two important concessions, by lowering the firearms permit fee to £12, in line with shotguns, and by providing for a group permit for six or more visitors (up to a maximum of 20) at a cost of £60.

You have asked me to consider exempting visiting shooters from the shotgun permit requirement if they are in Great Britain for less than 30 days in any one year, but I fear that this would leave us in exactly the same unsatisfactory position as at present. Given the public and Parliamentary interest in firearms controls, I do not think it would be acceptable to bring forward an amendment which would considerably dilute the present proposals in the Bill. First, it would hit at the logic of the controls in the Bill, namely that the police should have an up-to-date account of all weapons legally held in the country. This is important so as to minimise the leakage

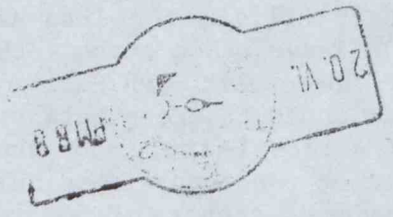
The Rt Hon Malcolm Rifkind, MP. /over...

of guns from the legal to the illegal market. Second, I think that an exemption for visitors would be resented by many shooters in this country who are being asked to shoulder new burdens in the interests of public safety, and would weaken the case which we continue to have to make with them. I agree that visiting sportsmen should not normally pose a threat to public safety any more than do British sportsmen, but in our view a permit system for all visitors is the only way to distinguish between genuine sportsmen and those who might wish to bring shotguns into this country for quite different reasons.

I am copying this letter to the Prime Minister, members of H Committee, Nick Lyell, Sir Robin Butler and First Parliamentary Counsel.

Yours,

Douglas.



dti

the department for Enterprise

John Butcher MP
Parliamentary Under Secretary of State for
Industry & Consumer Affairs

The Rt Hon John Wakeham Esq MP
Lord President of the Council
and Leader of the House of Commons
Lord President's Office
68 Whitehall
London
SW1

Department of Trade and Industry

1-19 Victoria Street
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01-215 7877

Telex 8811074/5 DTHQ G
Fax 01-222 2629

Direct line 215 4301
Our ref D10ABM
Your ref
Date 17 June 1988

NBPM

Dear Lord President

FURNITURE AND FURNISHINGS (FIRE) (SAFETY) REGULATIONS 1988

On 11 January Francis Maude announced in a Parliamentary Statement the Government's intention to make new regulations governing the fire resistance of upholstered furniture, banning the use of all but the newly developed combustion-modified polyurethane foam fillings and requiring fabrics to meet a test for resistance to ignition by a simulated match flame (the match test). On 1 March a draft set of regulations was issued for public comment, which was requested by 12 May. The substantial response has in general been supportive of the policy aims but not surprisingly we have been pressed to make changes and the problems and burdens for industry have been stressed.

We are now in a position to announce the changes to the original proposals and our intention to make the regulations during the course of July. I am seeking agreement to make an oral statement to the House on this topic in the latter part of the week beginning 20 June, because of the strong Parliamentary and public interest and following the precedent set by Francis Maude in January. This letter outlines the

changes we propose to make in the original proposals as a result of consultation. The statement will announce the proposed conclusions set out in this letter and will be circulated in draft in the usual way.

The main effect of the regulations in reducing the risk of fire will be the change from standard polyurethane foam as a filling material for furniture to the new combustion-modified types of foam which were developed and launched on the market in 1987 and represent a real advance in safety because when they do catch fire the rate of fire development and emission of smoke and toxic gases is very much less than with the polyurethane foam which has been used in 90% or more of the furniture produced and sold in this country since about 1950. This central feature of the regulations remains unchanged. Although there are quite a number of changes to be made to the 1 March draft, many are of a technical nature, many are non-controversial and all are ancillary to the central provision on foam.

Implementation date

Rightly or wrongly a great deal of interest has centred on the dates for the regulations to come into operation. Francis Maude announced that these would be the end of February 1989 for the filling requirements and the end of February 1990 for the covering fabric requirements. Despite intense pressure from the furnishing textiles industry, I intend to retain these dates. Indeed the "make-by" date for the foam filling requirements will be brought forward to 1 November 1988. This reflects the change which the furniture industry and its foam suppliers have already put in hand, and gives the retailers a 4 month period of grace between "make by" and "sell by" dates, which helps them to dispose of stock which does not meet the new requirements. For furniture built into new caravans and garden furniture, there will be a 12 month postponement for the foam requirement to end February 1990 because these two sectors of the industry have a seasonal pattern of sales which would make it unreasonable to require them to meet the earlier date. The furniture industry and particularly its fabric suppliers will be very disappointed that there is no extension beyond end February 1990 of the requirement for fabrics to meet the match test.

Second-hand furniture

There has been strong pressure to extend the regulations to cover second-hand furniture. None of the options available on this question are entirely satisfactory but I have decided that a compromise solution, originally suggested by enforcement and fire safety organisations, should be adopted. From end February 1993 all sales of modern second-hand furniture will have to comply with the full requirements of the regulations; but from end February 1990 to that date it will be permissible to sell second-hand upholstered furniture which does not comply, providing that its sale would not have been in breach of the current (1980) regulations. This will mean that most second-hand furniture available in shops will have at least some degree of resistance to fire. Private sales of second-hand goods are excluded from the scope of regulations made under the Consumer Protection Act 1987. I also intend to introduce an exemption from these regulations for sales of furniture made before polyurethane foam was generally introduced as a filling material, that is 1950. Furniture made before that date may be traded as collectors' items, but the quantity involved is small and it does not contain the material we are banning,i.e. standard polyurethane foam. This exemption also means that antique furniture (i.e. pre-1950) sales and re-upholstery of antiques are excluded. Second-hand caravans will also be excluded, since inclusion would mean that traders would have to change the built-in furniture, at a cost disproportionate to the value of the caravan itself, and this in turn would force the business into private or pseudo-private sales, which would then escape the safety checks which the majority of caravan dealers are obliged by their membership of the National Caravan Council to carry out.

Covering materials

The strongest representations from industry have concerned covering materials. Most covering materials can be chemically treated or back-coated so that they meet the match test but some materials, especially the more expensive ones lose essential qualities when subjected to these treatments or cannot be treated at all. The industry, particularly that concerned with specialist or high quality fabrics, have argued strongly for a number of changes to the regulations and advance in support of their case the very substantial damage that would be done to the industry if the original proposals were maintained. I believe that we should meet these objections as far as practicable. I have therefore decided that an alternative route to compliance with the requirements

for coverings should be provided. This will permit the use of materials which are not match resistant, although they will continue to have to comply with the test on resistance to a smouldering cigarette, provided they are used over interliners or barrier cloths which meet the test of ignition source 5.

I do not consider that this involves an increase in fire risk and indeed can be regarded as an enhancement of safety. This will enable the trade to continue to use many of the fabrics at present on the market thus reducing the severe problems that were raised by the original proposals. The fabrics that will benefit from this alternative approach are likely to be the specialist and/or non-acrylic fabrics.

The fire prevention lobby may object to this concession but I do not believe that any such criticisms can be sustained and I am confident that the original requirements would impose a severe and unjustifiable burden on the furniture and fabrics industries with consequences for unemployment and the solvency of the companies concerned. The principal representation which I have not been able to accept concerns the strong arguments put forward for a long delay, until 1993 for implementing the requirements in respect of coverings. I do not believe that this can be met and that we should maintain the existing date but this will of itself add to the burden which is being imposed on this part of the industry and can be seen as mitigating, in part, the change I have outlined.

Miscellaneous

The test for combustion-modified foam has been modified; there will be a relaxation to allow for the use of latex foam in mattresses and for all the other types of non-foam fillings to be tested as composites, rather than each material needing to be tested separately. The use of foam in crumb or chip form, very common in garden furniture and cushions and pillows, will be permitted provided the foam from which this material is derived is of the combustion-modified type (in crumb foam it does not actually meet the determining test) and itself meets ignition tests.

There will be special provisions for scatter cushions and allowing the use of all types of material for decorative covers but requiring the pillow or cushion itself to have a reasonable degree of fire resistance, and there will be special provisions for stretch covers. The draft requirements for labelling are being modified to take account of points put to us in the consultation.

dti

the department for Enterprise

Europe

There have been objections to our proposals from Belgium, Germany, Italy, France and Holland but these have not been supported by the EC Commission. It seems clear, therefore, that we shall be able to go ahead with these measures. I cannot say whether or not they will foreshadow similar eventual requirements in the Community as a whole but views on this topic within Europe are divergent and it could be at least 5 years before any proposal of this nature could be agreed. In this country the pressure on us to tighten up these safety regulations is so strong that we cannot wait for Europe to reach agreement.

On a number of other matters where we have been urged to make changes we have decided to leave the regulations as they stand.

It has not been easy to strike the right balance between the wishes of the fire prevention lobby and the views of the furniture and allied industries but I believe that with these modifications we have got the balance about right. It is hard to estimate the additional cost of furniture but there will be some increase in cost and possibly a reduction,although not an intolerable one, in consumer choice of covering fabrics. Industry and trade will be faced with considerable difficulties in meeting the changes but the consultation does not suggest that it will not be manageable.

I am copying this letter to the Prime Minister, Members of H Committee, Bertie Denham and Sir Robin Butler.

Yours sincerely

Ricky Tarall

pp JOHN BUTCHER

(Approved by the Minister and signed in his absence)

the Enterprise initiative

Confirmation only - letter sent by Fax

24.5.88

Privy Council Office,
Whitehall,
London, SW1A 2AT

With the Compliments

of the

Private Secretary

to the

Lord President of the Council

PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

24 May 1988

Dear Mark,

You asked for a note on the state of the legislative programme. Aside from Consolidated Fund Bills, the following 21 pieces of legislation have received Royal Assent already this session:

Arms Control & Disarmament (Privileges and Immunities) Act

British Shipbuilders (Borrowing Powers) Act

Channel Tunnel Act

Duchy of Lancaster Act

Finance Act 1987

Immigration Act

Licensing Act

Local Government Act

Multilateral Investment Guarantee Agency Act

Norfolk and Suffolk Broads Act

Public Utility Transfers and Water Charges Act

Regional Development Grant (Termination) Act

Scottish Development Agency Act

Social Security Act

Urban Development Corporations (Financial Limits) Act

Welsh Development Agency Act

Coroners Act

Farm Land and Rural Development Act

Income and Corporation Taxes Act

Matrimonial Proceedings (Transfers) Act

Merchant Shipping Act

Of these, the Channel Tunnel Act and the Norfolk and Suffolk Broads Act were hybrid Bills introduced in the last Parliament. The Income and Corporation Taxes Act is a consolidation measure.

Contd/2 . . .

The following Bills have completed their passage through the House in which they were introduced, and have begun their passage through the second chamber:

British Steel

Dartford-Thurrock Crossing

Education Reform

Employment

Health and Medicines

Housing (Scotland)

Local Government Finance

Civil Evidence (Scotland)

Copright, Designs and Patents

Court of Session

Criminal Justice

Foreign Marriage

Legal Aid

Of these 13, 7 were introduced in the Commons. The Dartford-Thurrock Crossing Bill is hybrid and was introduced in the previous Parliament.

The 5 Bills which are still in the House in which they were introduced are:

Electricicy (Financial Provisions) (Scotland) - only just introduced.

Finance - a special case

Firearms (Amendment) - due to complete its Commons stages before the Spring adjournment

Housing - has completed Committee Stage in the Commons

School Boards (Scotland) - still in Standing Committee in the Commons.

Yours,
Alison.

ALISON SMITH
Private Secretary

Mark Addison Esq
PS/Prime Minister
10 Downing Street

42/2.BTW.1234/50 **RESTRICTED**

CCBG

FINANCIAL SECRETARY TO THE TREASURY

Treasury Chambers, Parliament Street, SW1P 3AG

John Cope Esq MP
Minister of State
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

MBPM
RRC6
20/5

19 May 1988

Dear John

DEBATE: PROPOSALS FOR COUNCIL DIRECTIVES ON THE PROTECTION OF WORKERS FROM EXPOSURE TO CHEMICAL, PHYSICAL AND BIOLOGICAL AGENTS (7658/86 AND 9928/87) AND FROM RISKS FROM CARCINOGENS (10662/87) AND ON THE MARKETING AND USE OF CERTAIN DANGEROUS SUBSTANCES AND PREPARATIONS (4544/88)

WILL REQUEST IF REQUIRED

Thank you for sending me a copy of your letter of ~~26~~ April to John Wakeham.

I agree with your proposal for a debate in Standing Committee on the motion contained in your letter. I note that you hope to obtain modifications in further negotiations to ensure that unnecessary health examinations will not be required.

I am copying this letter to the recipients of yours.

Yours ever

NORMAN LAMONT

SUBJECT cc MASTER SECRET 9 DCA

File (Restricted distribution)

cc A. Smith (2 copies) for PS/Lord Bolstead PS/Chief Whip 9/6/88.

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

17 May 1988

Dear Alison,

THE LEGISLATIVE PROGRAMME FOR 1988/89

The Prime Minister held a meeting at No.10 Downing Street at 1145 on Monday 16 May 1988. The Home Secretary, the Lord President, Sir Robin Butler and Mr. A.J. Langdon (Cabinet Office) were present. The meeting had before them a note by the Cabinet Office assessing the possibilities for adjusting the 1988/89 legislative programme provisionally approved by the Cabinet, so as to accommodate a Student Support Bill and/or a Security Service Bill. I should be grateful if you and the other recipients of this letter would not make copies without authority from 10 Downing Street. Please could you also restrict sight of this letter to named individuals only.

The Lord President said that he remained of the view that the programme provisionally approved by the Cabinet was at the outer limits of what could be managed. Each of the new Bills proposed on Student Support and on the Security Service could, in his view, only be accommodated by the removal of a Bill of significant size, and he believed that the only two realistic candidates for removal were the Broadcasting Bill and the Children and Family Services Bill, though the departure of either of these Bills would cause problems of different kinds. The expansion of the Elections (Northern Ireland) Bill to cover declarations against terrorism by candidates in Northern Ireland local elections could be managed alongside the changes that would be needed to accommodate either of the new Bills under discussion. He had agreed with the Secretary of State for Scotland that one of the three sizeable Scottish Bills in the provisional programme should start in the House of Lords, simultaneously with the introduction of one of the other Scottish Bills in the House of Commons. That arrangement would be extremely helpful in managing the Scottish component of the programme. If a Bill were needed to establish a Foundation to receive the Thyssen Collection, it would be a trouble-free measure that might even be accepted for Second Reading Committee procedure.

The meeting noted that the Representation of the People Bill would be a short, or very short, measure that would probably need to be taken on the floor of the House of Commons at all stages. Soundings would, in due course, need to be taken of the Opposition about their attitude to this Bill, and the Lord President's minute to the Prime Minister of 23 March

had suggested that the Bill should only go ahead in the 1988-89 session if a clear run for it could confidently be predicted in the light of those soundings. The meeting believed that, in practice, the Bill's objects might well prove controversial. If provisions to remove the franchise from certain groups were to be added, the Bill's character would be substantially changed and its controversiality much increased.

In discussion it was noted that the Children and Family Services Bill provided a valuable element of balance in the programme and was highly suitable for introduction in the House of Lords. The postponement of that Bill would also cause problems for the accommodation in a later session of a Bill on the Warnock Report on Human Fertilisation and Embryology. The Broadcasting Bill, on the other hand, was to be followed by a second Bill in the 1989-90 session, and there was no technical problem in amalgamating the two measures into a single large Bill in the later session. In that event, it might be desirable to maintain the momentum on programme standards by interesting a private Member in promoting a Bill to extend the provisions of the Obscene Publications Act to the broadcasting authorities.

The meeting then considered the interaction between the Official Secrets Bill and a Bill on the Security Service. The second of these measures would certainly need to be taken on the floor of the House of Commons for all its stages. It was possible that some or all of the Committee Stage of the Official Secrets Bill would also need to be taken on the floor of the House, but a final decision on that could not be taken until the selection of the Standing Committee, following the Bill's Second Reading. In any event, the Official Secrets Bill could not be finalised until after the House of Lords gave judgement in the Spycatcher case in late July.

The meeting agreed that both the Official Secrets Bill and the Security Service legislation should be drafted in a way that limited the scope for amendments as much as possible, and it was noted that amalgamating the two measures into a single Bill would inevitably increase the vulnerability to amendment. Another important consideration was the need to retain the initiative by giving as little as possible prior notice of the intention to introduce the Security Service legislation. It would be extremely difficult to meet that objective if the two Bills were amalgamated, since there had to be a White Paper on Official Secrets in June and it would be hard for the Government subsequently to justify not having then signalled the entire scope of the Official Secrets Bill that it intended to introduce. The best course might be to take the Security Service Bill through the House of Commons at the very earliest moment in the new session, with no prior notice. The Parliamentary handling of the Bill would be greatly eased if some concession could be made to the Opposition, and the Bill might be prepared with that in mind.

The Prime Minister, summing up the discussion, said that the meeting had agreed that the Broadcasting Bill should be

dropped from the legislative programme in the next session, and amalgamated with the Bill that would be needed in the following session. It would, however, be welcome if a private Member could be interested in promoting in the next session a Bill to extend the provisions of the Obscene Publications Act to the broadcasting authorities. The removal of the Broadcasting Bill would provide enough room in the programme for both the Security Service legislation, if it were agreed that that measure should proceed, and the expansion of the Elections (Northern Ireland) Bill to provide for anti-terrorist declarations by candidates in Northern Ireland local elections. The meeting had also agreed that the Security Service legislation, if it were to proceed, should not be amalgamated with the Official Secrets Bill and that it would be best managed by being introduced at the very earliest moment in the session with the bare minimum of prior announcement. The Bill's Parliamentary handling would be eased if it were possible to make a concession of some point to the Opposition. It seemed likely that at least some of the Committee Stage of the Official Secrets Bill would need to be taken on the floor of the House of Commons, but that could not be finally settled until after the Bill's Second Reading. The very early introduction of a Security Service Bill, if it were agreed, and the clear need to take the Committee Stage of that measure on the floor of the House of Commons, emphasised the requirement for all major Bills to be available for early introduction, so that they achieved their Second Readings before Christmas. If necessary, the Christmas Recess might need to be a short one. The meeting had not been in a position to take a view on the accommodation of a Bill on student support, which had been noted by the Cabinet as having first call for inclusion in the programme. Even in the modified form in which it might now be emerging, that Bill would be a highly controversial measure that would make heavy demands on Parliamentary time and on the general management of the programme. The only way of accommodating a Student Support Bill that had so far been identified was to jettison the Children and Family Services Bill, but that measure dealt with an important area of social policy and was needed to balance the programme, to enable the Government to respond to the Cleveland Inquiry report, and to avoid problems with a later Bill on the Warnock Report. There was therefore a very strong case for maintaining the Children and Family Services Bill in the programme, and further thought would need to be given to the questions surrounding student support in the light of the expanding requirements for legislation on official secrets and related matters. The decisions on the Broadcasting Bill and the Elections (Northern Ireland) Bill would need to be ratified by the Cabinet at some point.

I am sending a copy of this letter to Philip Mawer (Home Office) and to Sir Robin Butler.

Yours ever,
Nigel Wicks

(N.L. WICKS)

Ms. Alison Smith,
Lord President's Office.

SECRET 8

K01945

MR WICKS

cc Mr Woolley

I attach a note of the meeting that the Prime Minister held yesterday on the legislative programme 1988-89 for you to send, if agreed, to the private secretaries to those present. You may wish to indicate the handling restrictions for this when you distribute it.

The decisions on the Broadcasting Bill and the Elections (NI) Bill will need to be ratified by the Cabinet at some point. More immediately, I think that the team of Home Office officials needs to be stood down from preparing the Broadcasting Bill. Could you settle direct with Philip Mawer whether for that purpose he needs a short note that he can promulgate?

Agreed with Sandbrook Dodd that need a note.
W. C. U
17.5

AJL

A J LANGDON

17 May 1988

SECRET

NOTE OF A MEETING

The Prime Minister held a meeting at No 10 Downing Street at 11.45 am on Monday 16 May 1988. The Home Secretary, the Lord President, Sir Robin Butler and Mr A J Langdon (Cabinet Office) were present. The meeting had before them a note by the Cabinet Office assessing the possibilities for adjusting the 1988-89 legislative programme provisionally approved by the Cabinet, so as to accommodate a Student Support Bill and/or a Security Service Bill.

THE LORD PRESIDENT said that he remained of the view that the programme provisionally approved by the Cabinet was at the outer limits of what could be managed. Each of the new Bills proposed on Student Support and on the Security Service could, in his view, only be accommodated by the removal of a Bill of significant size, and he believed that the only two realistic candidates for removal were the Broadcasting Bill and the Children and Family Services Bill, though the departure of either of these Bills would cause problems of different kinds. The expansion of the Elections (NI) Bill to cover declarations against terrorism by candidates in Northern Ireland local elections could be managed alongside the changes that would be needed to accommodate either of the new Bills under discussion. He had agreed with the Secretary of State for Scotland that one of the three sizeable Scottish Bills in the provisional programme should start in the House of Lords, simultaneously with the introduction of one of the other Scottish Bills in the House of Commons. That arrangement would be extremely helpful in managing the Scottish component of the programme. If a Bill were needed to establish a Foundation to receive the Thyssen Collection, it would be a trouble-free measure that might even be accepted for Second Reading Committee procedure.

The meeting noted that the Representation of the People Bill would be a short, or very short, measure that would probably need to be taken on the floor of the House of Commons at all stages. Soundings would, in due course, need to be taken of the Opposition

about their attitude to this Bill, and the Lord President's minute to the Prime Minister of 23 March had suggested that the Bill should only go ahead in the 1988-89 session if a clear run for it could confidently be predicted in the light of those soundings. The meeting believed that, in practice, the Bill's objects might well prove controversial. If provisions to remove the franchise from certain groups were to be added, the Bill's character would be substantially changed and its controversiality much increased.

In discussion it was noted that the Children and Family Services Bill provided a valuable element of balance in the programme and was highly suitable for introduction in the House of Lords. The postponement of that Bill would also cause problems for the accommodation in a later session of a Bill on the Warnock Report on Human Fertilisation and Embryology . The Broadcasting Bill, on the other hand, was to be followed by a second Bill in the 1989-90 session, and there was no technical problem in amalgamating the two measures into a single large Bill in the later session. In that event, it might be desirable to maintain the momentum on programme standards by interesting a private Member in promoting a Bill to extend the provisions of the Obscene Publications Act to the broadcasting authorities.

The meeting then considered the interaction between the Official Secrets Bill and a Bill on the Security Service. The second of these measures would certainly need to be taken on the floor of the House of Commons for all its stages. It was possible that some or all of the Committee Stage of the Official Secrets Bill would also need to be taken on the floor of the House, but a final decision on that could not be taken until the selection of the Standing Committee, following the Bill's Second Reading. In any event, the Official Secrets Bill could not be finalised until after the House of Lords gave judgement in the Spycatcher case in late July.

The meeting agreed that both the Official Secrets Bill and the Security Service legislation should be drafted in a way that limited the scope for amendments as much as possible, and it was

noted that amalgamating the two measures into a single Bill would inevitably increase the vulnerability to amendment. Another important consideration was the need to retain the initiative by giving as little as possible prior notice of the intention to introduce the Security Service legislation. It would be extremely difficult to meet that objective if the two Bills were amalgamated, since there had to be a White Paper on Official Secrets in June and it would be hard for the Government subsequently to justify not having then signalled the entire scope of the Official Secrets Bill that it intended to introduce. The best course might be to take the Security Service Bill through the House of Commons at the very earliest moment in the new session, with no prior notice. The Parliamentary handling of the Bill would be greatly eased if some concession could be made to the Opposition, and the Bill might be prepared with that in mind.

THE PRIME MINISTER, summing up the discussion, said that the meeting had agreed that the Broadcasting Bill should be dropped from the legislative programme in the next session, and amalgamated with the Bill that would be needed in the following session. It would, however, be welcome if a private Member could be interested in promoting in the next session a Bill to extend the provisions of the Obscene Publications Act to the broadcasting authorities. The removal of the Broadcasting Bill would provide enough room in the programme for both the Security Service legislation, and the expansion of the Elections (NI) Bill to provide for anti-terrorist declarations by candidates in Northern Ireland local elections. The meeting had also agreed that the Security Service legislation should not be amalgamated with the Official Secrets Bill and that it would be best managed by being introduced at the very earliest moment in the session with the bare minimum of prior announcement. The Bill's Parliamentary handling would be eased if it were possible to make a concession of some point to the Opposition. It seemed likely that at least some of the Committee Stage of the Official Secrets Bill would need to be taken on the floor of the House of Commons, but that could not be finally settled until after the Bill's Second Reading. The very early introduction of the Security Service

yet were agreed,

Bill, and the clear need to take the Committee Stage of that measure on the floor of the House of Commons, emphasised the requirement for all major Bills to be available for early introduction, so that they achieved their Second Readings before Christmas. If necessary, the Christmas Recess might need to be a short one. The meeting had not been in a position to take a view on the accommodation of a Bill on student support, which had been noted by the Cabinet as having first call for inclusion in the programme. Even in the modified form in which it might now be emerging, that Bill would be a highly controversial measure that would make heavy demands on Parliamentary time and on the general management of the programme. The only way of accommodating a Student Support Bill that had so far been identified was to jettison the Children and Family Services Bill, but that measure dealt with an important area of social policy and was needed to balance the programme, to enable the government to respond to the Cleveland Inquiry report, and to avoid problems with a later Bill on the Warnock Report. There was therefore a very strong case for maintaining the Children and Family Services Bill in the programme, and further thought would need to be given to the questions surrounding student support in the light of the expanding requirements for legislation on official secrets and related matters.

SECRET

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

13 May 1988

LEGISLATIVE PROGRAMME 1988-89: POSSIBLE ADDITIONS

The Home Secretary may find it helpful to have a copy of the note attached which the Prime Minister and the Lord President will have before them at the meeting on Monday 16 May at 11 a.m.

Please could I ask that no copies should be taken of this note and that it should be shown on a strict need to know basis.

Could I ask too that no mention should be made to the DHSS and the Lord Chancellor's Department about the uncertainties suggested in the note surrounding the Children and Family Services Bill should the Security Service and student support measures proceed.

I am sending a copy of this letter to the Private Secretaries to the Lord President and to Sir Robin Butler (without the attachment which they already have).

N.L. Wicks

Philip Mawer, Esq.,
Home Office.

SECRET

SECRET 6

CCBJOP

Prime Minister

The Lord President and the Home Secretary have a copy of the paper attached.

N. L. J.

13.5

Ref. A088/1477

MR WICKS

Legislative Programme

You asked us to prepare a note as the basis for the meeting that the Prime Minister is holding at 11.00 am on Monday 16 May.

2. I attach a note, prepared by the Home Affairs Secretariat here, and I am also sending a copy to Alison Smith in the Lord President's Office.

3. I understand from Anthony Langdon that you thought it best to postpone a decision on what documentation might be sent to the Home Secretary for the meeting until you saw the note. I, for my part, would be content for the attached note to go to the Home Secretary. If you agree, perhaps you could send him a copy direct.

4. The Cabinet Office will, of course, provide a separate brief for the Prime Minister before the weekend.

FE.R.B.

ROBIN BUTLER

12 May 1988

SECRET

LEGISLATIVE PROGRAMME 1988-89: POSSIBLE ADDITIONS

Note by the Cabinet Office

The 1988-89 programme, as provisionally approved by Cabinet, is attached at Annex A. In approving the programme (CC(88) 9:5) Cabinet noted that it was a very heavy one for a session that would be starting late, and decided that no significant additions should be made to it without offsetting reductions. This note assesses the possibilities for accommodating a Student Support Bill and/or a Security Service Bill. It also takes account of the Cabinet's wish to expand the Elections (NI) Bill, if that is manageable and notes the possibility of a short Bill to provide for receipt of the Thyssen Collection.

THE PROVISIONAL PROGRAMME

(i) Very Short Bills

2. There are five very short Bills - Pesticides; Continential Shelf (Amendment); Brunei (Appeals to the Privy Council); Antarctic Minerals; and Representation of the People. The Lord President commented on the last two of these in a minute of 23 March, when he suggested that the Representation of the People Bill should only proceed if a clear run could confidently be predicted for it in the light of soundings of the Oppostion, and the Prime Minister accepted that advice (Mr Wicks's letter of 24 March). On that basis, the five very short Bills cannot make much contribution to finding room for possible additions.

(ii) Scottish Bills

3. There are three Scottish Bills, on Housing; Education; and Transport. The Prime Minister noted at Cabinet that the Bill on Education would certainly need to be retained, and the Bill on Housing is a mainstream measure reflecting legislation for

England and Wales. The Bill on Transport is a privatisation measure and is fairly important in Scottish terms. The Business Managers have agreed with the Secretary of State for Scotland that one of these three Bills should start in the Lords.

(iii) Northern Ireland Bills

4. The Fair Employment (NI) Bill is important in a Northern Ireland context and likely to be welcomed: it should not take a great deal of Parliamentary time. The Northern Ireland Secretary needs it to counter campaigns in the USA for disinvestment from Northern Ireland.

(iv) Other Bills

--- 5. The remainding programme Bills are set out at Annex B. Four of them contain essential elements. Most of the remainder are clearly necessary because of their financial importance and/or their high place in the Government's overall priorities. There appear to be only the following two Bills whose place in the programme might be reviewed:

a. Children and Family Services

6. This Bill (which had advance drafting authority) is to clarify a highly defective area of law on child care, wardship etc. It is needed to deal with some cases about parental access in child care cases that we have lost under the European Convention on Human Rights (ECHR), and we are at risk of losing further ECHR cases on other aspects of the present law of child care. It is likely that the Government will need to promise action in this field in the light of the report of the Cleveland Inquiry, which will be received in June. The Bill has already been cut to meet QL's concerns, and it cannot sensibly be reduced further.

7. In recommending the Bill, QL were also influenced by the need to accommodate a Bill on the Warnock Report not too far into the present Parliament, and the need to avoid having both Bills in the same session. QL also noted that the Children and Family Services Bill was not controversial in Party terms and provided an element of social policy that helped to balance the programme. The Bill would start in the House of Lords: it would probably not take a great deal of time on the floor of the House of Commons.

b. Broadcasting 3 days

8. This is the first of two Bills approved by MISC 128 in order to keep up the momentum on broadcasting, to implement an agreed policy on radio, and to spread the legislative load. It would deal with Radio (about 30 clauses) and also with Programme standards and various non-essential financial matters. The Bill approved for the 1989-90 session would mainly deal with television issues. At their meeting MISC 128 agreed that the White Paper on broadcasting would need to be postponed until October, and that the case should be examined for postponing at least some of the proposed contents of the first Broadcasting Bill for inclusion in the second one.

9. There will undoubtedly be considerable interest in broadcasting issues in both Houses, and a Bill covering several separate topics would be susceptible to amendment on television issues. A Bill confined to radio issues would be less susceptible to amendment in that way, but the Government would then need to consider how to present the question of the Broadcasting Standards Council. It might be difficult to defend not taking statutory powers to establish the Council at the first opportunity, but the inclusion of those powers would bring in all the other broadcasting standards issues and would widen the debate to cover television matters.

POSSIBLE ADDITIONS TO THE PROGRAMME

a. Student Support Bill

10. The Cabinet accepted this Bill as having first claim for inclusion in next session's programme, if it received policy approval and providing that reductions to accommodate it could be identified. The subject would be controversial in both Houses, and it has been a difficult one with Government supporters in the past. On the other hand, the Bill might be fairly short (around 15 clauses) with most of the detailed provisions for a loan system relegated to subordinate legislation. The Secretary of State for Education and Science has argued that if the subject is to be tackled, then next session is the only politically realistic time for legislation during the present Parliament.

Prime Minister
Mr Baker's Student support proposals have run into opposition from colleagues. He is coming to see you about this on Tuesday.

b. Security Service Bill

11. This Bill to put the Security Service on a statutory footing together with an oversight and complaints machinery would be short (7 clauses and 2 schedules). It would be controversial in both Houses and would need to be taken through all its stages in the House of Commons on the floor of the House. There would undoubtedly be pressure for a more elaborate obversight system and there would also be a good deal of fishing for details of the Security Service's operations.

12. On timing, the arguments that the Home Secretary has put forward for an early Bill are:

(i) the need for a warrant system to ensure the Security Service's operational efficiency;

(ii) the help that this legislation would provide in securing acceptance of the special offence in the Official Secrets Bill;

(iii) the fact that the complaints machinery is needed to deal with some pending ECHR cases, and the desirability of the Government retaining the initiative on this.

13. It is for consideration whether this Bill should be coupled with Official Secrets in a single Bill with two distinct parts, since they will be coming forward simultaneously and both will have to be taken on the floor of the House. But they are, in fact, distinct subjects, which there is some disadvantage in linking and it is probably better to take them separately.

c. Elections (NI) Bill

14. Extending the present uncontroversial Bill to include a provision on declarations against terrorism by candidates in Northern Ireland local elections would certainly make this Bill a controversial measure. The declaration would, however, be the only controversial issue in what would still be a very short Bill. The measures would need to be taken through at the beginning of the session, so as to be in place for the Northern Ireland local elections in May 1989.

d. Thyssen Collection Bill

15. It is possible that, if negotiations proceed with the Thyssen Trust on providing a permanent home for the Thyssen Collection, a relatively short Bill would be needed to establish a Foundation to receive the pictures and to provide for the financial commitment being undertaken by the Government. But such a Bill is by no means certain and would anyway be relatively short.

CONCLUSIONS

16. It appears to the Cabinet Office that:

i. The only two Bills of any weight in the provisional programme that are not politically or technically essential are Children and Family Services and Broadcasting.

ii. Children and Family Services is indivisible: Broadcasting could be limited either to radio issues or programme standards issues.

iii. Postponing Children and Family Services would have difficult consequences for accommodating a Bill on Warnock this Parliament. Any postponed parts of Broadcasting could simply be amalgamated with the Bill required in the 1989-90 session, albeit at the cost of increasing its size and complexity.

17. It is much more difficult to assess the impact on the programme of including Student Support and/or Security Service (whether or not the later were amalgamated with Official Secrets). Both the proposed new Bills would be highly controversial measures that would have to start in the Commons. We suggest that if they were both included, Elections (NI) were expanded and contingent provision is made for the Thyssen Bill, then both Children and Family Services and Broadcasting would almost certainly have to be dropped in full and the Business Managers would need to consider if yet further adjustments were required.

ANNEX A

BILLS RECOMMENDED FOR INCLUSION IN 1988/89 PROGRAMME

ESSENTIAL

HO	Prevention of Terrorism (Temporary Provisions)	medium

To re-enact, with amendments, Prevention of Terrorism (Temporary Provisions) Act 1984.

HMT	European Communities (Finance)	very short

To ratify the Community's increased own resources ceiling, and change the structure of own resources.

CONTINGENT

FCO	Fiji	very short

To make provision consequent upon constitutional changes in Fiji.

PROGRAMME WITH ESSENTIAL ELEMENTS

DEmp	Employment	medium (c 15-20 clauses)

To meet requirements of EC law (essential) and to implement a number of deregulatory measures.

DEn	Atomic Energy	short

To increase the financial limit for British Nuclear Fuels Limited (essential), and to implement nuclear licensing, insurance and mutual assistance measures.

DTI	Companies	long (c 160 clauses)

To implement EC company diretctives (essential), to amend mergers procedures (originally proposed as part of Fair Trading Bill), and miscellaneous regulatory and deregulation measures.

DTp	Road Traffic	substantial (c 30 clauses)

To introduce a unitary driver licensing system (essential), and to provide for automated traffic guidance systems.

PROGRAMME

MAFF	Pesticides	very short (one clause)

To allow MAFF to recover full costs of dealing with pesticides applications.

DEn	Electricity	long (c 100 clauses)

To provide for the privatisation of the electricity supply industry in Great Britain.

DEn/FCO	Continental Shelf (Amendment)	very short

To give effect to any treaty delimiting UK continental shelf.

DOE	Water Privatisation	long (over 200 clauses)

To provide for the privatisation of the water industry in England and Wales.

DOE	Housing and Local Government	long (c 160 clauses)

To reform local authority housing finance; transfer new town housing stock; restructure local authority capital finance controls: implement the most pressing Widdicombe recommendations; and miscellaneous other measures.

FCO	Antarctic Minerals	short

To give effect to any Treaty regulating Antarctic minerals development.

FCO	Brunei (Appeals to Privy Council)	very short

To provide for the Judicial Committee of the Privy Council to advise the Sultan of Brunei in appeal cases from Brunei.

DHSS & LCD	Children and Family Services	long (c 80 clauses)

To improve and clarify law on child care.

DHSS	Social Security	substantial (c 30 clauses)

To make structural changes in social security benefits and miscellaneous other provisions.

HO	Official Secrets	medium

To replace section 2 of the Official Secrets Act 1911 with fresh provisions for safeguarding official information.

HO	Broadcasting	long (c60 clauses)

To reform commercial radio and to strengthen provisions on broadcasting standards.

[redacted]	Representation of the People	very short/short

To amend the law on overseas and absent voting.

NIO	Fair Employment (Northern Ireland)	substantial (c 25-30 clauses)

To strengthen anti-discrimination legislation in Northern Ireland in the field of employment.

SO	Transport (Scotland)	medium

To provide for the privatisation of the Scottish Transport Group.

SO	Housing (Scotland)	long (c 70 clauses)

To reform the home improvement grants system and local authority housing revenue accounts.

SO	Education (Scotland)	substantial (c 30 clauses)

To enable Government to control management side in negotiations on teachers' pay and conditions; and to make various reforms in Scottish education.

DTp	Ports	substantial

To privatise trust ports and ports owned by local authorities; and to eliminate Government financial assistance to London and Liverpool ports.

UNCONTROVERSIAL

HO	Police (Officers Seconded to Central Service)	very short

To provide that a police officer seconded to central service does not cease to be a member of a police force.

[redacted]	Conveyancing Procedures	short

To give effect to 4 Law Commission reports on technical issues relating to conveyancing.

OAL	National Maritime Museum	very short

To enable National Maritime Museum to hold land.

DTI	Share Dematerialisation	short

To provide for an electronic means of transferring and registering shares.

NIO	Elections (Northern Ireland)	very short

To amend Northern Ireland local government franchise.

ANNEX B

*Employment	DEmp (medium c.15-20 clauses)
*Atomic Energy	DEn (short)
*Companies	DTI (long c.160 clauses)
*Road Traffic	DTp (substantial c.30 clauses)
Electricity	DEn (long c.100 clauses)
Water Privatisation	DOE (long over 200 clauses)
Housing and Local Government	DOE (long c.160 clauses)
Children and Family Services	DHSS and LCD (long c.80 clauses)
Social Security	DHSS (substantial c.30 clauses)
Official Secrets	HO (medium)
Broadcasting	HO (long c.60 clauses)
Ports	DTp (substantial)

*Programme with essential elements

SECRET 5

CC(88)P

Ref. A088/1479

PRIME MINISTER

Legislative Programme 1988-89; Possible Additions
Meeting on 16 May

OBJECT OF THE MEETING

The meeting is to clarify the changes that would need to be made to next session's legislative programme to accommodate a Student Support Bill and/or a Security Service Bill. You will wish to reach a view whether the necessary changes would be acceptable. They would need in due course to be endorsed by Cabinet.

BACKGROUND

2. When Cabinet considered the provisional programme for next session at the meeting on 10 March (CC(88)9.5) it agreed that QL's proposed programme was at the outer limits of what was practicable, and that no additions should be made to it without offsetting reductions. The Chancellor of the Exchequer and the Education Secretary, however, spoke strongly in favour of a Student Support Bill on the grounds that next session represented the only politically practicable window for legislation on the subject this Parliament, and that the matter could not be left untouched. You therefore summed up that the Student Support Bill would have first claim on the programme if it received policy approval and if offsetting reductions to accommodate it could be identified.

3. In the light of the difficulties caused by the losers under the social security reforms, the Education Secretary is re-modelling his student loan proposals, and will be bringing them to E(EP) later than he intended. Nevertheless, they may

FRBAFZ

come forward within the next couple of weeks and if E(EP) and Cabinet are to take a clear decision it will be necessary to have a reliable plan for the way in which the Bill could be accommodated in the programme.

4. In order to prepare the way for the E(EP) discussion of student loans, the Lord President made it known to your office that the only significant Bill that he could see as a candidate for deletion from the programme was the Broadcasting Bill, but that he was unsure how to take this further since the proposal to have Broadcasting Bills in each of the next two sessions had been approved in MISC 128 under your chairmanship. At the last meeting of MISC 128 you cast considerable doubt on the need for a Broadcasting Bill next session, and the meeting noted that this would need further examination.

5. Independently, the small group of Ministers that has been considering Security Service legislation under your chairmanship has been moving closer to a decision on timing. You had it in mind in any event to consult the Business Managers within the next few weeks about the prospects for getting that legislation through Parliament unscathed. The need for a contingency plan to accommodate a Student Support Bill, however, has considerably complicated the situation and you have therefore decided to hold the present meeting with the Home Secretary and the Lord President to clarify the options.

MAIN ISSUES

6. The main points are summarised in the factual note that has been prepared for the meeting by the Cabinet Office. This goes through the provisional programme and, by a process of elimination, concludes that the only two Bills that might be postponed to make room for new additions are the Broadcasting Bill and the Children and Family Services Bill. The Cabinet Office believe that both these Bills would need to be removed

FRBAFZ

from the programme if both a Student Support Bill and a Security Service Bill were added. A combined change of that kind would certainly make the programme more controversial and difficult to manage, and you will wish to make a clear decision whether that would be acceptable.

7. It is harder to weigh the effects of the various permutations of dropping one of the identified candidates for rejection in exchange for one of the new entrants. The four Bills involved are all of very different kinds. In reaching a conclusion you will wish to bear the following considerations in mind.

a. Children and Family Services Bill

8. This is an eminently meritorious measure that has been preceded by a White Paper and extensive consultation. Postponing it to a later session would disappoint many expectations and create some handling problems for a later Bill on the Warnock Report. Its departure would also remove one of the few non-party political Bills from the programme and would deprive the Lords of a major measure at the beginning of the session. Nevertheless, all these problems could be confronted if you are clear that you need the room in the programme for something else. The one point on which you would need to be satisfied would be that the Government could ride out the aftermath of the Cleveland Inquiry report without introducing this legislation very quickly. If you were disposed to postpone the Bill, therefore, you might wish to enquire further into the Cleveland aspect before taking a final decision.

b. Broadcasting Bill

9. The three elements on programme standards that MISC 128 originally agreed for this Bill are putting the Broadcasting Standards Council on a statutory basis; extending the Obscene

Publications Act to the broadcasters; and oversight of non-DBS satellite broadcasting, including the monitoring of foreign transmissions. The establishment on the ground of the Broadcasting Standards Council will have a more immediate practical impact than any of these points, however, and in correspondence about the chairmanship of the Council the Home Secretary has indicated that he wishes to postpone taking statutory powers for it until the Bill in the 1989-90 session. You have indicated that you may be prepared to accept that, and in that case the other broadcasting standard points should certainly be deferred also.

10. At the last MISC 128 meeting there seemed to be general acceptance that the first Broadcasting Bill should be dropped. Nevertheless Mr Hurd will argue strongly for an early Bill on radio. He will say that this is completed policy that has been welcomed in many quarters and that there is now a very high expectation for action in this field. These points are perfectly valid, but the problem would be in ring-fencing a Radio Bill from wider debate on broadcasting issues. First, it would be very difficult to defend the failure to take the opportunity of a Radio Bill to put the Broadcasting Standards Council on a statutory footing. Second, radio does not exist in a vacuum. There would inevitably be debate on the role of the BBC and IBA and it would be hard, for example, to present the auctioning of radio contracts without being drawn into the implications of a similar approach to commerical television. While it would doubtless be possible to deal with all these problems if there was no alternative, there is no necessity for the Government to bring them on itself. Since MISC 128 originally approved this Bill the situation has greatly changed in that the White Paper will now be postponed to the other side of the summer recess and it will contain more green edges, and more controversial policies, than were originally envisaged.

FRBAFZ

You might even judge that all these factors point to postponing the first Broadcasting Bill whether or not the room in the programme is needed for other Bills.

c. Elections (Northern Ireland) Bill

11. While anti-terrorist declarations by candidates at local elections will certainly give the constitutionalists in Parliament something to talk about, you can safely assume that this short addition can be managed within whatever wider changes have to be made to the programme.

d. Student Support

12. The arguement for the 1988-89 session being the only window of opportunity for this Bill may be somewhat less persuasive if the scheme that finally emerges is tailored to avoid losers but, on balance, you may think that this is still a subject on which it would be best to legislate quickly, or not at all. This cannot be taken very far at a meeting without Treasury Ministers or the Education Secretary, but the meeting should proceed on the basis that if policy approval is forthcoming, then the Bill will assume central importance.

e. Security Service Bill

13. This is clearly the most difficult issue. A final decision on this legislation cannot be taken until you have further advice, from the Attorney-General and Lord Chancellor, and, at a later stage, from the Business Managers on the Bill's vulnerability to amendment. The present meeting can only decide whether or not to keep open the option of legislation next session.

14. The idea has been canvassed of amalgamating the Security Service Bill with Official Secrets into a single Bill. That

would indeed save a Second Reading Debate in each House and both will have to be taken on the Floor of the House, possibly with a timetable motion. But it would give the impression, which the Government would otherwise try to dispel, that the Official Secrets part of the Bill was primarily concerned with security and intelligence matters. Overall, therefore, it might well be that amalgamating the two Bills created as many problems as it solved but you will wish to get the view of the Lord President, in particular, on this issue.

15. An alternative would be to defer the Security Service Bill until the 1989-90 session. Mr Hurd has said that if it is decided to legislate, he would want to keep ahead of Strasbourg and would want to refer to this at the time the Government began to argue for the 'special offence' in the Officials Secrets Bill. These two objectives are not compatible since you would not want an interval of 18 months between announcing the Security Service Bill soon and introducing it in the 1989-90 session. So the choice is between proceeding as the Home Secretary proposes and including the Bill in the 1988-89 session or postponing it until 1989-90 and introducing it as a response to Strasbourg.

f. Other matters affecting the balance of the programme

16. Annex B to the Cabinet Office paper shows that the core of programme Bills is heavily slanted to mainstream measures, and the addition of a Student Support and/or a Security Service Bill would accentuate that. You will also wish to bear in mind that the Ports Bill may be more controversial than is indicated by Annex A to the Cabinet Office paper and that provisions on Wages Councils may be added to the Employment Bill. And there is the contingent possibility of a Thyssen Bill.

FRBAFZ

HANDLING

17. You may wish to open the meeting by explaining that it has been precipitated by the need to prepare a contingency plan for accommodating a Student Support Bill, if that receives policy approval.

18. You may also wish to explain that further work (including an assessment of its vulnerability to amendment) needs to be done on the Security Service Bill before a decision can be made on it, and that the present meeting is only concerned with assessing the feasibility of accommodating it in the next session.

19. You may then wish to ask the LORD PRESIDENT if he has any comments on the analysis in the Cabinet Office paper. In the light of that, you may wish to ask the HOME SECRETARY to comment on the Broadcasting and Security Service Bills.

F.E.R.B.

ROBIN BUTLER

PRIME MINISTER

I attach a draft of the letter the Lord President proposes to send colleagues on the question of Parliamentary time for the Alton Bill.

I have marked three amendments on the draft which would, I think, improve it.

Content for the Lord President to write as attached, subject to the indicated amendments.

Yes

MEA

Corrected & LP's office.
MEA 10/5

M. E. ADDISON

9 May 1988

PMMAYE

DRAFT LETTER FOR LORD PRESIDENT TO SEND COLLEAGUES ON PARLIAMENTARY TIME FOR ALTON BILL

Dear, Colleague,

I thought it might be helpful to you, for dealing with letters and queries from constituents and others, if I were to set down briefly the Government's position on David Alton's request that more Parliamentary time be allowed to his Bill.

A [Of course, the Bill still has to come before the House this coming Friday, so it is technically not yet lost, although I do not need to point out that its chances are slim.]

B It has been this Government's [consistent ~~consistent~~ practice, since 1979, not to provide extra time for any individual Private Member's Bill, however worthy it may be. To do so would involve the exercise of subjective judgment and would certainly attract criticisms of inconsistency and bias. The current rules for Private Members' time are laid down by the House and were agreed to, without dissent, at the beginning of this Session. At the same time, the Government proposed that in addition to the ten days provided for in Standing Orders, there should be two additional days for consideration of Private Members' Bills: this was felt to be in the interests of Private Members generally and not to any one individual's advantage.

I have seen some reports in the media that another eleven minutes would have sufficed on Friday to see David Alton's Bill on its way to the Lords. Of course, this is not so. As well as the divisions on the amendments concerning the number of weeks, at least one division on amendments discussed in the early part of Friday's debate would still be necessary, to be followed by the Bill's Third Reading, which I believe the

C House would wish to debate . [There is still some way to go.]

I recognise that this will be of no immediate comfort to those who have been pressing so hard for more Parliamentary time to be given. But I hope I have at least helped to explain why the Government does not feel that it can make an exception to the practice that has prevailed since 1979.

CF. Ext folder N.

1100 a.m. Monday 16th May.

SECRET

PRIME MINISTER

BP

LEGISLATIVE PROGRAMME FOR THE NEXT SESSION

I think that we need a discussion with the Home Secretary and the Lord President about next Session's legislative programme before E(EP) discusses Student Support on 19 May.

There are various elements which need bringing together:

(i) If Ministers agree on a student loan scheme, the assumption will be that room will be found in next Session's programme;

(ii) The Lord President has identified the Broadcasting Bill as the candidate for cutting from the programme (and the Home Secretary looks to be almost reconciled to that);

(iii) But there is another bill, Security Sevice, for which room may have to be found in next Session's programme.

The question which needs to be considered is:

> Would dropping the Broadcasting Bill allow room for legislation in both Student Support and the Security Service, if Ministers wish to proceed with those measures in the next Session?

I suggest you should have a meeting with the Home Secretary and the Lord President to consider this. (There would need to be a separate discussion later with the Lord President, the Lord Privy Seal and Chief Whip about the Parliamentary reaction to Security Service legislation.)

Agree to discuss with the Lord President and the Home Secretary?

N.L.W.

N. L. WICKS

5 May 1988

KAYABU

Yes

SECRET

4 C Folder

Mrs Gaisman

Please arrange meeting PM, LPres, Home Sec FER B as long as poss before 19 May on this topic.

NCV 6.5

1

Prime Minister

This bill is good insurance against the NUM - see X in §2. I suggest you tell the Lord President it must be got through. Agree?

N.C.L.
6.5

PRIME MINISTER

OPPOSED PRIVATE BUSINESS NEXT WEEK

The Opposed Private Business on Wednesday is the Associated British Ports No. 2 Bill. As you know, this will be a controversial measure and can be expected to divide the House on Party lines.

I attach a factual note provided by the Department of Transport which makes clear that the bill is controversial because it would provide for the much easier import of foreign coal.* British Coal themselves, along with the NUM and UDM are petitioning against it.

Also attached is a letter from Michael Brown seeking support for the measure. This is a circular letter, which I have acknowledged on your behalf. It refers to the Felixstowe Bill, and it can be expected that others will be linking the two as well; indeed Frank Dobson did so in Business Questions yesterday.

MEA

* There is also a note recording a meeting of the business managers and the departments concerned.

MARK ADDISON

6 May 1988

VC2ATP

MEA.

PM send bells must pass. She will vote on Wednesday
NCW

010

Privy Council Office,
Whitehall,
London, SW1A 2AT

With the Compliments

of the

Private Secretary

to the

Lord President of the Council

PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

6 May 1988

Dear Neil,

ASSOCIATED BRITISH PORTS (NO 2) BILL AND
NORTH KILLINGHOLME CARGO TERMINAL BILL

Your Secretary of State, the Secretary of State for Energy and the Chief Whip came to see the Lord President on 3 May to discuss these two Private Bills. Mr Pash (D/Energy), Mr Fells (D/Transport) and Mr Maclean (Chief Whip's office) were also present.

The Lord President opened the discussion by saying that he understood that in policy terms the Government's attitude to these two Bills was neutral. His concern was that the Opposition would make a determined effort to defeat the Bills and that this might cause embarrassment for the Government. Furthermore, the likelihood of both Bills achieving Second Reading would be affected materially by the arrangement of Parliamentary business on the days when they were to be taken, and it was, therefore, difficult to see how this could be done in a strictly neutral fashion. Accordingly, he and the Chief Whip sought a steer from colleagues as to the handling of the business for these days.

In discussion, the following points were made;

i The Bills were related to the expansion by a successful company which would enable it to increase both its import and export capacity. Attention had been focussed on what the Bills would mean in terms of increasing the company's ability to import foreign coal.

ii Those Members with connections with the NUM would certainly speak against the Bills and would organise opposition to them. There was a slight difficulty in that British Coal had petitioned against the Associated British Ports (No 2) Bill, while the Department of Energy's view was that it should not be opposed. The North Killingholme Cargo Terminal Bill was slightly less contentious than the ABP (No 2) Bill.

iii Although both Bills had some merit and had had considerable resources spent on them by their promoters, there seemed certain to be organised opposition with a view to wrecking their chances. In these circumstances there might be something to be said for their receiving organised support at Second Reading to enable them to be considered in Committee.

iv Though the Government was neutral towards the Bills, if they fell as a result of the "miners" lobby in the House, this would be regarded as a Government defeat.

v The usual assumption was that opposed private business which was named for a particular day at 7.00 pm would last the full three hours until 10.00 pm. As part of the tactics to try to defeat the Bill, the Opposition might seek to get a closure on the debate sufficiently before 10.00 pm to try to divide the House on Second Reading before Members on the Government side had returned to the House for any Government business after 10.00 pm. To guard against this, the Bills' sponsor, Mr Michael Brown MP, would have to ensure that he had provided sufficient speakers for a three-hour debate on each of the Bills.

vi The Chairman of Ways and Means, responsible for organising the time for opposed private business, had named Wednesday 11 May as the day on which one of these two Bills should be taken. This was an Opposition Day on which it was expected that many Members would be around. The time for taking the other Bill was not yet finalised.

Summing up, the Lord President said that while the Government remained neutral towards the two Bills, Government business should be arranged so as to give both Bills a proper chance of receiving a Second Reading. The question of handling the remaining stages of the Bills should be considered later on. The Chief Whip would see Mr Brown later that day to discuss with him how he, as sponsor, might seek to achieve Second Reading for these two Bills.

A copy of this letter goes to the Private Secretary to the Energy Secretary and to those officials present.

Yours,

Alison

ALISON SMITH
Private Secretary

Neil Hoyel Esq
APS/Secretary of State
Department of Transport

From: Michael Brown, M.P.

Ackd 6/5

HOUSE OF COMMONS
LONDON SW1A 0AA

5th May 1988

RG

Dear Prime Minister,

I am writing to seek your support for the Second Reading of the Associated British Ports (No. 2) Bill on Wednesday, 11th May at 10 pm during opposed private business.

The Bill contains a number of provisions, but the most important relates to an investment which ABP wishes to make at the port of Immingham to meet the rapidly expanding demand on the facilities of that port. You will recall that ABP was one of the early examples of privatisation and has proved to be an outstanding success.

The Bill is being opposed, principally by Labour Members representing mining constituencies, on the grounds that the new facilities to be built by ABP could be used for the importation of coal. Indeed, it is likely that Labour Members will be required to oppose the Bill by means of an informal 3 line whip, just as they opposed the Felixstowe Dock and Railway Bill, which has only recently passed through the Commons. In both cases, an essentially private enterprise development faces opposition from public sector vested interests. Amongst the petitions against the ABP (No. 2) Bill is one by Mr. Arthur Scargill, acting for the National Union of Mineworkers.

If, before the debate on 11th May, you wish to have any further information, either I or ABP's Chairman, Sir Keith Stuart, would be happy to provide this.

I do hope I can rely on your support in the Division Lobbies.

THERE WILL PROBABLY BE A VOTE ON CLOSURE AT 10 PM FOLLOWED IMMEDIATELY BY A VOTE ON THE SECOND READING.

Yours ever,

Michael

This has some relevance to tomorrow's MISC 128 discussion
N.L.W.

PRIME MINISTER

LEGISLATIVE PROGRAMME: 1988/89 BROADCASTING BILL

The Lord President's Office wrote to us on 27 April to seek comments on the Lord President's plan to accommodate the Student Support Bill in next Session's programme, if that was agreed, by dropping the Broadcasting Bill and having a very large Broadcasting Bill in the 1989/90 Session dealing with the entire range of broadcasting issues. You commented on the Lord President's Offices letter

> "I should like first to consider the broadcasting problems if we delay this Bill. The [Broadcasting] debate is getting underway."

The note attached from the Lord President's Office at Flag A, prepared by the Cabinet Secretariat without consulting the Home Office, sets out the consequences for broadcasting policy of postponing the Broadcasting Bill from the 1988/89 Session. The upshot is that although dropping the Broadcasting Bill from the 1988/89 Session would cause disappointment, it should not cause unmanageable problems. (The Lord President's Offices letter of 27 April is at Flag B).

The Lord President would like, I think, an informal steer from you that if the Students Support Bill is accepted for the next Session's programme he should propose to Cabinet colleagues that the Broadcasting Bill should be dropped. He is anxious, I believe, to confirm that this would not cause you problems.

I suggest that I tell the Lord President's Office that simply for contingency planning purposes, the Lord President should work on the basis that the Broadcasting Bill would be the Bill to be dropped from the next Session's programme if room had to be found to accommodate the Student Support Bill; but that clearly this decision would need to be taken by Cabinet after

consultation with the Home Secretary.

Agree to proceed in this way?

[There is another Bill in the offing of which the Lord President will not be yet aware which might mean that even if the Broadcasting Bill is dropped from the next Session's programme, there still would not be room for the Student Support Bill.]

We must discuss these matters - in view of the other Bill that the Home Office is wanting to introduce.

N.L.W.

N. L. WICKS
4 May 1988

KAYABK

COVERING - CONFIDENTIAL

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

4 May 1988

Dear Nigel,

LEGISLATIVE PROGRAMME 1988/89
BROADCASTING BILL

Thank you for your letter of 28 April.

The Lord President has noted that the Prime Minister would like to consider the problems for broadcasting policy if next Session's Bill was delayed into the following Session. Accordingly, he asked the Home Affairs Secretariat to prepare a note about the implications of postponing the Bill, which I now attach, in the hope that this will be helpful.

Yours,
Alison

ALISON SMITH
Private Secretary

Nigel Wicks Esq CBE
PPS/Prime Minister

IMPLICATIONS FOR BROADCASTING POLICY OF POSTPONING THE BROADCASTING BILL FROM THE 1988-89 SESSION

The 1988-89 Broadcasting Bill approved by MISC 128 and QL contains three main parts

i. The reform of commercial radio, including new national and community radio services, and substantial deregulation of local radio. A new Radio Authority would be established to oversee the new regime.

ii. Measures on programme standards -

It now looks as if the BSC legislation would be in the 1989-90 session.

a. the establishment of the Broadcasting Standards Council on a statutory basis

b. the removal of the broadcasters' exemption from the ordinary obscenity law

c. implementation of the Council of Europe Convention on Trans-frontier Broadcasting (if that is concluded in time)

d. regulation of non-DBS satellite services uplinked from UK, and provision for monitoring such services uplinked from abroad, and for warning services judged to be unacceptable.

iii. Financial and organisational matters -

a. transfer of responsibility for collection of the licence fee to the BBC

b. putting the financing of the Cable Authority on a proper long-term footing.

The Bill would be about 60 clauses, of which about half would be devoted to radio.

2. The Bill that MISC 128 agreed for the 1989-90 session would be mainly concerned with television. The chief topics noted by MISC 128 were the reform of ITV; Channel 4; the regulation of additional services; the provision of data services and subscription. In addition, there may be quite significant provisions on the transmission system. The Bill might be about twice the length of the previous session's Bill, though that is guesswork at this stage.

3. It is not technically essential to legislate on any of the matters in paragraph 1 in the 1988-89 session. Under the usual PAC requirements, however, reasonably early statutory cover should be taken for funding the Broadcasting Standards Council and for the current arrangements for financing the Cable Authority.

4. The Home Secretary obtained MISC 128's agreement for the distribution of broadcasting legislation between the 1988 and 1989 sessions at the meeting on 28 October 1987 (MISC 128(87)

3rd Meeting). He recognised that a large Bill in the 1989-90 session would be "an opportunity to present a coherent reform of broadcasting as a whole, and would fit well with the timetable for further developments of our linked telecommunications policy". He believed, however, that delaying all legislative proposals to that session would not be acceptable, given the Manifesto commitment, the Prime Minister's seminar, and the general expectation of an early Bill.

5. The arguments either way that the Home Secretary summarised last year are still valid. Simply from the point of view of constructing a broadcasting policy, there is no reason why the entire legislation should not be postponed to a single comprehensive Bill in the 1989-90 session. But the Home Secretary believes that it is politically necessary to keep up the momentum by introducing some of the legislation earlier than that.

6. If it is confirmed that substantive broadcasting policy should be legislated in each of the two sessions, then the present split between a first Bill on radio and a second one on television seems right. Radio is a distinct area of its own, it has been the subject of a Green Paper and a later statement of Government intentions; and community radio, which was encouraged by Mr Brittan, is still waiting for authorisation.

7. On the other hand, the Lord President has indicated that it may be tactically awkward to steer through a Bill on radio in 1988-89 against the background of an announced policy for television to be legislated in the following session. The

currently agreed distribution would mean that broadcasting policy was exposed to debate in Parliament throughout two sessions, and while radio policy is reasonably self-contained, it cannot be entirely cut off from wider broadcasting considerations.

8. Of the programme standards issues, the action with most direct effect must be the establishment of the Broadcasting Standards Council, which is going ahead in advance of legislation. The extension to the broadcasters of the ordinary obscenity law is probably more significant as a declaration of an important principle than for its immediate effect on programming decisions. The proposed provisions on non-DBS satellite broadcasts are designed to head-off a problem that has not yet manifested itself. Since this is largely declaratory legislation, there is probably not much difference in practical effect between a clear White Paper commitment to legislate, and the early introduction of the legislation itself.

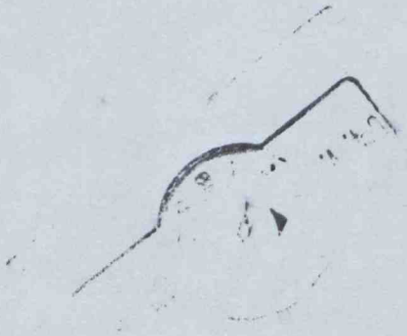
Summary

9. The legislation on television must be enacted no later than the 1989-90 session, and cannot be accommodated or prepared before then. The argument for legislating on radio in the 1988-89 session is purely the political one that it is necessary to keep up momentum: that needs to be judged against any management problems that might be created by taking two bites. A comprehensive radio and television Bill in the 1989-90 session is quite feasible technically. The existence of the Broadcasting Standards Council is almost certainly the most important practical

initiative on programme standards: the importance of legislating on the programme standards measures in 1988-89 rather than 1989-90 is primarily a political judgment.

Cabinet Office
29 April 1988

Paramount Legislative Reg Part 17



Associated British Ports (No.2) Bill

Purpose of the Bill

1. To empower Associated British Ports (ABP) to carry out works at three of their ports:

i. construct a new deep water jetty for bulk cargo handling at **Immingham** on the Humber; at an estimated cost of £30.5 million;

ii. construct a new riverside quay at **King's Lynn**, at an estimated cost of £4 million;

iii. dredge an extended entrance channel into **Port Talbot**.

2. The Immingham jetty, which is the sole focus of the opposition to the Bill, would be capable of handling very large bulk carriers. Such ships could economically carry 100,000 tonnes or more of coal from countries such as Australia, China, Colombia or the USA. The terminal might be able to handle 4-5 million tonnes of coal a year.

Opposition to the Bill

3. Apart from being blocked on the floor of the House, the Bill is the subject of 11 petitions. The petitioners fall into three groups:

(1) **Adjacent undertakings**
Anglian Water Authority
Calor Gas Ltd
Conoco Ltd
Humber Oil Terminals Trustee Ltd & Associated petroleum Terminals (Immingham) Ltd.

These undertakings are concerned about the effects of the proposed new works on land drainage and sea defence,

and upon their own installations and operations, notably the loading and unloading of liquid petroleum gas from ships at an adjacent jetty to the north.

(2) **British Coal**

They are petitioning on grounds both of the principle of facilitating the import of coal in quantity and of the technical effects of the proposed works on their own jetty (for coal exports), which lies next to ABP's proposed jetty to the south.

(3) **Other "coal interests"**

NUM
UDM
Three separate local authorities (Doncaster, Wakefield, North East Derbyshire)
The Coalfield Communities Campaign (an association of at least 20 local authorities in Durham, Yorkshire, Derbyshire and Nottinghamshire).

Their petitions are based on the widespread effects of import substitution of domestic steam coal for the Yorkshire and Nottinghamshire power stations.

ABP's request

4. Sir Keith Stuart, Chairman of ABP, has lobbied Ministers for support for the Bill. He has seen the Secretary of State for Transport and the Lord President, and had correspondence with the Secretary of State for Energy.

Alternative facilities

5. There are only three berths in the UK at which ships of the size and type used nowadays in the deep-sea coal trades could be handled:

Hunterston (on the Clyde) is dedicated by agreement to British Steel's requirements at Raverscraig.

Redcar (on the Tees) is owned by British Steel and used for supplying their Redcar works.

Port Talbot is owned by ABP. In principle it is available for any user, but in practice solely supplies the South Wales steelworks.

North Killingholme Cargo Terminal Bill

6. This Bill, also deposited this Session, is promoted by Central Oil Refining Company Ltd to enlarge on existing jetty at North Killingholme, just upriver of Immingham, so that it too could be used for bulk dry cargoes, including coal imports, for third parties.

7. This Bill is also being blocked. Petitions have been lodged against it by the 6 petitioners in group (3) above, but not by British Coal or by those in group (1).

Department of Transport
Ports Division
3 May 1988

CONFIDENTIAL

Cite DAS

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

28 April 1988

Dear Alison,

THE LEGISLATIVE PROGRAMME 1988-89

I have shown the Prime Minister your letter of 27 April about next Session's legislation. You suggest that one possible plan for the next Session's programme, should E(EP) decide in favour of a Student Support Bill, was to drop the proposed Broadcasting Bill from the next Session and deal with the entire range of broadcasting issues in one very large broadcasting bill in the 1989-90 Session.

The Prime Minister is not yet ready to take a view on this approach. She would like first to consider the problems for broadcasting policy if next Session's Bill was delayed into the following Session.

It would be helpful if you could provide advice for the Prime Minister on this aspect.

BFH

Yours ever,
Nigel Wicks

N. L. WICKS

Ms. Alison Smith
Lord President's Office

CONFIDENTIAL

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1. N/A.

PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT
27 April 1988

2 Prime Minister
Content for the Lord President to pursue on the basis below (dropping the Broadcasting Bill) subject, of course, to agreement of Ministers collectively.

I should like first to consider the broadcasting problems if we delay Dear Nicholas is getting very worried about

LEGISLATIVE PROGRAMME 1988-89

The Lord President has been giving some thought to the accommodation of a Student Support Bill in next session's programme, if that is what E(EP) decide, and he has asked me to share his thinking with you.

N. L. W. 27.4

Attached

The Lord President's starting point is the proposition, which was accepted at Cabinet on 10 March, that a Student Support Bill cannot be accommodated unless something is jettisoned from the provisionally approved programme to make room for it. Additionally, we should try to accommodate the expansion of the Elections (NI) Bill to include declarations against terrorism, in view of the Prime Minister's comments on that measure. For the reasons given in his minute of 23 March, the Lord President does not think that the Antarctic Minerals Bill or the Representation of the People Bill are very significant factors in the situation.

Having looked again at the provisional programme, the Lord President still finds it hard to identify anything other than the Broadcasting Bill that could realistically be deferred to make way for Student Support. The Broadcasting Bill, at about 60 clauses, is clearly big enough to make room both for Student Support and an expanded Elections (NI) Bill and, simply from the point of view of balancing the programme, its postponement would be a neat solution. But the Lord President is very conscious that the programme of broadcasting legislation in the next two sessions was worked out in MISC 128 with the Prime Minister's close involvement, and he is not sure how far the Prime Minister would be prepared to see those decisions reopened.

As you will remember, the Broadcasting Bill in the next session is to be mainly concerned with radio policy and with various measures on programme standards. The Bill in the 1989-90 session would be a longer measure that would very largely be concerned with television services. It could not be postponed beyond the 1989-90 session because of the need to legislate for the next round of ITV franchises.

While the Lord President fully appreciates the wish of the Home Secretary and the Trade and Industry Secretary to press on with broadcasting legislation in view of the time that has elapsed since the Peacock Report, he does wonder whether dividing the legislation up into two Bills would turn out to be very easy to handle in practice. Given that a White Paper on television policy would be published before the first Broadcasting Bill was introduced, there might be a risk that the first Bill would be vulnerable to amendments on topics that backbenchers selected from the White Paper, and wished to press forward on a faster timetable. And, insofar as policy on radio and television share any controversial features (such as the auctioning of contracts) the Home Secretary might find that he was in the position of fighting the same battle in two successive sessions. The simplest way of dealing with these problems would be to deal with the entire range of braodcasting issues in one, very large, Broadcasting Bill in the 1989-90 session, but that would obviously be at the cost of a yet greater delay from the time that the Peacock Report was published.

CONFIDENTIAL

When the possibility of postponing the Broadcasting Bill was mentioned in Cabinet, the Prime Minister commented that it included important provisions on programme standards. That is, of course, true; and the Home Secretary might see difficulty in coming forward with a separate short Bill on these points. On the other hand, the most important programme standards issue is probably the establishment of the Broadcasting Standards Council, and that is now going ahead in advance of legislation.

For the reasons I have indicated, the Lord President is not sure how much further he can take this for the time being, and he has asked me to emphasise that he has not yet discussed this matter with the Home Secretary or anyone else. Nevertheless, it would be very desirable to have a reliable plan that could be used, if necessary to accommodate the Student Support Bill, and I know that the Lord President would be very grateful for any comments that you felt able to make.

Yours,

Alison

ALISON SMITH
Private Secretary

N L Wicks Esq CBE
PPS/Prime Minister

PARL: legislation pt 17

ST. ANDREW'S HOUSE
EDINBURGH EH1 3DG

cc PS/M of S(L)
PS/LJDH
PS/US of S
PS/SHHD
PS/IDS
Mr K W McKay

The Rt Hon Douglas Hurd CBE MP
Secretary of State for the Home Department
Home Office
Queen Anne's Gate
LONDON
SW1H 9AT

27 April 1988

Dear Home Secretary,

FIREARMS (AMENDMENT) BILL

Hector Monro wrote to me recently about the above Bill, raising much the same points as he did when he met with you and Douglas Hogg last month. I have been keeping in touch with the progress of the Bill and, having seen a note of your meeting with Hector, I am generally content with the lines taken. But as you are aware he has considerable influence with interested backbenchers and I thought you might find it useful if I recorded my views on one or two of the points registered by him.

If we are to concede the point that self-loading rifles of limited integral magazine capacity should remain under the present controls, and I doubt if we now have much choice in this, there is in my view something to be said for setting the limit on magazine capacity at eight shots to accommodate the Garand rifle. As I understand it this would still raise to the prohibited category all the para-military types of weapons of the kind used at Hungerford and for practical shooting. I accept that you may not wish to take the concession to this length but doing so would certainly be welcomed by many Scottish shooters, and Russell Sanderson has remarked that Hector's point will be strongly supported in the Lords. I should add that I would not envisage authority being given by chief constables for possession of such weapons for other than genuine sporting purposes and the revised guidance which is to be issued to the police would have to make this clear.

Hector argues strongly for the establishment of a statutory consultative committee. While I understand the pressure on this issue, I think that there is a strong case against such a committee. However, while there are arguments against any consultative machinery because of the possible risk of conflict with the roles of both chief constables and our Departments, I accept that there may be advantage in offering a non-statutory committee. I think that this should be set-up on a GB basis with obviously representation to reflect Scottish interests.

There is a separate point which has been brought to my notice in connection with what has emerged as an expanding tourist industry in Scotland, and possibly also in parts of England and Wales. At present

foreign visitors may come to this country on short shooting holidays using shotguns invariably brought with them, without restriction, provided they abide by the 30 day residence rule set out in Section 14 of the 1968 Act. This will not be possible under the proposed new permit procedure which will act as a decided disincentive to visitors, not so much because of the proposed fee, but because of the trouble to which they, and their holiday organisers, will be put in connection with sponsorship. Representations have been received from one of the main organisers to the effect that faced with the need to obtain a permit each year, visitors will simply go elsewhere, thus prejudicing the growth of what is a lucrative source of income for many rural areas. It has not been possible to establish with any accuracy the number of such visitors, but in one police area it has been put at between 1,500 and 2,000 per annum. I need hardly add that dealing effectively with this level of applications for permits over a comparatively short shooting season will also have considerable resource implications for the police.

While I recognise fully the purpose of the proposals in the Bill, I am concerned that they could affect adversely this tourist trade. I should therefore be grateful if you and Douglas Hogg could consider whether it would be possible to provide for some exemption from the visitor's shotgun permit procedure for those visiting this country for a short period (eg not more than 30 days) in any one year. While I have been assured by the police that no problems have been experienced in Scotland with visiting shooters, it would seem appropriate to restrict those covered by such an exemption from (a) purchasing (additional) weapons while in this country other than for export and (b) disposing of any weapons brought with them. I do not under-estimate the difficulties, but I should be grateful if you would consider this possibility, the details of which my officials are ready to discuss with yours.

Finally, may I record my appreciation of the lead taken by you and Douglas Hogg in what was always going to be an extremely contentious and difficult, but nevertheless necessary, piece of legislation.

Copies of this go to the Prime Minister, Members of H, Nick Lyell, Sir Robin Butler and First Parliamentary Counsel.

Yours sincerely,

David Mellor

MALCOLM RIFKIND

Approved by the Secretary of State & Signed in his absence.

EML117G3

CCPC.

PRIVY COUNCIL OFFICE

WHITEHALL. LONDON SW1A 2AT

15 April 1988

Dear Cecil

ROYALTIES LEGISLATION

Thank you for your letter of 13 March in which you sought agreement to the expansion of the Continental Shelf (Amendment) Bill, which has been given a place in the provisional programme for 1988/89, to incorporate the necessary provisions to implement the abolition of royalty in the Southern Basin of the North Sea. I have also seen Nigel Lawson's letter of 8 April supporting your proposal.

You explain that the inclusion of these provisions should not add significantly to the length of the Bill or complicate its handling. On that basis, I can confirm that I am content in principle for the necessary clauses to be included in your Bill. I note that Royal Assent for the provisions on royalties is very desirable by the end of February and this, of course, makes it most important that the negotiations with the Republic of Ireland on an agreement on delimitation, to which the Bill is principally designed to give effect, should be completed in time for the Bill to be introduced at the very beginning of next Session. No doubt you and Geoffrey Howe will ensure that everything possible is done to try to meet that timetable.

I am copying this letter to the Prime Minister, other Cabinet colleagues, members of QL, Sir Robin Butler and First Parliamentary Counsel.

Yours ever

JOHN WAKEHAM

The Rt Hon Cecil Parkinson MP
Secretary of State for Energy
Thames House South
Millbank
London SW1P 4QJ

42/2.BTW.4372/55

cc BG.

FINANCIAL SECRETARY TO THE TREASURY

Treasury Chambers, Parliament Street, SW1P 3AG

The Hon Francis Maude MP
Parliamentary Under Secretary of State for
Corporate and Consumer Affairs
Department of Trade and Industry
1-19 Victoria Street
LONDON
SW1H 0ET

nbpm

14th April 1988

Dear Francis

SIR BRANDON RHYS WILLIAMS: COMPANIES (AUDIT COMMITTEES) BILL

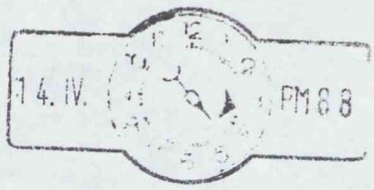
Thank you for copying me your letter to John Wakeham of 6 April. I am content with your proposal that the Bill should not be opposed.

I am copying this letter to the Prime Minister, members of E(A) and L Committees, Sir Robin Butler and First Parliamentary Counsel.

Yours

NORMAN LAMONT

PARLIAMENT: Legislation pt 17



PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

7 April 1988

Dear David,

LEGISLATIVE PROGRAMME 1988/89
EXPORT GUARANTEES AND OVERSEAS INVESTMENT BILL

Thank you for your letter of 28 March. I have also seen John Major's letter of 30 March.

I understand your concern to avoid a breach of the PAC Concordat. However, I am afraid that an undertaking on the lines you proposed would be a clear breach of the convention that we do not commit ourselves to introducing legislation in a particular Session and would create a very awkward precedent for the management of future legislative programmes. There have, of course, been many occasions in the past where it would have been helpful - for example in heading off cases which were likely to come before the European Court - to have given a specific undertaking to bring forward legislation in a particular Session, but we have always used a formula that avoids doing this. I should be grateful, therefore, if you could use a general formula such as "the next convenient opportunity" if you think it necessary to inform the PAC of the Government's intentions.

I should, of course, be glad to conisder any alternative fomulation you may wish to suggest: perhaps your officials could be in touch with the QL Secretariat.

I am copying this letter to the Prime Minister, other members of the Cabinet and to Sir Robin Butler. I am also sending a copy of this letter and yours to Patrick Mayhew.

Yours ever

John

JOHN WAKEHAM

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

PARLIAMENT: Legislation Pt 17

PRIME MINISTER
cc BG.
1. PRIV - FYI
2. FYA

dti
the department for Enterprise

The Hon. Francis Maude MP
Parliamentary Under Secretary of State for
Corporate Affairs

The Rt Hon John Wakeham MP
Lord President of the Council
Privy Council Office
Whitehall
LONDON
SW1A 2AT

Department of Trade and Industry

1-19 Victoria Street
London SW1H 0ET

Switchboard
01-215 7877

Telex 8811074/5 DTHQ G
Fax 01-222 2629

Direct line 215 4417
Our ref
Your ref
Date 6 April 1988

Dear John,

SIR BRANDON RHYS WILLIAMS: COMPANIES (AUDIT COMMITTEES) BILL

Last month I wrote to you (copy attached) with details of the changes Brandon has made to his Bill since the exchange of correspondence between you and David Young in December and January. As a consequence, his ten-minute rule Motion on 22 March was not opposed and the Bill is due for its Second Reading on 15 April.

Brandon has now produced a printed version of the Bill in that form and I am satisfied that he has met the points I made to him when we met to discuss it. The way therefore seems clear for endorsing the earlier decision not to oppose the Bill. He fully understands that it may be necessary to bring forward technical amendments in the House of Lords if the Bill gets that far.

I am sending copies of this letter to the Prime Minister, members of E(A) and L Committees, Sir Robin Butler and First Parliamentary Counsel.

Yours

FRANCIS MAUDE

J04DSV

the enterprise initiative

cc BG

dti

the department for Enterprise

The Hon. Francis Maude MP
Parliamentary Under Secretary of State for
Corporate Affairs

The Rt Hon John Wakeham MP
Lord President of the Council
Privy Council Office
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Telex 8811074/5 DTHQ G
Fax 01-222 2629

Direct line 215 4417
Our ref
Your ref
Date March 1988

Dear John

SIR BRANDON RHYS WILLIAMS: COMPANIES BILL

You will recall that in your letter of 12 January to David Young you agreed to Brandon being informed that the Government would not oppose a Bill confined to the three measures identified in David's letter of 8 December. Although Brandon appeared to accept this limitation at the time, he has since been attempting to persuade me that he should be allowed to include a little more in his Bill. I have resisted most of his demands but, as a compromise, agreed that subject to the views of colleagues he should be allowed to have a Schedule to the Bill setting out "model regulations" for audit committees and providing for those regulations to be amended by the Secretary of State through statutory instrument when appropriate. The contents of the Schedule itself are not really the sort of material that would normally warrant much attention by Parliamentary Counsel since this is really much more the type of detail that is usually covered by a statutory instrument. Brandon has of course been warned that the more material there is in the Bill the more likely it is that someone else will object to it but he says he would prefer to take his chances on that aspect rather than have a Bill without such a Schedule.

As it stands, therefore, his Bill would contain the three items described in David Young's letter of 8 December, ie:-

(a) independent directors to be indicated in directors' reports;

the Enterprise initiative

(b) directors' reports of major companies with fewer than three independent directors to state whether it is intended to appoint some (a slight but unobjectionable change from his earlier idea of requiring them to state why);

(c) the agenda of annual general meetings of major companies to include an item to consider the appointment or re-appointment of an audit committee to the board;

together with the Schedule described above and related clauses.

As you know following our discussion with him earlier this month Brandon has now put down his Bill for debate under the ten-minute rule on 22 March. In the light of the amendments he has agreed to make I suggest the Motion should not be opposed. If the Motion results in a division I recommend colleagues should abstain.

FRANCIS MAUDE

dti

the department for Enterprise

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

The Rt Hon John Wakeham MP
Lord President of the Council
Privy Council Office
Whitehall
LONDON SW1A 2AT

Department of
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Direct line 215 5422
Our ref DC5AHA
Your ref
Date 28 March 1988

MEH/RE to see.
BF// Amend Lord President's reply. CRB 20/3

Dear John,

LEGISLATIVE PROGRAMME 1988/89

It was decided at Cabinet on 10 March that the 1988/89 legislative programme could not accommodate a short Bill amending the Export Guarantees and Overseas Investment Act 1978. This is a great pity since unless some early action is taken, the absence of legislative cover will almost certainly prevent the realisation of significant public expenditure savings, which could reach as much as £10m pa by 1993, through the refinancing of outstanding loans under the ECGD Fixed Rate Export Finance (FREF) scheme. Moreover, the financial markets are expecting ECGD to pursue this course following long and complex negotiations with the banks.

The legal problem centres around the PAC Concordat of 1932 in which it was agreed that if the Government exercises a function without statutory authority on the basis of inherent powers, and that function is of a continuing nature (especially where it involves the incurring of financial liabilities extending beyond a given year), specific legislation should be sought at the earliest opportunity.

The solution lies in our giving exceptionally an undertaking to accommodate the ECGD Bill in the 1989/90 legislative programme. This could be followed by the laying of a minute before the House, thereby complying with the PAC Concordat.

the Enterprise initiative

I appreciate that you may be reluctant to give an advance commitment of this nature. But the risk of the ECGD Bill crowding out other high priority calls on the legislative programme is slight, since it would be very short - perhaps even a single clause - and would require only minimal time at its second reading.

Accordingly, I should be most grateful if you would consider an appropriate assurance which would enable us to save a good deal of money and avoid the political embarrassment of having to abort an important part of the new FREF arrangements.

I am copying this letter to Cabinet colleagues and to Sir Robin Butler.

CONFIDENTIAL

SCHATZ

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

24 March 1988

Dear Alison,

THE LEGISLATIVE PROGRAMME 1988-89

The Prime Minister has seen the Lord President's minute of 23 March about the next Session's legislative programme. The Lord President comments, in particular, on the approach envisaged for three proposed Bills: the Elections (Northern Ireland) Bill, the Antarctic Minerals Bill and the Representation of the People Bill.

The Prime Minister agrees with the approach to these three Bills suggested by the Lord President. But she thinks that in view of the recent events in Northern Ireland, Ministers must, in their continuing review of the programme, try to accommodate the wishes of the Secretary of State for Northern Ireland regarding the Elections (Northern Ireland) Bill. She believes that the Bill's provisions would meet with great approval from the Government side.

I am sending a copy of this letter to the Private Secretaries to Members of the Cabinet, QL, the First Parliamentary Counsel and Sir Robin Butler.

Yours sincerely,

Nigel Wicks

N. L. WICKS

Ms. Alison Smith,
Lord President's Office

CONFIDENTIAL

1. NIA
2. CP
3. Prime Minister

CONFIDENTIAL

In view of recent events in NI, I think we must try to accommodate Tom King's wishes - they will need our great support for our side too

Content with the suggested handling of
- the Elections (NI) Bill
- the Antarctic Minerals Bill
- the Representation of the People Bill ?

PRIME MINISTER

THE LEGISLATIVE PROGRAMME 1988-89

N.C.J

attached

When Cabinet discussed next session's legislative programme at their meeting on 10 March (CC(88)9.1) the Lord Privy Seal and I were invited to review the implications of expanding the Elections (NI) Bill to include provisions on declarations by candidates. Our views on this point, and on a couple of other Bills that were mentioned in the Cabinet discussion, are set out below and are agreed by the other members of QL.

23.3

The Elections (NI) Bill that is already in the programme recommended by QL is a short measure to extend the franchise in Northern Ireland local elections to a group of electors (the Imperial or "I" voters) who already have the vote for other elections but who were excluded from Northern Ireland local elections by Stormont legislation. There is a commitment to extend this franchise to them, and we are quite confident that this would be a genuinely non-controversial measure that the Opposition would accept for Second Reading Committee procedure. Although the Secretary of State for Northern Ireland is right to say that not many clauses would be needed to expand the Bill to accommodate the proposed declarations against terrorism by candidates in Northern Ireland local elections, those provisions would be a controversial and novel development in electoral law which would raise the kind of quasi-constitutional issue on which individual members and Peers might well have strong views.

The Lord Privy Seal and I therefore feel that we must report that, in our judgement, the expansion of the Elections (NI) Bill would represent quite a significant increase in the Parliamentary weight of the programme (as opposed to the drafting burden). While the Lord Privy Seal and I are fully responsive to the support that was expressed at Cabinet for the expansion of this Bill, we are not yet clear how this extra demand on the programme might be offset.

It may very well be, however, that possibilities for this will appear during the course of the year as other adjustments need to be made and, if you agree, we would suggest that a decision on expanding the Elections (NI) Bill is deferred until we see our way to accommodating it.

In that connection, it may be useful if I add some short comments on the Antarctic Minerals Bill and the Representation of the People Bill, which were both noted by Cabinet as candidates for possible postponement.

We believe that the Antarctic Minerals Bill would be a short measure that ought to take up little Parliamentary time. If there were nothing more to be said, then the Bill might as well be postponed. But, on our understanding, there would be very strong pressure indeed to ratify the relevant treaty once it was finalised, since it would regulate the access to minerals that we enjoyed as against other parties, including Chile and Argentina. If that understanding is right, we think it would be more realistic to leave the Bill in the programme for the time being, though it might lose its place if the negotiation of the treaty should be delayed.

The Representation of the People Bill is needed to implement a manifesto commitment. The reason why QL recommended its inclusion in the programme is that electoral measures of this kind become more difficult the later they are left in a Parliament, and we still believe that this is a persuasive argument. On the other hand, there is always a risk of losing a lot of Parliamentary time on a measure of this kind if it is introduced without any understanding being reached with the Opposition. I would like to suggest that, nearer the time, the Home Secretary and the Chief Whip should take soundings of the Opposition about their likely attitude to the Bill, and that we should review the measure's inclusion in the light of that. I think it follows from this that the Representation of the People Bill should only go ahead if we can confidently predict a clear run for it, and that it therefore does not have much bearing on our ability to accommodate an expanded Elections (NI) Bill.

I am sending copies of this minute to members of the Cabinet, to other members of QL, to First Parliamentary Counsel and to Sir Robin Butler.

JW

23 March 1988

Ref. A088/801

PRIME MINISTER

Cabinet: The Legislative Programme 1988-89

C(88)5

THE DECISIONS THAT ARE REQUIRED

It is important that the legislative programme should be broadly settled at this time of the year, so that Departments can get on with the preparation of their Bills in good time. It is always the case, however, that further legislative requirements may emerge in the course of the year, and on this occasion the Education Secretary and the Chancellor of the Exchequer will be pressing especially hard for a Student Support Bill to be included. You may therefore wish to make it clear that the Cabinet's approval of the programme submitted from QL is subject to later decisions, and that the programme cannot be absolutely finalised until the time of The Queen's Speech.

2. If it becomes clear in discussion that a Student Support Bill and/or any other extra measures will have to be included, you could either identify the consequential adjustments at this meeting or ask QL to consider the matter and report back by, say, Easter. (There are only one or two Bills that could realistically be deferred to make room for additions, and serious thought would therefore have to be given to postponing the Broadcasting Bill.)

3. You will doubtless also wish to support the Lord President and the Lord Privy Seal by emphasising that Cabinet endorse the need for Ministers to ensure the delivery of their Bills on time, and to co-operate with the business managers in choosing Bills for introduction in the House of Lords.

BRIABX

MAIN ISSUES

i. Size of the Programme

4. As you know, the very heavy programme in the present Session means that the State Opening for next Session cannot be until the week beginning 21 November at the earliest. Faced with this late start, the business managers would naturally have wished for a programme that was substantially lighter than the present one but, in the event, the number of heavy and unavoidable Bills has left QL with little room for manoeuvre. The Lord President's paper argues that the recommended programme leaves absolutely no margin for contingencies, and I understand that the Lord Privy Seal strongly supports that assessment. You may wish to accept the business managers' judgment that no significant additions should be made to the programme without compensating reductions.

ii. The Balance of the Programme

5. The programme recommended by QL consists very largely of mainstream legislation that fully exemplifies the Government's philosophy. In particular, there are two very heavy privatisation measures (electricity and water) and a major Bill to complete the Government's reform of local authority housing and capital controls. The only major Bills that are not primarily of a financial nature are Fair Employment (NI); Education (Scotland); Official Secrets; Children and Family Services and Broadcasting. I make further comments about these under 'Possible Deletions' below.

He will be in Japan

6. It is possible that the Secretary of State for Trade and Industry may wish to argue that the recommended programme does not give sufficient prominence to the major Government theme of deregulation that he has actively promoted. In particular, he bid for a second long Bill that would contain much deregulatory material on consumer credit and weights and measures. However, you agreed with the Lord President at the beginning of QL's work

that the programme could not accommodate two large DTI Bills, and that their major features should be amalgamated in the way that QL now propose.

7. You will wish to bear in mind throughout your consideration of this item that the subjects to be legislated under the Ports Bill will be changed nearer the time, and that there is still a possibility of further legislation related to the Official Secrets Bill, on which you will be invited to take decisions shortly.

iii. The Pressure for Additions

8. The main Bills whose inclusion is likely to be pressed by Ministers are those where it can be argued that there is a special case for legislation at this point in the Parliament. These are listed in paragraph 6 of the Lord President's paper and I comment on them below.

a. Student Support

Both the Education Secretary and the Chancellor of the Exchequer will argue strongly that the present structure of student support is unsustainable and that the time has come to begin introducing an element of loans, as canvassed in your Manifesto. They believe that the package that DES are putting together contains many features that will be attractive to the Government's supporters and that it is imperative that the new arrangements should be seen to be working on the ground well in advance of the next General Election. That means that the second Session is the latest point for legislation on the topic in the life of this Parliament, and that argument is very persuasive. On the other hand, the Education Secretary has yet to put a paper to E(EP), so this very sensitive topic can hardly be considered collectively until after Easter. You may not wish to rush a decision even then. You agreed that it would be unreasonable to delay consideration of the

legislative programme to enable policy on student support to be resolved. But if the Education Secretary's proposals on student support are approved, then it probably does follow that they would have to be accommodated in the next Session's programme at the expense of another Bill.

b. The Crown Agents

The Foreign and Commonwealth Secretary and the Chancellor of the Exchquer have written to you about their support for legislation to privatise the Crown Agents next Session. The matter has been dragging on since 1984 and there is a lot to be said for settling the matter now, though there may be some exaggeration in the assertion that this really is the last opportunity to dispose of the Crown Agents in the way that we would wish. The legislation would not be very highly controversial, but it would represent yet another medium length Bill. Privatising the Crown Agents might yield about £5m: winding them up by legislation in a later Session (if that became inevitable) might cost about £17m.

c. London Bus Deregulation

The Transport Secretary has written to confirm his intention of pressing for this Bill in Cabinet. He argues that, as with Student Support, this is the last politically realistic opportunity for legislation on the subject during the present Parliament. The Government is committed in general terms to deregulate London buses by the early 1990s, but QL formed the view that this legislation would be quite controversial in Parliament. It is clearly a far less politically important subject than Student Support.

Aug 1990

d. Human Fertilisation and Embryology

The Social Services Secretary may wish to argue that this Bill will get more and more difficult to handle, as backbenchers become increasingly aware of constituency

pressures during the second half of the Parliament. The Welsh Secretary and the Scottish Secretary may support that line, though the Education Secretary believes that a little more delay would be no bad thing in allowing informed opinion to crystallise on some newly emerging scientific possibilities. While you have hitherto been cautious about admitting this Bill, the Government is committed to legislation this Parliament, and there is certainly some force in the Social Services Secretary's arguments about timing. QL considered, however, that DHSS could not possibly be allowed both this Bill and the Children and Family Services Bill. If it were decided to admit the Human Fertilisation and Embryology Bill, therefore, the Children and Family Services Bill would have to be deferred, and that might be a bad choice for the reasons given at paragraph 9(b) below.

e. Elections (Northern Ireland)

QL recommend the inclusion of a non-controversial Bill to implement the Government's commitment to extend the franchise in Northern Ireland local elections to the 'I' (Imperial) voters, but they reject the proposal for declarations against terrorism by candidates in local elections in Northern Ireland. The Northern Ireland Secretary first made this proposal nearly two years ago. It aroused a good deal of anxiety in H Committee, but eventually the Northern Ireland Secretary published a consultative document towards the end of last year, and H Committee have now given a somewhat half-hearted approval to the policy. QL's recommendation to exclude this measure is based not on doubts about the policy but on their assessment that it is a constitutional novelty that could well excite a good deal of Parliamentary argument. The Fair Employment (NI) Bill, on the other hand, has been included by QL as a measure which should be generally welcomed and which is genuinely needed in order to stave

off pressure in the USA for disinvestment from Northern Ireland. The Foreign and Commonwealth Secretary strongly supports the Fair Employment Bill, but has always had doubts about the proposed declarations by candidates, which will be unwelcome to the Irish Republic.

iv. Possible Deletions

9. You may not wish to take decisions at this meeting about the Bills that might be deleted to make room for later additions, but you will at least wish to be aware of the possibilities. As mentioned above, there are very few Bills in the programme that are not important for the Government's economic strategy, and I believe that you would judge Fair Employment (NI), Education (Scotland) and Official Secrets as being necessary for other reasons. That leaves Children and Family Services and Broadcasting as the only Bills of any size that it would be feasible to defer.

a. The Broadcasting Bill is the first of the two Bills on which MISC 128 have agreed. A further Bill will be needed in the 1989-90 Session to deal with the new ITV franchises and various other television matters. The idea of the first Bill was that it should implement the new radio policy that has now been worked out in detail, and that it should take action on programme standards, to which you attach particular importance. The opportunity would also be taken for miscellaneous provisions of various kinds, but none of these are essential next year. So far as programme standards are concerned, the Broadcasting Standards Council is now being set up without legislation, and it would be feasible to delay its statutory establishment until the following year if you so wished. The extension to the broadcasting authorities of the ordinary law on obscene publications, and the provisions on programme contents in satellite broadcasts from abroad do not have to be put in place next Session rather than the one after. In short,

although QL did not feel in a position to question MISC 128's judgment on the need for two Broadcasting Bills, it would be possible to wrap them up into a single large Bill in the following Session. The Home Secretary would, however, be reluctant to see the implementation of his radio proposals being postponed in this way.

b. The Children and Family Services Bill is the result of very long consultation about an admittedly defective area of law. It is strongly supported by the Social Services Secretary and the Lord Chancellor. The Foreign and Commonwealth Secretary and the Attorney General also welcome the Bill because it reduces our vulnerability on various matters before the European Commission on Human Rights. If the Bill were postponed from the next Session, then it would be very difficult to avoid including both it and the Human Fertilisation and Embryology Bill in the following Session. The Government will undoubtedly be pressed to act in this field when the report of the Cleveland inquiry is published later this year, and QL therefore put a higher priority on this subject than on Human Fertilisation and Embryology for the next Session. You may conclude that the Children and Family Services Bill ought not to be jettisoned unless totally new pressures on the programme emerge.

ADVANCE DRAFTING AUTHORITY

10. The Lord President's paper mentions this point simply for completeness, but there is no need for it to be discussed at the present meeting. No Bills likely to be needed two Sessions ahead have been identified by QL this year as warranting advance work to be put in hand now. If, for example, it were later decided to have one Broadcasting Bill only, then advance drafting authority might be given to it in correspondence.

PREPARATION AND HANDLING OF BILLS

11. It is customary for the Chairman of QL to stress the importance of Bills being prepared on time. This year the Lord President has also emphasised the need to have sufficient Bills starting in the House of Lords. As Lord Whitelaw used to stress, it is very important that enough Bills are, in fact, selected to start in the Lords; but Departments are often not very keen on this because there tends to be more publicity attached to an introduction in the Commons. You will doubtless wish to give the present team of business managers your very clear support on these points.

HANDLING

12. You may wish to invite the Lord President to introduce his paper, and the Lord Privy Seal to add any comments from the point of view of the House of Lords. You may wish to indicate at that stage whether you agree with QL's judgment that any additions to the proposed programme will require off-setting reductions.

13. You may then wish to leave it to members of the Cabinet to argue the case for any Bills they wish to press.

R.E.R.B.

ROBIN BUTLER

9 March 1988

CONFIDENTIAL

GOVERNMENT BILLS PROPOSED FOR 1988/89

PROGRAMME

PRIORITY AND TITLE; PURPOSE	DEPT	POLITICAL ASPECTS	LENGTH; PARLIAMENTARY PROCEDURE; ROYAL ASSENT	FINANCIAL, MANPOWER AND EC ASPECTS	TIMETABLE FOR PREPARATION
REPRESENTATION OF THE PEOPLE To extend the period during which British citizens may live abroad and still vote in UK parliamentary and European Parlimanetary elections and amend the absent voting law for those who move house. It might also change the declaration required from overseas electors and make some relatively minor amendments to electoral procedures.	HO	Likely to be controversial. Manifesto commitment, reflecting pressure from British groups abroad.	Short or very short. Will probably have to be taken on the floor of the House at all stages. Royal Assent needed by April 1989 if a General Election is thought to be at all likely in 1990; otherwise Bill can be defered to 1989-90.	Possibly some extra consular costs to be recovered through passport fee. Some marginal extra costs for local authorities. No direct EC implications.	Provisional approval of H Committee, May 1988. Consultation June-August 1988. Final policy approval from H Committee early September 1988. Instructions to Counsel mid-September 1989. Introduction late November 1988.

I'd be content, — especially if we respelt defered (sic)....

P.

Pthv

I cd. agree to postpone this if pressed.

Wd. you be happy?

Prime Minister.

Home Secretary.

Paymaster General

CONFIDENTIAL AND PERSONAL

(1)

Prime Minister

CDP

9/3

PRIME MINISTER

I feel that I must write to you in advance of tomorrow's Cabinet discussion on next year's legislative programme about the Elections (Northern Ireland) Bill.

As you know, QL's proposal is that only the first part of this Bill should be included in the programme. This would mean that our declaration of non-violence, designed to curb the activities of Sinn Fein members in Local Councils, would not be on the statute book in time for the May 1989 District Council elections.

I cannot over-emphasise the seriousness of this Bill for democratic politics in Northern Ireland and for relations with the Unionists. Law-abiding councillors will be forced to continue to sit in the same council chamber with others who can openly support terrorists. Increasingly they are reluctant to continue in democratic politics on this basis. We really must be in a position to offer the great majority of democratic councillors some prospect of an end to this situation. What is involved here are only some 5 clauses, in a Bill for which a place is already proposed.

I shall therefore have to press for the inclusion of these clauses in our discussion at Cabinet tomorrow, and I thought I should advise you of this. I have of course copied this minute also to John Wakeham.

TK

9 March 1988

CONFIDENTIAL AND PERSONAL

CONFIDENTIAL

CCBG.

SECRETARY OF STATE FOR THE ENVIRONMENT

→ MEA

MWicks

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref:

Your ref:

The Rt Hon John Wakeham MP
Lord President of the Council
Privy Council Office
Whitehall
LONDON
SW1A 2AT

9 March 1988

Dear Lord President,

LEGISLATIVE PROGRAMME 1988/89

Thank you for your letter of 4 March about QL's decision not to recommend either my proposed Environment and Planning or Crown Suppliers Bills for inclusion in next Session's legislative programme.

Having seen the size of the proposed programme set out in your Memorandum to Cabinet, I can appreciate QL's difficulty in accepting my Environment and Planning Bill. However, I feel I must press you to try to find time for the very short Bill required for the privatisation of The Crown Suppliers (TCS).

If the legislation and the consequential privatisation date were to go back a year or more this would add significantly to the problems of managing the TCS in the interim and make an eventual sale that much more uncertain. The main problems have to do with staff. The major difficulty would be to maintain the core of committed staff necessary to run an efficient TCS and prepare it for privatisation in the face of understandable concern about their future. While I think management could cope with these problems for twelve months or so, it would be very much more difficult for them to do so for a significantly longer and uncertain period while maintaining the performance and commercial viability of the enterprise.

You and QL colleagues are aware of the basis of my case for the TCS Bill which I shall be happy to amplify at Cabinet on Thursday. Although this is a relatively small part of our overall privatisation programme, it has generated considerable support on our back benches in both Houses. The uncertainty bought about by delay is likely to damage the Crown Suppliers business in the

short term and the chances of successful privatisation in the longer term. It seems a heavy price to pay for a very small omission - of perhaps no more than a one clause Bill - from the Programme.

I am copying this letter to the Prime Minister and members of Cabinet, First Parliamentary Counsel and Sir Robin Butler.

Yours sincerely

pp NICHOLAS RIDLEY

(Approved by the Secretary of State in draft and signed in his absence)

cc BG.

dti

the department for Enterprise

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

Rt Hon John Wakeham MP
House of Commons
LONDON SW1A 0AA

1. MJ Wicks
2. PRCG

Department of Trade and Industry

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Direct line 215 5422
Our ref DC7ADR
Your ref
Date 8 March 1988

Dear John,

LEGISLATIVE PROGRAMME 1988/89

with PG?

I have seen a copy of Paul Channon's letter of 8 March to John Wakeham arguing the case for including the legislation needed for London bus deregulation in the programme for next Session.

I will not be at Cabinet on Thursday but I would like to record my support for Paul's proposed Bill. The deregulation of bus services in London would be a major initiative which should yield substantial benefits before the next Election provided the necessary legislation is taken next Session. If we leave it any later, however, the new arrangements will not have time to bed down before 1991/92. On that basis, I am sure Paul is quite right in saying that if we do not go ahead in 1988/89, the matter should be put aside until the next Parliament. I think we should press ahead.

I am copying this letter to the Prime Minister and other members of Cabinet, to First Parliamentary Counsel and to Sir Robin Butler.

Yours ever,
Norman

the Enterprise initiative

CONFIDENTIAL

DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB

My ref:

Your ref:

The Rt Hon John Wakeham MP
Lord President of the Council
Privy Council Office
68 Whitehall
LONDON
SW1A 2AT

8 MAR 1988

Dear John.

LEGISLATIVE PROGRAMME 1988/89

Thank you for your letter of 4 March. I have also now seen your memorandum, C(88)5, reporting QL's full recommendations.

I am grateful for your agreement that Autoguide be included alongside Driver Licensing in a Road Traffic Bill. I confirm that the Bill will be prepared on the basis that it will start in the House of Lords.

However, I am very disappointed that you have not been able to recommend the inclusion of the legislation needed for London bus deregulation and I shall want to put the arguments to Cabinet. Legislation in the 1989/90 Session is not a practicable proposition. Political considerations mean that if deregulation is not achieved by 1990 then it must wait until the next Parliament. To achieve deregulation in 1990 the various transitional stages have to be started in 1989. Given the success of deregulation in the rest of the country, we have no good reason to give for not extending it to London, where the benefits would be substantial. We need the legislation so that we can guarantee the continuation of the concessionary fares regime, so that we can adapt the powers and duties of London Regional Transport to get a proper transition to deregulation and privatisation, and in order to take extra provision concerning traffic congestion.

The Bill was squeezed out of the programme for the current Session, but Willie Whitelaw did say in a letter to John Moore that he recognised the strong arguments for it and that these "will weigh heavily in favour of its inclusion in the 1988/89 Session." Given the continuing pressure on the legislative timetable, I do not press for the other valuable measures I hoped to include, but I must urge that we carry through bus deregulation in London.

CONFIDENTIAL

I am copying this letter to the Prime Minister and other members of Cabinet, to First Parliamentary Counsel and to Sir Robin Butler.

Yours,

Paul

PAUL CHANNON

PARLIAMENT : Legislation.

cc BG

dti

the department for Enterprise

The Rt. Hon. Kenneth Clarke QC MP
Chancellor of the Duchy of Lancaster and
Minister of Trade and Industry

Rt Hon Malcolm Rifkind QC MP
Secretary of State
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Your ref
Date 2 March 1988

NBPM

RRCG

4/3

Dear Malcolm,

Thank you for copying to me your letter of 19 February to John Wakeham on your proposals for a number of additional measures to be included in the Solicitors (Scotland) Bill. will request if required

I am content with what you propose. The procedural improvements and tightening up of definitions together with the lifting of restrictions in the solicitors' accounts rules are to be welcomed as further examples of our drive for deregulation. I appreciate that it would be inappropriate to include more major proposals on the competition in the solicitors' profession in a Private Members Handout Bill. However, I hope it will be possible to find an early opportunity for the separate legislation you envisage. I should be grateful if my officials could be kept in touch with progress in this area.

I am copying this letter to recipients of yours.

Yours ever,

KENNETH CLARKE

MA2AAR

CONFIDENTIAL

file 015
(54)

10 DOWNING STREET

From the Principal Private Secretary

2 March 1988

LEGISLATIVE PROGRAMME IN THE NEXT SESSION

The Prime Minister has seen the Lord President's minute of 26 February in which he reports the state of play on QL's discussion of the legislative programme in the next Session.

The Prime Minister is generally content with the position described in the Lord President's minute. She is, of course, ready to discuss this matter with the Lord President before Cabinet considers his report from QL on Thursday 10 March; and our office will be in touch with yours to arrange a meeting for next week.

N L WICKS

Ms. Alison Smith
Lord President's Office

CONFIDENTIAL

CONFIDENTIAL

file (49) DTS

bc: Anthony Haydon, C.O.

10 DOWNING STREET

From the Principal Private Secretary

2 March 1988

Dear Mike,

THE LEGISLATIVE TIMETABLE IN THE HOUSE OF LORDS

The Prime Minister has seen the Lord Privy Seal's minute of 26 February in which he reports on the legislative timetable in the House of Lords for this Session's business.

The Prime Minister agrees with the Lord Privy Seal that we should proceed as he recommends in paragraph 6 of his minute. She believes that everything that can be done should be done to meet the target date of 23 November for the next Parliamentary Opening without jettisoning any Bill from this Session. She is sure that the Lord Privy Seal will make the most strenuous efforts to achieve this target date.

I am copying this letter to the Private Secretaries to the Lord President, the Chief Whip in the Commons and the Chief Whip in the Lords.

Yours sincerely,
Nigel Wicks

N L WICKS

Mike Eland, Esq.
Lord Privy Seal's Office

CONFIDENTIAL

DTS

SECRET AND PERSONAL

Nigel
1700 on
Wednesday
9 March.
TG.
2/3

10 DOWNING STREET

PRIME MINISTER

I assume that you are content with the Lord President's proposals in his minute below for the legislative programme in the next Session?

N.L.W.

N. L. WICKS
1 March 1988

Mrs Gaisman
could fix at average
3/4 hr with Lord Hoss
time for next week
N.L.W. 2-3

SECRET AND PERSONAL

CONFIDENTIAL

10 DOWNING STREET

PRIME MINISTER

I assume that you are content with the course, suggested in paragraph 6 of Lord Belstead's minute below, for managing the legislative timetable for this Session in the House of Lords?

If you agree, I will say that you are content and urge Lord Belstead to do everything that he can to meet the target date for the next Parliamentary Opening on 23 November without jettisoning any Bill from the Session.

Agree?

N.L.W.

N. L. WICKS
1 March 1988

Yes

CONFIDENTIAL

MR. WICKS

The attached minute was not directly addressed to the meeting this morning, although the general point about the difficulties with the programme this year came up in the context of the discussion on opting out in Scotland.

You might like to check with the Prime Minister before writing to confirm that we should proceed on the basis Lord Belstead suggests.

MGA

(MARK ADDISON)
29 February 1988

CONFIDENTIAL

Prime Minister's Content to proceed as in §6?

(Worth a discussion at meeting of colleagues a Reply.)

PRIME MINISTER

Yes

THE LEGISLATIVE TIMETABLE IN THE HOUSE OF LORDS

N.L.W. 26-2

I thought I should alert you to some difficulties that we are going to face with the legislative timetable in the House of Lords and to suggest the approach we might take to them. As you know the present Session's programme was recognised to be heavy when it was first drawn up to put into effect many of our Manifesto commitments. Since The Queen's Speech, however, we have accepted three further Bills - Firearms (Amendment), Regional Development Grants and British Steel - which together represent some 14 sitting days' time in the House of Lords. When the Cabinet added the Steel Bill to this Session's Programme (CC(87) 35.5), Willie Whitelaw warned that the consequence of doing so would be to have a record spill-over in the Autumn and that this was likely to result in the State Opening at the end of November.

2. Since then you have asked if it is possible for us to improve upon this timetable. I have also had the advantage, which Willie Whitelaw did not, of seeing the possible outline of next Session's programme, which contains a large number of important Bills. As a result I am convinced that a State Opening in the last week of November must be viewed only as a last resort.

3. In view of these considerations Bertie Denham and I have now taken a critical look at our estimated timetable in the Lords this Session. Our best judgement is that we shall require an exceptionally long spill-over of about six weeks. Working back from a State Opening in the week beginning 21 November will already mean

that we would need to start the "spill over" on 10 October (Party Conference week). We have always recognised this as an undesirable possibility but to accept it now as a virtual certainty will mean that we are embarking on the rest of the Session without any reserve at all, (for it is inconceivable for us to bring the House back during the other Parties' conferences without their agreement).

4. We thus have the following choices:

a. to delete a Bill;

b. to carry on with the present programme and an earlier State Opening date, in the knowledge that we have no margin of safety against unforeseen events. The consequences of this therefore might be either that we had to jettison a Bill during the spill-over or take a last minute decision to defer the start of next Session;

c. to maintain the State Opening at the end of November despite the grave consequences for the next Session.

5. There is only one Bill of any substance which has not yet been introduced and that is the Education (Scotland) Bill. It would in theory be possible to defer the whole Bill to next Session (when it could be rolled up with another education Bill, which Malcolm Rifkind wants to bring forward then). Against this, it was mentioned in The Queen's Speech and contains some important provisions establishing school's councils which were emphasised by Malcolm in his speech in the Debate on the Address. Not un-aturally he considers it politically essential to continue with this part of the Bill this Session and I do not wish to dispute this judgement. Malcolm has, however, agreed to postpone the

CONFIDENTIAL

remainder of the Bill, which deals with some miscellaneous changes in higher education. This will certainly be a help since it will narrow the scope for amendments, but will still mean a Bill of some 25 clauses, about two thirds of the size originally envisaged, and so will not yield entirely the saving in time that we had hoped.

6. My preferred course is therefore to proceed as in paragraph 4(b) above even though this carries with it the risk of losing a Bill. To give us the best chance of avoiding this, I propose that all planning and contact with the Palace should be on the basis of two possible State Opening dates - 23 November and 29 November; the former being the target date and the latter the fallback. If the programme did run into difficulties, we could thus make a judgement at the time whether the heavier price was to choose the later date or to jettison a Bill from this Session. In reaching this decision we would of course need to consider the implications of the later date for next Session's programme.

7. I will be in a better position to advise on whether we need to retain this fallback position when we have seen how things have gone in July but it may be that we will need to defer a final choice to the spillover itself.

8. I would be grateful to know whether you are content for us to proceed on this basis.

I am sending a copy of this minute to John Wakeham, David Waddington and Bertie Denham

Tom Belstead

BELSTEAD

26 February 1988

PARLIAMENT : Legislative Programme

Part 17

SECRET AND PERSONAL 2a

Mr Wicks/r.
This was not really addressed at today's meeting. MGR

Pour Nivertes
Agree to discuss with the Lord President?

PRIME MINISTER

N. L W
26-L

Yes pm

THE LEGISLATIVE PROGRAMME IN THE NEXT SESSION

The Queen's Speeches and Future Legislation Committee (QL) have now heard representations from the Ministers whose bids have provisionally been rejected, and will be meeting next week to finalise their proposals, which can then be considered at an early meeting of Cabinet. I thought it would be useful if, at this stage, I brought you up to date with developments since our discussion at the beginning of the month.

2. Much of the discussion in QL has naturally centred on the unavoidable late start to the next session, and the constraints that this will put on the size and political weight of the programme. I shall need to emphasise to Cabinet colleagues that these constraints are very real and cannot be ignored.

3. Nevertheless, I believe that QL colleagues will, with some hesitation, approve a programme of 16 main Bills as set out in paragraphs 3 and 4 of my minute of 29 January, but with the Teachers' Pay and Conditions Bill deleted, since Kenneth Baker has explained that this bid is only contingent at this stage. It will also be necessary for the Companies Bill to absorb the merger provisions from David Young's bid for a Fair Trading Bill, in the way we discussed.

4. While our calculations can never be absolutely precise, I am clear that a programme of this weight is getting very close indeed to the outer limits of what is possible in a short session and that we would be running great risks if we did not very soon face the rigid discipline of requiring every addition to be balanced by a corresponding reduction. That is the principle that I shall have to ask Cabinet to adopt when I make the report from QL, and I very much hope that you will be able to support it.

Start NLW 29/1/88
last Pres 29/1/88

5. Despite the size of the programme we shall be proposing, there are some obvious omissions that colleagues will press hard. In particular, the Treasury have pressed Crown Agents; Student Support; and London Bus Deregulation. It is claimed that the window for privatising the Crown Agents will close for ever if we do not legislate next session, and that Student Support and London Bus Deregulation would have to be put off to the following Parliament if next session's opportunity is not taken. Student support, however, does not yet have policy approval, and it would clearly be wrong for QL to propose the rejection of a Bill that does have policy approval in order to make room for it. The difficulty of finding items to jettison from this programme is, I think, best illustrated if I tell you that the list of possibilities is probably headed by the Broadcasting Bill, despite the obvious problems of postponing that measure.

6. We should also note that colleagues will argue for Warnock, Northern Ireland (Elections), and Crown Suppliers.

7. I should be grateful for an opportunity to discuss this with you before Cabinet considers the report I make on behalf of QL.

Alison Smith

pp JW

(approved by the Lord President and signed in his absence.)

26 February 1988

CC BG

dti

the department for Enterprise

The Rt. Hon. Kenneth Clarke QC MP
Chancellor of the Duchy of Lancaster and
Minister of Trade and Industry

Rt Hon Douglas Hurd CBE MP
Home Secretary
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Our ref
Your ref
Date 26 February 1988

NBPM
RRCG
26/2

will respond if requested

Dear Home Secretary,

Thank you for sending me a copy of your letter of 1 February to John Wakeham on the subject of Alistair Burt's Bill to require the installation of smoke detectors in all domestic properties. I agree that the Government should not support it, and that if necessary it should be blocked at second reading.

I am copying this letter to John Wakeham and to the other recipients of your letter.

Rosalind Cole

pp KENNETH CLARKE

(approved by the Chancellor and signed in his absence)

EC9APT

PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

17 February 1988

Dear Edwina

ACCESS TO MEDICAL REPORTS BILL

Thank you for your letter of 26 January seeking H Committee's agreement to the Government adopting a stance of neutrality towards Archie Kirkwood's Access to Medical Reports Bill.

Malcolm Rifkind, Tom King and John Cope wrote agreeing to this. Tom requested that the Bill should be amended to disapply it to Northern Ireland since such matters are generally legislated there by means of an Order-in-Council.

No other colleague has written, and this is to confirm the telephone message to your office last week to the effect that H Committee agreed to an attitude of neutrality towards the Bill.

I am copying this letter to members of H Committee, Francis Maude, John Cope and Sir Robin Butler.

Yours ever

JOHN WAKEHAM

Mrs Edwina Currie MP
Parliamentary Under Secretary of State for Health
Richmond House
79 Whitehall
London SW1A 2NS

nbpm CCBG

HOME SECRETARY

QUEEN ANNE'S GATE LONDON SWIH 9AT

3 February 1988

PMB

Dear Mr. Wakeham,

ENVIRONMENT AND SAFETY INFORMATION BILL will request if required

Patrick Nicholls sent me a copy of his letter to you of 2 February.

For the tactical and political reasons which he set out I am prepared to agree that the second reading of the Bill should not be opposed. However I have strong reservations about the provisions of the Bill as far as notices issued by fire authorities are concerned:

(i) generally speaking, it is not necessary or sensible to bring into the public domain notices issued to private people or organisations;

(ii) there are considerable resource implications in maintaining registers which it would be difficult to justify as we do not share the view that they will serve the purpose the promoters of the Bill intend;

(iii) to make the contents of notices public could in many instances expose individuals or organisations to the unwarranted attention of the press over relatively minor improvements required by the fire authorities.

Our view that it would be wrong to release the contents of these notices was fully rehearsed as recently as last May in section 21 of the Fire Safety & Safety of Places of Sport Act 1987 by Douglas Hogg who set out our reasons for this in Parliament. I attach an extract from the Official Report which details all our objections to this Bill.

For all these reasons I would certainly want Patrick to express reservations about the fire safety aspects of the Bill (which incidentally is defective in that it should refer to the Fire Precautions Act 1971 rather than the Fire Safety & Safety of Places of Sports Act 1987) and I would be grateful for your undertaking that if the Bill proceeds to committee stage we would seek to amend it.

I am copying this letter to members of H Committee and L Committee and to Donald Thompson at the Ministry of Agriculture, Fisheries and Food.

Yours sincerely,

Colin R. Mills.

The Rt Hon John Wakeham, MP

Approved by the Home Secretary and signed in his absence.

Brought up, and read the First time.

Mr. Freud: I beg to move, That the clause be read a Second time.

Because such good progress has been made on the Bill I shall be content if the Minister will show that he believes that the new clause has merit, I will accept a nod of the head and sit down.

Mr. Hogg: Although I approached the new clause with an open mind and found the concept attractive, I concluded that I did not wish to commend it to the Committee.

Mr. Freud: I will argue the new clause and hope that the Minister will listen, because, knowing him and his background and concern, I cannot believe that there is anything in it that he could find other than attractive.

A major criticism of the Bill is that it fails adequately to address the issue of informing the public about fire hazards. Such information must be made available to the public both for the purpose of warning them of special hazards and for the salutary effects of publicity on those responsible. Otherwise there could be delay in putting into effect essential fire safety measures.

11.45 am

Under section 21 of the Fire Precautions Act 1971 it is an offence for a fire officer to disclose information obtained in any premises entered during the course of a fire safety inspection. When debating the Official Information Bill in 1979 I referred specifically to that Act. It is astonishing that in these days of open government, in which we pretend that we are living, a fire officer is, by statute, not allowed to disclose information about the state of premises that he enters in the course of his duty as a fireman.

Fire officers are not permitted to answer questions about the safety of public buildings even when another organisation or person thinks that a hazard has been identified in a building. That means that if there is concern about the safety of a theatre, cinema, sports ground or snooker hall that a person wishes to enter, a fire officer is not permitted to state that there are or are not such appliances as would make people feel safe, or otherwise.

In May 1986 the Consumers' Association magazine "*Which*" published a report on safety standards in 22 shops. Four were considered by expert inspectors to be fairly poor, or poor. As a follow-up to the report, the community rights project wrote to the fire authorities about two of the "poor" category of shops, and asked for details of the authority's surveys of them. Both authorities declined to provide the information, on the ground that it was confidential under the 1971 Act.

I maintain that that is wrong. In the House of Lords the Government argued that disclosure of such matters would create a difficult situation, because many of them were given in confidence to the fire authorities, which had built up a tremendous rapport with the owners and occupiers of premises. Freedom of information by statute has got to be better than building up tremendous rapport. Although there are many examples of tremendous rapport between authorities and owners and occupiers, there are many instances of such rapport being non-existent, where, because of the political persuasions or social status of one or other of the parties, they do not talk to each other and cannot discover what they want to and should, know.

The Consumers' Association states:

"While we appreciate that persuasion is often the best means of enforcement, we also think that too close a relationship between inspector and inspected can be the enemy of effective action."

In the case of the shops covered by the *Which?* report, the publicity generated by the report was an important factor in improvements in fire safety standards.

In the case of the fire at Bradford City football ground, the earlier fire officer reports, which indicated that the ground was a fire hazard, did not reach elected council members, let alone the public. The risk was assessed privately, and with hindsight we know that a wrong conclusion was reached. That would not have happened if the clause had been part of previous legislation. Difficult decisions about whether a risk is acceptable should not be taken without input from the community.

I am astonished that this modest and moderate new clause is being resisted by the Minister. I cannot understand why a requirement to publish information that the Committee has decided is worth while, useful and for the general well-being and safety of the public is being refused. I am bemused, but I shall listen to the Minister. I hope that his argument is as weak as I can only presume it can be. I hope that his colleagues will bear in mind the powerful lobby from the Consumers' Association, the very wise words spoken in another place and the overwhelming general consent to the idea that information should be given publicly and that we should retreat from the restrictive 1971 Act, which does not allow people to say anything because that is the easier, not the better way.

Mr. Hogg: I am very sympathetic to the new clause because my prejudices are in favour of publishing this type of information. I considered it sympathetically and, I hope, carefully, but I cannot commend it to the Committee. I also considered whether some of the information required could be given by some other means, and again I concluded that it was not possible. However, if hon. Members take a different view it would be helpful to have their suggestions during the debate.

I cannot commend the new clause for three reasons. First, I have here a fairly typical fire certificate. It is a substantial document, with many pages, and it has annexed to it maps, plans and diagrams of the building. It is difficult to see how one could create a sensible summary of the document, as it runs to many pages and has hundreds of requirements in it.

The hon. Member for Cambridgeshire, North-East (Mr. Freud) proposes that there should be a summary. That raises two questions, and perhaps more. First, is it practical to construct a summary that makes any sense? Considering the nature of the document, it would be difficult to make a useful summary, which would take many man-hours that could perhaps be more profitably spent in the fire service on other matters, such as

carrying out inspections. One could perhaps put one or two conditions on one page, but that would not be useful. A useful summary would perhaps be impossible to draw up, or only at very great expense.

That brought me to a second question. Should we impose a condition that, rather than a summary, the entire fire certificatre should be available for inspection within the premises? That seemed a sensible way forward, but it has problems that persuade me against it. The plans form an essential part of the fire certificate, and without them it is not easy to make much sense of it. The plans portray the layout of the premises, with all the major exits and entries. They give a comprehensive description of the premises.

One has to ask whether it is right that such very detailed information about an individual business should be generally available to the public. My first approach to that question was "Yes it should; why not?" The reason why not is that it gives away too much to potential criminals. It tells the criminal too much about the layout of the premises and therefore I cannot commend it to the Committee. It would not appeal to many of those responsible for the premises that are covered by the fire certificate. It is true that a fire certificate could be made available for inspection without maps, but in that case the proposal will have become rather truncated and incomplete, and I would not be enthusastic about it.

Many premises put to a designated use are exempt, and I do not think that members of the public would spot the nice distinction between premises, some of which are put to a designated use but for some reason are exempted. Therefore, there would have to be a statement that the premises are put to a designated use and exempted or, alternatively, that the premises are not subject to a designated use, or something along those lines. If there were no such statement the public would be mightily confused about whether particular premises were covered by the Act and whether they were safe from fire hazard.

Having considered the matter cumulatively, I advise the Committee against the amendment on three grounds: a sensible summary cannot be constructed; there are major objections to imposing a requirement on a proprietor to have a fire certificate available for inspection; and it will lead to confusion among the public. I am prepared to consider again—I make no commitment—putting to the House on Report the proposal of a fire certificate with the maps deleted. I would willingly do that again, but that is my only offer.

Mr. Freud: I am pretty sensationally unimpressed by what the Minister said. He put three arguments. The first that the summary would not properly reflect this legislation.

Mr. Hogg: It would not reflect the certificate.

Mr. Freud: We are living in an age of summaries. Every Act of Parliament is summarised. On the front page of every piece of legislation there is an explanation in italics. I made it clear on Second Reading that only a few people are deeply concerned with legislation on fire safety and with the aspects of the Bill that we are now discussing, but it is absolutely right that such people should have access to the regulations, whether as a summary or as a display of the entire fire certificate, so that they can look at it at their leisure. To say that it is too complicated is a rotten argument.

The Minister's second argument was that having the entire document available for inspection would help potential criminals. Presumably he thinks that there are organised gangs who need plans of sports grounds to execute a raid on exercise shoes or to steel bootlaces at night from sports ground changing rooms that they might not have found had there not been a map. That argument makes very small appeal to me. It must be recognised that anyone who wants all that information can in most cases go to his district council or local authority and obtain such information. I merely want to make it possible for the few dedicated and concerned people who feel that safety is important in their lives to visit a sports ground and check for themselves on the safety measures that exist there.

12 noon

As far as I could understand it, the third argument about designated use and confusion had even less appeal than the other two. It seems to me that we are moving ever closer, towards open government by allowing people to look at records. Of course, there are degrees of confidentiality and personal privacy which we must bear in mind. However, I do not believe that it is enough to show potential users of premises where the safety exits and provisions for their security are situated, the measures that have been taken to ensure that they can get out in the event of fire and that proper precautions have been taken. My arguments for freedom of information and the disclosure of fire certificate details greatly outweigh the Minister's constraining argument, which was not very convincing.

I hope that this matter is not treated as a party issue. It is a simple matter of open government or unnecessary secrecy and I hope that the Committee will vote for the inclusion of new clause 1.

Mr. Dubs: I am not persuaded by the Minister's arguments, mainly for the reasons given by the hon. Member for Cambridgeshire, North-East (Mr. Freud). It seems to me that although something will be lost with summaries much will be gained, as the public know nothing at present. They are given no access to information and even a summary, which, by its nature, is bound to be selective, would still give them a bit more information than they now have.

In regard to security, perhaps information on where cash is kept should not be shown. I agree that that allows of some doctoring of the plans but, subject to such small refinements, I should have thought that that sort of information would normally be available to the public by one means or another through planning or other procedures. That information is available and I question whether any criminals would make use of such documents. We are not discussing the plans for a new building for the National Westminster bank. [*Interruption.*] Encouraged by his officials, the Minister says that we might be discussing such a building.

If we are talking about buildings where security

[Mr. Dubs]

matters. I should have thought that the Minister would say that the amendment is fine, for the majority of buildings but that there might be certain exceptions, such as bank buildings, for which it would not be appropriate. If the Minister had said that, the Committee would have given him the benefit of the doubt and he could have added that he would bring forward his own amendment on Report to encompass the principles in the new clause but have a let-out for a limited category of buildings. I think that the Committee would have accepted the Minister's argument on that basis, but for him to say that because there may be a building, once in a while, where there are security reasons for not revealing the plans he will not reveal the plans for any building under any circumstances is going far too wide. The Minister must be aware of that difficulty.

In regard to the third point about confusing the public, I think that they are now even more confused. They do not know whether buildings are safe or what sort of certificates, if any, have been issued. If certain buildings were exempted, that could be explained. It should be fairly easy to explain why a building was exempt and to give the public whatever assurances would be appropriate. Therefore, on all counts, the Minister's argument has failed.

Why did the Minister say that he would re-examine the matter? He came close to accepting the argument for having the plans available for inspection by members of the public.

Mr. Douglas Hogg: That is the last thing that I want. I considered the possibility of having the fire certificate available for inspection, but I did not contemplate having the plans available for examination. However, a certificate without the plans is a pretty meaningless document.

Mr. Dubs: I did not mean to put words into the Minister's mouth, but he came fairly close to accepting the argument and then backed away. I want the Minister to come back to us and say that for certain categories of buildings, such as banks, such a provision would not be appropriate, but that the fire certificates and plans for the bulk of buildings should be made available for inspection by the public.

Mr. Hogg: The hon. Member for Cambridgeshire, North-East (Mr. Freud) has been less than fair to my position on the summary. No useful purpose can be served in making a summary of such a complex document. There are no general themes in a certificate. If we make a summary of a statute, we can summarise general themes. But there are many specific requirements in a certificate and to try to summarise them in a way that is helpful to anyone is, I suspect, impossible. It could be achieved only at an unreasonable expenditure of effort when measured against the public advantage.

Mr. Freud: I was simply suggesting that a summary would be an easier option. If the Minister believes that publication of the entire fire certificate is a cheaper and more attractive option, so be it.

Mr. Hogg: That is not entirely right because the new clause proposes the requirement of a summary, which is the first matter with which I was dealing. Will the hon. Member for Cambridgeshire, North-East bear in mind that the second suggestion of publishing the entire certificate was mine, not his? He must not claim credit for something to which he is not entitled.

I shall willingly reconsider whether it is sensible to provide that a fire certificate and its contents should be made available to the public, but it is clear to me that a fire certificate in its present form is not a document that can properly be made available. It is not simply a question whether confidential information might affect high-risk buildings. If I owned a shop, warehouse or factory, I would not want the exact layout of those premises, or the points of entry or exit, to be made available for inspection. Therefore, the problem cannot be approached by proposing that fire certificates should be made available for inspection, save for some designated classes of business.

We must consider whether a requirement can be imposed under which the fire certificate could be made available without the plans, or whether it should be made available for inspection, but with the plans set out in a general form. I am perfectly prepared to consider those options, but I do not give a commitment to the Committee. I do not wish to impose an obligation on people that would constitute a risk to the security of their premises.

Mr. Freud: The Minister must know, from his constituency experience as a Member of Parliament, that planning authorities publish plans and make them available for anyone to inspect. The idea that some new information is contained in a fire certificate's plans which is not already lodged in the district council's planning department is one which I hope will be rejected. Anyone who wants to know how to get in and out of a building can find out from the district council's planning department. I simply want people who visit sports grounds to have that same facility without having to rush off to the local town hall—[*Interruption.*]—or whatever premise it is.

Mr. Hogg: It may be that the hon. Gentleman based his whole case on a misconception because we are dealing not with sports grounds but with part I. However, I am sure that the hon. Gentleman did not make that mistake.

It is perfectly true that if people are determined to obtain plans they can get them from the planning authority. However, that is a high-profile thing to do. If one is a potential robber or burglar that will draw attention to oneself which could lead to discovery.

I suppose that it is possible to achieve a system whereby people had a right to inspect the plans if they identified themselves and did this and that. But once we get to that stage we must ask ourselves whether the apparatus that we are setting up is commensurate with the public advantage that can be gained. If mere inspection of the fire certificate could be achieved without disadvantage I would be the first to commend it to the Committee, because I accept many of the background points made by the hon. Member for Cambridgeshire, North-East. But for the reasons that I

have outlined I do not believe in a summary or making the fire certificate in its present form widely available. Consequently, we must think of some other approach that involves a lesser disclosure, particularly of plans, or some means whereby the person seeking disclosure has to identify himself. When that point, which I am prepared to consider, is reached, we must ask ourselves whether the apparatus being set up is commensurate with advantage.

I shall think about the matter again because I agree with a number of the background points, but I give that **undertaking to the Committee without any commitment** to come back to the House on Report. I will look at the matter again but I cannot go further than that.

Mr. Freud: On a point of order, Mr. Knox. There is confusion in line 4 of the new clause which reads:

"the text of a summary".

It should be:

"the text or the summary".

I had not noticed that error until the insistence of the Minister, which is why I want to make the matter clear.

The Chairman: The alteration will be made in **accordance with the hon. Gentleman's wishes.**

Question put, That the clause be read a Second **time:—**

The Committee divided: Ayes 3, Noes 7.

AYES

Dubs, Mr. Alfred	**Pendry, Mr. Tom**
Freud, Mr. Clement	

NOES

Bright, Mr. Graham	**Moynihan, Mr. Colin**
Carlisle, Mr. John	**Twinn, Dr. Ian**
Hogg, Mr. Douglas	**Whitfield, Mr. John**
Lloyd, Mr. Peter	

Question accordingly negatived.

Scheduled 1 and 2 agreed to.

Schedule 3

INDOOR SPORTS LICENCES: CONSEQUENTIAL AMENDMENTS

Mr. Moynihan: I beg to move amendment No. 15, in page 40, line 9, after "1", insert "in sub-paragraph (6) the words

"or the Royal Albert Hall" shall be omitted, and".

I am convinced that I will carry with me the hon. Member for Stalybridge and Hyde (Mr. Pendry) as a fine pugilist and a boxer of no mean repute in his day who will no doubt share my very considerable concern about the implications of the Bill.

I find it remarkable that it should be in the interests of the Government to consider boxing and wrestling—far be it from me ever to use them again in the same breath—to be in a different category from other uses of the Royal Albert hall. As anyone knows, boxing in the Royal Albert hall is a sport for gentlemen, politicians and scholars to watch with interest. It is a great sporting event. In the more expensive seats, there are occasional decorative additions which would lead to a good Sotheby's sale, and there is musical accompaniment to any great boxing show in the Royal Albert hall. Holst's "Planets" suite accompanies the contenders as they make their way to the ring. Moreover, there are music and dance interests in the sheer artistry of boxers in the ring.

12.15 pm

In my view, therefore, it is quite remarkable, bear**ing in mind the musical, sporting and cultural** interests and the appreciation that is shown by boxing **enthusiasts at the Royal Albert hall,** suddenly to find, tucked away at the end of the bill in schedule 3, the removal of the exemption for boxing and wrestling licences for the Royal Albert hall. That may be welcomed on safety grounds, but what about its continued exemption on occasions when it may be twice, three or four times as full, as it will be for the last night of the Proms? Are we saying that there is something intrinsic in a boxing show at the Royal Albert hall such as the excellent fight there last night which should cause it not to be exempted from receiving a certificate but the use of the same hall on the last night of the Proms, when it is far fuller, poses no fire risk which should cause it to be exempted for that audience?

The notes that have been provided concentrate on the distinction between a sport which is wholly or mainly outdoors as opposed to a sport that is indoors. But surely the reason why the the Royal Albert hall was included in the original London Government Act 1963 goes back to the hall's historical status and the letters patent which led to the Royal Albert hall, the Theatre Royal Drury Lane, the Theatre Royal Haymarket and the Royal Opera House Covent Garden being exempted. Under letters patent, they are exempted from requiring theatre licences and entertainment licences, and—albeit only in the case of the Royal Albert hall, because it is the only one of the four that, to date, has entertained sporting events—from sporting licences.

So the Committee suddenly decides today that the exemption in relation to sporting licences for boxing and wrestling should be removed, while all other entertainment that takes place at that venue is not to be removed from the exemption, and there is no provision before us arguing that it should be. But surely the safety of the venue comes first, and either it is O.K. for boxing and, therefore, for everything else that takes place there as a form of public entertainment, or it is not. Either we trust the management and leave it to be exempted from the provisions of this Bill and similar provisions that cover theatre and entertainment licences, or we do not.

There is ample evidence of public concern in the past about safety at the Royal Albert Hall, and British Safety Council evidence, which has been widely reported in correspondence and articles in the past, has added weight to that concern. So the Bill makes nonsense. If the Bill were enacted in its present form, the premises would need a licence for a tennis match, when the hall might be half-empty, but would not need one for the last night of the Proms, when it is packed to capacity. It is an anomaly and an issue that we should consider very closely. It is possible that consideration

SECRET AND PERSONAL

Subject ce master

File VC

2

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

1 February 1988

Dear Alison,

LEGISLATIVE PROGRAMME IN THE NEXT SESSION

The Prime Minister discussed with the Lord President this morning his minute of 29 January about next session's legislative programme.

The Lord President said that the next session would be some six weeks shorter than this and he very much doubted whether the programme could do more than just about cope with the measures listed in paragraph 3 of his minute.

The Prime Minister then gave her views on the various bills listed. She agreed that the Water and Electricity Privatisation measures and the Housing and Local Government bills were extremely important. She suspected that at least parts of the Official Secrets bill would have to be taken on the floor of the House. Care would need to be taken to ensure that its long title was drawn as narrowly as possible so as to prevent the tabling of unwelcome amendments. The Lord President said, at this point, that he had heard suggestions that there should be another bill on a security matter. He would want to argue that, if any such measure was to come forward, it should be included in the Official Secrets legislation, since he saw grave difficulties in handling two bills. The Prime Minister doubted the need for this second bill in the next session. She understood that the policy would be discussed within the next month or so in OD(DIS).

The Prime Minister than said that she was not convinced that bills for Teachers' Pay and Conditions and Student Support were essential in the next session. She agreed that the Lord President should press the Secretary of State for Trade and Industry whether it was necessary to have two measures on Fair Trading and Companies.

The Lord President then referred to the bills listed in paragraph 5 of his minute. He was extremely doubtful about the case for the bills on Human Fertilisation and Embryology,

Student Support and Environment and Planning. He also believed that the Crown Agents (Future Arrangements) and Crown Suppliers bills should be left until a later session. The Prime Minister did not dissent.

Yours sincerely

Nigel Wicks

N.L. WICKS

Ms Alison Smith,
Lord President's Office.

SECRET AND PERSONAL

Prime Minister

For discussion
Monday with the
Lord President.

PRIME MINISTER

N.L.U
29.1

THE LEGISLATIVE PROGRAMME IN THE NEXT SESSION

As you know, the Queen's Speeches and Future Legislation Committee (QL) are to have their first meeting this year on 9 February, with a view to bringing proposals to Cabinet before Easter.

2. The present Session started early and, on present form, will run until the second half of November. This means that we shall have about six weeks less Parliamentary time at the beginning of next Session than we have had for the present one. Furthermore, Parliamentary Counsel will be engaged on taking through important Bills up to the end of the spillover, and this is bound to put back the preparation of at least some of next Session's Bills.

3. On the other hand, the bids put in by Departments contain a high proportion of politically attractive measures, including some very long ones, that it will be difficult to postpone. They include the following.

Water Privatisation. A massive Bill of over 200 clauses.

Electricity Privatisation. About 90 clauses. It will modernise the substantive law on electricity provision, as well as providing for privatisation.

Housing and Local Government. Another very long DOE Bill, most of which is the necessary second stage of our housing policy. But it also includes provisions on some recommendations of the Widdicombe Committee.

Official Secrets. This will take up a great deal of time, especially in the House of Lords.

SECRET AND PERSONAL

Broadcasting. This is the first Bill, as agreed in MISC 128, covering radio and programme standards but not the main TV decisions. Even so, it runs to 60 clauses.

Children and Family Services. A long Bill (130 clauses) which has advance drafting authority and on which there has been much consultation.

Employment. A medium length Bill designed to remove sex discrimination measures in accordance with EC law, which has been expanded to include some issues that will be more attractive to our supporters.

Teachers' Pay and Conditions. A medium length Bill to establish a successor to the Interim Advisory Committee.

Social Security. This is needed for a number of miscellaneous social security improvements, and would be the vehicle for any structural changes.

Companies. This will be needed for two EC Company Directives, for insolvency in financial markets and for some City regulation measures. All that will amount to about 85 clauses. I do not believe that we can allow the Bill to be expanded to include much general deregulation material, as David Young would like.

Fair Trading. The core of this Bill is the improvement of merger control announced in the recent White Paper. But again, I doubt if we can accommodate many more of the recent White Paper proposals next Session.

Fair Employment (NI). There is a strong political argument for this.

Ports. You are familiar with the background to this.

Transport (Scotland). This is to privatise the Scottish Transport Group.

Education (Scotland). A medium Bill, to change the machinery for settling teachers' pay and conditions and to implement a number of miscellaneous reforms.

Housing (Scotland). A long Bill, following English policy.

4. We shall also need essential measures on Prevention of Terrorism, Atomic Energy, and Road Traffic (though I do not think we should expand the last of these to include anything beyond the essential EC requirements). In addition, I think we should include Representation of the People, to implement the Manifesto commitment on overseas voters. There will also need to be some fairly straightforward and minor technical Bills.

5. The above list includes 17 Bills of long or medium length. This is the same as for the present Session (disregarding the three hybrid Bills that were carried over from the last Parliament) and, for the reasons set out at the beginning of this minute, there must be a real question whether a programme of such weight is sustainable. Even so, as the attached full list of bids shows, there are a number of further candidates that call for very careful consideration. I particularly draw your attention to:

Human Fertilisation and Embryology. This Bill is now as well prepared as it is ever likely to be and there is a great deal to be said for getting it out of the way. But it is likely to take up much Parliamentary time and could well be divisive.

Student Support. This is a short/medium Bill to introduce a loan element into student finances. If the policy were agreed, there might well be much to be said for leaving it no later in this Parliament. But it is a highly controversial subject, not least with our own supporters.

Environment and Planning. This would be yet another long DOE Bill to make largely technical improvements on environmental matters, and to implement agreed policy on changing the development plan system. I doubt if there is room for it.

Elections (NI). This is unpredictable, but the proposed anti-terrorist declarations by candidates in elections could attract criticism from many quarters.

Crown Agents (Future Arrangements) and Crown Suppliers. The first of these privatisation Bills is of medium length, the second is short. Geoffrey Howe and Nigel Lawson have minuted you about the Crown Agents, but even if this really is a case of "now or never" I am not at all convinced that the programme should carry more privatisation Bills than those on water, electricity and the Scottish Transport Group.

Public Transport. The core of this Bill, to extend bus deregulation to London, is politically attractive. Paul Channon wishes to use the Bill as a vehicle for other matters. There is no technical requirement to do it next Session.

6. There will inevitably be some late additions but since these are so unpredictable I do not suggest that we set aside any particular amount of spare capacity for them. However, the inclusion of any major Bill (on, for example, the Health Service) would clearly change the shape of the programme very significantly.

7. I look forward to an opportunity to discuss this minute with you before QL starts work.

JW

29 January 1988

GOVERNMENT BILLS PROPOSED FOR 1988/89

A. ESSENTIAL

HO — Prevention of Terrorism (Temporary Provisions) — medium

To re-enact, with amendments, Prevention of Terrorism (Temporary Provisions) Act 1984, which expires on 22 March 1989.

SO — Electricity (Scotland) Borrowing Limits — short (2 clauses)

To raise the statutory borrowing limit of the Scottish Electricity Boards from £2700M-£2900M.

B. PROGRAMME WITH ESSENTIAL ELEMENTS

DEmp — Employment — medium

To remove certain sex discrimination measures contrary to EC law (essential); to reduce restrictions on hours and conditions of work of 16 and 17 year olds as required by EC law (essential); and to equalize the upper age limit for statutory redundancy payments as required by EC law (essential). Also to implement deregulation measures on health and safety and employment protection; to require deposits in weak cases before industrial tribunals; and possibly to make provision on Wages Councils.

DEn — Atomic Energy — short

To increase the financial limit for British Nuclear Fuels Limited (essential). Also to enable the UK to ratify post-Chernobyl mutual assistance agreements; to clarify nuclear insurance provisions; and to make provision for the issue of nuclear site licences to UKAEA.

DTI Companies long
(185 clauses)

To implement the seventh and eighth EC company directives on consolidated accounts and on regulation of auditors (essential) and to tighten law on financial markets' clearing arrangements. Also to implement general deregulation measures; and to implement miscellaneous city regulation measures.

DTp Road Traffic long
(85 clauses)

To introduce a unitary driver licensing system in accordance with EC law (essential). Also to provide for the development of automated traffic guidance systems; simplification of licensing arrangements for operators of goods vehicles; miscellaneous amendments to traffic and parking regulations; and miscellaneous changes to vehicle safety procedures.

C. CONTINGENT

FCO Fiji very short

To make provisions consequent upon constitutional changes in Fiji.

D. PROGRAMME

MAFF Pesticides very short
(one clause)

To allow MAFF to recover full costs of dealing with pesticides applications.

MAFF Agricultural Marketing short

To amend the current potato and wool price support and marketing regimes, the agreements on which expire in 1990.

MAFF Slaughterhouses short/medium

To implement Farm Animal Welfare Council recommendations on slaughter of redmeat animals (including deer if necessary); and to enable the Government to recover the costs of inspecting pig slaughterhouses.

MAFF Agriculture very short

To enable Ministers to provide for collection of levies for the purpose of establishing, eg, Oilseeds Development Council.

DES Student Support short/medium

To introduce a loan element into student finances; and to enable Secretary of State and perhaps others to award bursaries to students.

DES Teachers' Pay and Conditions short/medium

To establish a Teachers' Negotiating Group to succeed the Interim Advisory Committee from 1 April 1990.

DES Education (Recoupment) very short

To reform the system of inter-authority payments for pupils crossing LEA boundaries for their education.

DEn Electricity Privatisation long (c 90 clauses)

To privatise the electricity supply industry in England and Wales; and to provide for the restructuring of the industry and updating of electricity legislation.

DEn/FCO Continental Shelf (Amendment) very short

To permit de-designation of part of the UK continental shelf in order to give effect to an agreement (currently being negotiated) with the Irish Republic on delimitation.

DOE Water Privatisation long (over 200 clauses)

To privatise the water industry; establish a National Rivers Authority; strengthen water environment protection; update existing sewage and water legislation; and implement the EC drinking water directive.

DOE Housing and Local Government long (c 160 clauses)

To establish a more businesslike financial regime for local authority housing; to reform and simplify improvement grant structure; to transfer new town housing stock, commute moribund housing grants and abolish the home loan scheme; to prevent local authorities from circumventing the right to buy scheme; to restructure local authority capital finance controls; to implement the most pressing Widdicombe recommendations; and to place the "Bellwin" scheme on a sound statutory footing.

DOE Environment and Planning long
(c 80 clauses)

To prevent local authorities from enforcing excessively onerous standards on air pollution; to close loopholes in waste disposal control powers; to introduce new duties on producers and carriers of waste; to require local authorities to put waste disposal operations out to competitive tender; to give HM Inspectorate of Pollution cross-media control powers; to reform the Development Plan System and clarify and reduce other planning controls; to streamline existing legislation on Urban Development Corporations, and to amend the development plan making process in UDC areas; and to place DOE's awards of miscellaneous grants on a sounder footing.

DOE Privatisation of the Crown Suppliers short
(6 clauses)

To effect the privatisation of the Crown Suppliers with the transfer of staff, and other assets and liabilities, to the purchasing body.

FCO Antarctic Minerals short

To give effect to the Treaty, at present under negotiation, regulating Antarctic minerals development.

FCO Crown Agents (Future Arrangements) medium

To privatise the Crown Agents.

FCO	Diplomatic and Consular Premises (Disturbances)	very short

To control demonstrations which disturb embassies and consulates.

FCO	Brunei (Appeals to Privy Council)	very short

To provide that the advice of the Judicial Committee of the Privy Council in relation to appeals from courts in Brunei should be given to the Sultan of Brunei rather than to Her Majesty in Council.

DHSS & LCD	Children and Family Services	long (130 clauses)

To improve and clarify law on child care and on protection and provision of services for families with young children including handling of child abuse cases; and to give effect to Law Commission recommendations on guardianship and custody of children.

DHSS	Human Fertilisation and Embryology (Controls)	substantial (40-50 clauses)

To set up a statutory licensing authority to regulate embryo research, storage etc; to outlaw the use of embryos for cloning, genetic manipulation, creating hybrids; to make unlicensed use or storage of embryos or use of donated gametes a criminal offence; to make surrogacy contracts unenforceable and to make the carrying mother of a child the mother at law, and to provide that donors have no parental rights; to give children born of donation the right to unnamed information about the donor; to regulate use and disposal of stored embryos/gametes; and to amend family law as necessary.

DHSS	Social Security	substantial

To make structural changes in social security benefits; to equalize the upper age limit for statutory redundancy payments (essential; but probably to be included instead in Employment Bill); to make provision for mobility allowances for persons over 75; to enable recovery of social security benefits from TORT awards; to modify powers in respect of pension fund surpluses; to make changes to benefits for one-parent families.

DHSS(OPCS)	Registration Services	substantial (c 50 clauses)

To clarify and define local authority responsibility for the Registration Service; to modernize its procedures, increase its efficiency, and extend public choice.

HO	Official Secrets	medium

To replace section 2 of the Official Secrets Act 1911 with fresh provisions for safeguarding official information.

HO	Broadcasting	long (c 60 clauses)

To reform commercial radio; to put the Broadcasting Standards Council on a statutory basis; to remove the broadcasters' exemption from obscenity law; to implement Council of Europe Convention on Transfrontier Broadcasting (at present under negotiation); to regulate non DBS satellite services; to transfer responsibility for collection of the licence fee to the BBC; to put the financing of the Cable Authority on a proper long-term footing.

HO	International Criminal Jurisdiction and Mutual Assistance	substantial

To reform the law on the limits of territorial jurisdiction and on extra-territorial jurisdiction; and to enable the UK to provide and obtain international assistance in the investigation and prosecution of crime.

HO	Representation of the People	very short/ short

To extend the period during which British citizens may live abroad and still vote in UK Parliamentary and European Parliamentary elections; and to amend the absent voting law for those who move house. May also change the declaration required from overseas electors and make minor amendments to electoral procedures.

HO	Prohibition of Torture	short

To enable the UK to ratify the United Nations Convention on Torture.

LCD	Choice of Law in Contract	medium

To permit UK to ratify the 1980 Rome Convention on the Law of Contractual Obligations.

NIO	Fair Employment (NI)	substantial (25-30 clauses)

To strengthen existing provisions to promote equality of opportunity in employment in relation to religious/political beliefs; to establish a Fair Employment Commission; and to establish a Fair Employment Tribunal.

NIO	Elections (NI)	short

To require candidates in NI Assembly and district council elections to make a declaration disassociating themselves from proscribed organisations and acts of terrorism; to provide for enforcement of the declaration; to amend legislation on disqualification for election to district councils in NI; and to adjust the NI local government franchise.

OAL	Museums and Galleries	substantial (30 clauses)

To regularise change in funding status of National Museums and Galleries from direct Vote to grant-in-aid; to grant corporate status to the Trustees of the National Gallery, National Portrait Gallery and Tate Gallery; and to provide for the National Maritime Museum to hold land.

SO	Transport (Scotland)	medium

To privatise the Scottish Transport Group.

SO	Housing (Scotland)	long (c 70 clauses)

To improve and simplify the home improvement grants system; and to reform local authority housing revenue accounts.

SO Education (Scotland) substantial

To enable Scottish Secretary to control the management side of the neogtiations on teachers' pay and conditions; to establish a separate statutory negotiating forum for headteachers and deputies (possible); to streamline procedures for dismissal of teachers and lecturers; to enable the Scottish Secretary to apply conditions to grants; to clarify the rights of the Roman Catholic hierarchy to approve teaching appointments; to clarify statutory provisions on religious education; and to amend the Teaching Council (Scotland) Act 1965.

SO New Towns (Scotland) short

To provide the Scottish Secretary with powers to effect a reconstruction of New Towns' liabilities.

SO Electricity (Scotland) long
(c 70 clauses)

To provide for the privatisation of the electricity supply industry in Scotland.

[separate legislation will not be required if it is decided to introduce a single GB privatisation Bill].

DTI Fair Trading long
(c 80 clauses)

To amend procedures for merger control under the Fair Trading Act 1973; to amend the Consumer Credit Act 1974 to introduce deregulation measures; to amend Weights and Measures legislation to provide for greater self-regulation; to implement the Law Commission's proposals for amending the law on the sale and supply of goods; and to amend the Unsolicited Goods and Services Act.

DTI	Wireless, Telegraphy and Telecommunications	medium

To provide for spectrum pricing and delegation of some DTI functions; and to make technical amendments to the Telecommunication Act 1984.

DTI(ECGD)	Export Guarantees and Overseas Investments	short/medium

To give ECGD new powers in respect of dealings in foreign currencies; to raise statutory limits on ECGD's commitments; to give ECGD additional powers to enable it to practice good financial management.

DTp	Public Transport	substantial

To extend bus deregulation to London and to provide for associated changes in functions of London Regional Transport and disposal of London Buses Ltd; to compel local authorities to sell their transport undertakings; and to transfer to British Rail responsibility for payments to pension funds now met by Central Government.

DTp	Ports	substantial

To privatise trust ports and ports owned by local authorities; and to eliminate Government financial assistance to London and Liverpool ports.

E. UNCONTROVERSIAL

MOD	Greenwich Hospital	very short

To enable land owned by Greenwich Hospital to be used for wider purposes than permitted under Greenwich Hospital Act 1869.

HO	Police (Officers Seconded to Central Services)	very short

To provide that a police officer seconded to central service does not cease to be a member of a police force.

LCD	Conveyancing Procedures	short

To give effect to 4 Law Commission reports on technical issues relating to conveyancing.

PARC legislation pt 17

OLO

Prime Minister.
To note.
MBA 27/1

2

CCBC

SECRETARY OF STATE FOR THE ENVIRONMENT

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref:

Your ref:

The Rt Hon John Wakeham MP
Lord President of the Council
Privy Council Office
Whitehall
LONDON
SW1A 2AT

I can foresee enormous difficulties over such a reshuffle now

27 January 1988

Dear John

LOCAL GOVERNMENT BILL: CLAUSE 28

You will be aware of the substantial publicity that has arisen over the proposal in clause 28 of the Local Government Bill to prohibit the promotion of homosexuality by local authorities.

There is no reason to doubt that some of those expressing anxiety - such as the Arts Council - have genuine anxieties about the clause. These anxieties are, in our view, very much misplaced. As Michael Howard and Richard Luce have made clear, the clause does not have the effects attributed to it by its opponents. Nevertheless, it is clear that, if nothing is done, there will be a major debate at Lords Committee stage next week, and we shall be exposed to much undesirable, and ill-founded, criticism.

We think that much of this criticism can be averted by making clearer precisely what the clause is saying, As you know, the original text was not properly drafted and contains several infelicities. My officials are therefore exploring with Parliamentary Counsel ways of making the extent of the prohibition clearer on the face of the Bill, without in any way weakening the effect. These possibilities centre round either making it clear that the prohibition only applies where local authorities intentionally set out to promote homosexuality, or specific statements that certain activities (such as stocking books by homosexual authors, or dealing with homosexuality, as part of a comprehensive public library service) do not constitute promoting homosexuality.

I intend, if possible, to table a suitable amendment by Friday, so that we do not have the further growth over the week-end of artificially generated indignation on the subject. Failing this, Michael Howard or I will take the opportunity to make our intentions clear before the week-end. Michael Howard will, of course, be seeing Dame Jill Knight and David Wilshire before then to carry them with us.

I am sending a copy of this letter to the Prime Minister, the other members of H and L committees, the Minister for the Arts, First Parliamentary Counsel and Sir Robin Butler.

Yours ever
Nicholas.

NICHOLAS RIDLEY

10 DOWNING STREET
LONDON SW1A 2AA

From the Principal Private Secretary

25 January 1988

MANAGEMENT OF THE LEGISLATIVE PROGRAMME 1987-88

The Prime Minister has seen the Lord President's minute of 22 January about the management of this session's programme.

She agrees generally with the approach to the programme described in the Lord President's minute; and in particular that the overriding priority must be to take the Local Government Finance Bill to Royal Assent before the Summer Recess even if that means that the Education Reform Bill (which otherwise has equal top priority) cannot get to Royal Assent until the spillover.

(N.L. Wicks)

Ms. Alison Smith,
Lord President's Office.

1

Prime Minister

Agree generally, and especially X overleaf.

N.L.W.

22.1

CONFIDENTIAL

PRIME MINISTER

MANAGEMENT OF LEGISLATIVE PROGRAMME 1987/88

I have been considering, together with the Lord Privy Seal and the Chief Whips in both Houses, the management of this Session's three main Bills - Local Government Finance, Education Reform and Housing.

2 Following the addition of the Steel Bill to the already very full legislative programme for the current Session, it will clearly be impossible to take all three of the "flagship" Bills to Royal Assent by July. We therefore need to have a view of the priorities so that legislative time can be used to the best advantage.

3 Quite apart from its central political importance, there are technical reasons for giving the Local Government Finance Bill top priority. The Bill is a conceptual entity to which we cannot tolerate much amendment and maximum time must therefore be allowed to overturn any significant defeats there may be in the House of Lords. Also, it would be impossible for the DOE spokesman in the Lords to cope with this Bill and the Housing Bill in tandem.

4 As things stand, it seems likely that the Education Reform Bill will reach the Lords before the other two Bills, and it will be important for the Lords to make progress on it as quickly as possible. But once the Local Government Finance Bill reaches the Lords, it may well be necessary for the Education Reform Bill to proceed more slowly in order to allow the Local Government Finance Bill to get ahead. In June and July, the Steel Bill will need to take absolute priority to ensure that it proceeds to Royal Assent in July. It follows from all these priorities that the bulk of Lords proceedings on the Housing Bill will need to be left over until after the Summer Recess.

Contd 2/...

5 While the Business Managers will clearly need to handle the Bills flexibly in the light of developments, I should like to inform the Environment Secretary and the Education Secretary of the overall strategy, to help them make their plans. If you agree, I should like to tell them that the overriding priority must be to take the Local Government Finance Bill to Royal Assent before the Summer Recess even if that means that the Education Reform Bill (which otherwise has equal top priority) cannot get to Royal Assent until the spillover.

X

JW

22 January 1988

10

nbpm

dti

the department for Enterprise

The Rt. Hon. Kenneth Clarke QC MP
Chancellor of the Duchy of Lancaster and
Minister of Trade and Industry

John Patten Esq MP
Minister of State
Home Office
50 Queen Anne's Gate
LONDON
SW1H 9AT

Department of
Trade and Industry

1-19 Victoria Street
London SW1H 0ET

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01-215 7877

Telex 8811074/5 DTHQ G
Fax 01-222 2629

Direct line 215 5147
Our ref
Your ref
Date 21 January 1988

1. PATB
2. nbpm

Dear John.

SUNDAY SPORTS (NO 2) BILL

WILL REQUEST IF REQUIRED

Thank you for copying me your letter of ~~8~~ January to Willie Whitelaw, seeking support for Nicholas Soames' Sunday Sports (No 2) Bill at the Second Reading debate on 29 January.

I agree entirely that we should give our full support to this Bill which will relax present restrictions on Sunday racing and betting. These proposals hold great potential benefit for those businesses affected, which should in turn create new employment opportunities in this sector of the leisure industry by providing the general public with a greater choice of Sunday leisure time activities.

I am copying this letter to members of H and L Committees, Sir Robin Butler and First Parliamentary Counsel.

Yours ever,

KENNETH CLARKE

JA4AAW

CQBG.

NORTHERN IRELAND OFFICE
WHITEHALL
LONDON SW1A 2AZ

Minister of State

CDP-15Tel

The Rt Hon Douglas Hurd CBE MP
Secretary of State for the Home Department
Home Office
50 Queen Anne's Gate
LONDON
SW1H 9AT

CQ 15/1

15 January 1988

Dear Home Secretary

MALICIOUS COMMUNICATIONS BILL

will request if required.

Tom King wrote to you on 4 June supporting your proposals for the introduction of legislation to deal with malicious communications and indicating that, subject to confirmation on sight of the proposed Bill, he would wish to include a negative resolution Order in Council enabling clause for Northern Ireland.

My officials have seen the Bill as drafted and I can now confirm that we would wish to see such a clause for Northern Ireland included in the Bill.

I am copying this letter to members of H Committee.

Yours Sincerely

L Foster

PP **JOHN STANLEY**
(Approved by the Minister
and signed in his absence)

DMC/767

CC BG

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

12 January 1988

PRCC-Sec
PRCC
14/1

Dear David,

SIR BRANDON RHYS WILLIAMS' COMPANIES BILL

Thank you for your letter of 8 December about the handling of Brandon Rhys Williams' Bill to amend the law on companies.

I would be content for Brandon to be informed that the Government would not oppose a Bill confined to the three measures identified in your letter. In practice, of course, the Bill could succeed only if it passed through all its Commons stages on the nod and the prospects of this must be fairly slight. Accordingly, in order to husband drafting resources as carefully as possible in this exceptionally busy Session, I could agree to Parliamentary Counsel being deployed to assist in any necessary tidying up of the drafting of the Bill only if it reached the House of Lords, with any amendments that were required being introduced in that House. You will, no doubt, wish to warn Brandon that it might be necessary to bring forward technical amendments at that stage.

I am sending copies of this letter to the Prime Minister, members of E(A) and L Committees, Sir Robin Butler and First Parliamentary Counsel.

Yours ever

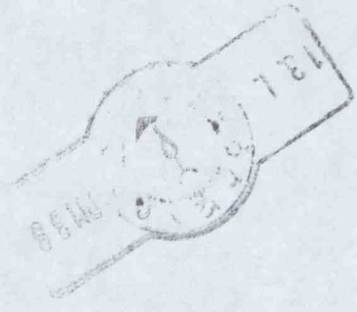
John

JOHN WAKEHAM

Lord Young of Graffham
Secretary of State for Trade and Industry

PARL: legislative Pt. 17

Prog



→ PA

cc BC.

PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

12 January 1988

Prime Minister 2

Now academic, as leave was refused yesterday. The DTI thinking had apparently been that any Bill should be handled by the Government after Ministerial decisions.

Dear Ken

PRCG 13/1

Prime Minister 2

MS PRCG 14/1

MRS TERESA GORMAN'S TEN MINUTE RULE MOTION

Thank you for your letter of ~~22~~ 21 December containing your proposals for handling Teresa Gorman's Ten Minute Rule Motion for 12 January, which seeks leave to introduce a Bill to remove the Post Office's letter monopoly.

I believe that the idea behind this Motion will be attractive to many of our supporters and I therefore suggest that any PPSs who are present at a division may vote in favour of the Motion if they wish. I understand that David Waddington mentioned this to you yesterday and that you were content. However, since removing the letter monopoly is not, at present, Government policy, any colleagues present should abstain.

I understand that you agree that, in the usual way, any resultant Bill would need to be blocked at Second Reading and we shall make the necessary arrangements to secure this.

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

Yours ever

JOHN

JOHN WAKEHAM

Why should a Bill be blocked at 2nd Reading? It would give the wrong signals.

MS

The Rt Hon Kenneth Clarke QC MP
Chancellor of the Duchy of Lancaster
Department of Trade and Industry

PARLIAMENT: Legislation PTT.

CONFIDENTIAL

DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET
Telephone (Direct dialling) 01-215)
GTN 215) 5147
(Switchboard) 01-215 7877

From the Chancellor of the Duchy of Lancaster and Minister of Trade and Industry

THE RT HON KENNETH CLARKE QC MP

Rt Hon John Wakeham MP
Lord Privy Seal
Privy Council Office
Whitehall
LONDON
SW1A 2AT

22 December 1987

Dear Minister,

TEN MINUTE RULE BILL: MRS TERESA GORMAN: POST OFFICE EXCLUSIVE PRIVILEGE (EXTINCTION)

Mrs Teresa Gorman has tabled Notice of a Motion under the Ten Minute Rule Bill procedure to introduce a Bill to remove the Post Office's letter monopoly. The Motion is down for debate on 12 January.

In the light of the prevailing industrial relations climate in the Post Office and particularly the recent threat of industrial action by postal workers affecting the Christmas mail, I think the time has come for us to reconsider the future of the letter monopoly. But we shall not have reached any conclusions before 12 January. At the request of the Prime Minister E(A) will be discussing other Post Office issues, probably in the week beginning 18 January, and I shall be circulating a paper which includes the monopoly in the topics for discussion.

I therefore suggest that we do not oppose Mrs Gorman's Motion, and Ministerial colleagues should abstain if there is a vote.

I am copying this letter to the Prime Minister, other members of E(A), David Waddington, First Parliamentary Counsel, the Lord Advocate, Sir Robert Armstrong and the Secretary of L Committee.

Yours sincerely,

KENNETH CLARKE

EC7ACG

(approved by the Chancellor and signed in his absence)

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434
My ref:
Your ref:

Private Secretary to
The Rt Hon The Lord Young of Graffham
Secretary of State
Department of Trade and Industry
1-19 Victoria Street
LONDON
SW1H 0ET

15 December 1987

Dear Jeremy

SIR BRANDON RHYS WILLIAMS' BILL

My Secretary of State has seen your Secretary of State's letter of 8 December about the proposals by Sir Brandon Rhys Williams which he is prepared to accept. Mr Ridley agrees with Lord Young's proposals.

I am sending a copy of this letter to the Private Secretaries to the Lord Privy Seal, the other members of E(A) and L Committees, the Prime Minister and Sir Robert Armstrong.

Yours

A D RING
Private Secretary

CCO

CC/SG

HOME OFFICE
QUEEN ANNE'S GATE
LONDON SWIH 9AT

11 December 1987

PDB
14/12

Dear Mr de Waal,

FIREARMS (AMENDMENT) BILL

As you know, the Bill is to be considered by the Legislation Committee on 16 December. If the Committee approves introduction of the Bill in the House of Commons as proposed I should be grateful if you would arrange for notice of presentation to be Tabled on 16 December for introduction of the Bill at the commencement of public business Thursday 17 December. After consulting the Home Secretary's office I can confirm that we should like the Bill published on Friday, 18 December at 9.30 am.

The Bill should be presented by Mr Secretary Hurd, supported by:

The Prime Minister
Secretary Sir Geoffrey Howe
Mr Secretary Walker
Mr Secretary King
Mr Kenneth Clarke
Mr Secretary MacGregor
Mr Secretary Rifkind
Mr Richard Luce
Mr Douglas Hogg

It has been agreed that there will be no Press Conference on 18 November but that a Press Notice will be issued that day. I should be grateful if you would arrange for 115 copies of the Bill, addressed to the Home Secretary, to be delivered to the Vote Office on the morning of 18 December.

I am sending copies of this letter to Mark Addison (Prime Minister's office), Shaun Mundy (Cabinet Office), Steven Wood (Lord Privy Seal's office), Murdo Maclean (Chief Whip's Office, Commons), Rhodri Walters (Chief Whip's Office, Lords) and Brian Shillito.

Yours sincerely

J A Gilbert

J A GILBERT
Parliamentary Clerk

C H de Waal Esq CB

CONFIDENTIAL

FCS/87/261

SECRETARY OF STATE FOR TRANSPORT

Norwegian Offshore Supply Vessels Dispute:
Merchant Shipping Bill

1. Thank you for sending me a copy of your letter of 7 December to the Lord President, outlining your proposals to take powers in the Merchant Shipping Bill to enact regulations establishing additional eligibility requirements for UK registration in the offshore supply vessel (OSV) sector.

2. I appreciate what you say about the pressure in the House of Lords for an amendment of the kind you propose. At the same time I see two main difficulties. The first is over the effect of your proposal on our discussions with the Norwegians about the OSV problem. These as you know are at a delicate stage, the two Energy Ministers having met this week and with an imminent renewal of contacts between industry representatives from the two countries to try to resolve the basic over-capacity problem.

3. I note your intention to make it clear that you do not intend to use the new powers for the time being. But I suspect that in practice it will be harder to resist Parliamentary and other domestic pressure to use the powers once you have taken them than it has been to

/defend

defend the absence in the Bill of such powers. In any case, the Norwegians are likely to see the move as a further attempt to put pressure on them over the current negotiations, and to react in a way that will make a solution more difficult. As you know, officials recently agreed to carry out an interdepartmental study into the consequences for our wider interests in the offshore sector if the Norwegians decided to retaliate against what they already see as a discriminatory policy. Until the outcome of this study is known, I think it reasonable to assume that those interests must be to some extent at risk.

4. The second problem concerns the wider issues, about which we have already corresponded, of taking powers of a more general nature to refuse registration on other than the strict health, safety and welfare grounds already stipulated in the Bill. The wording of Lord Gray's amendment suggests that it will be difficult to resist pressures to take such wider powers once we have agreed to act specifically on OSVs. For these reasons, I should prefer you not to go ahead with a Government amendment on the basis you propose. I believe that both in the specific context of the UK/Norwegian OSV dispute and in more general the one of the 'reflagging' issue, the potential damage to UK interests outweighs the Parliamentary advantage which you seek.

/5.

5. I am sending copies of this minute to the Prime Minister, to the Secretaries of State represented on MISC 19, to John Wakeham, John Major and Bertie Denham and to Sir Robert Armstrong.

(GEOFFREY HOWE)

Foreign and Commonwealth Office

11 December 1987

PARLIAMENT: Legislative Programme

Pt 17

cc BG

DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET
TELEPHONE DIRECT LINE 01-215 5422
SWITCHBOARD 01-215 7877

Secretary of State for Trade and Industry

CONFIDENTIAL

10 December 1987

The Rt Hon Paul Channon MP
Secretary of State for Transport
Department of Transport
2 Marsham Street
LONDON
SW1P 3EB

Dear Paul,

MERCHANT SHIPPING BILL: ADDITIONAL REQUIREMENTS FOR REGISTRATION

Thank you for copying to me your letter of 7 December to Willie Whitelaw proposing that the Government accepts in principle Hamish Gray's amendment on additional requirements for eligibilty for the UK Register with an offer to return at Third Reading with a Government amendment limited to the offshore supply vessel sector.

Despite the qualifications which you propose that there would be no intention of using the power, except to deal with a clear threat of a major incursion of foreign-owned tonnage into the UK sector of the North Sea, whether from Norway or anywhere else, I am very concerned that such action, taken with other current policies in the offshore supply vessel sector, could place at risk the UK's good trade relations with Norway, to which last year we exported over £1 billion of goods and services.

I understand that officials in the Departments concerned agreed only recently that there should be a full review of the Department of Energy's initiative to ensure that UK-registered ships are given a "full and fair opportunity" to compete for offshore supply vessel contracts. I welcome this review, which in part reflected the fact that the protection afforded by this policy had already caused the Norwegians to register their serious concern. In the present climate we need to be careful before giving the impression that we are taking further steps to deny Norwegian owners access to business in our sector. I am concerned that acceptance in principle of the amondment should be presented in a neutral a way as possible and certainly not in terms which would prejudge the outcome of the review upon which officials are now engaged.

DW3DAX

Therefore, whilst I sympathise with your desire to avert demands for yet more protection in the offshore supply vessel sector, I feel that the qualifications which you propose would not only be regarded as provocative, possibly by EC partners as well as by Norway, but that it would also commit us to a policy, by implication, which has yet to be decided. I would therefore prefer Ivon Brabazon simply to say that we will continue to keep the position under review and that that no commitments on the use of the reserve power can be given.

I am sending copies of this letter to the Prime Minister, the Secretaries of State represented on MISC 19, John Wakeham, John Major, Bertie Denham and Sir Robert Armstrong.

LORD YOUNG OF GRAFFHAM

DW3DAX

999-49

PARL: legislation pt17

DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET
TELEPHONE DIRECT LINE 01-215 5422
SWITCHBOARD 01-215 7877

Secretary of State for Trade and Industry

8 December 1987

The Rt Hon John Wakeham MP
Lord Privy Seal
Privy Council Office
Whitehall
London SW1A 2AT

Dear John,

HOUSE OF COMMONS: PRIVATE MEMBERS BILLS: SIR BRANDON RHYS WILLIAMS

As you know, Brandon Rhys Williams introduced the latest in his series of Bills to amend Company Law last month. It was due for Second Reading on 11 December, although I now understand he intends to defer this until February.

Brandon last introduced a Bill in the Spring of this year. Following discussion, it was given a Second Reading (although there was no debate) and a Committee Stage. Brandon had agreed to take the Chief Whip's advice on the remaining stages, with the clear understanding that it would not proceed further. However, as the general election intervened the question was academic.

Francis Maude discussed Brandon's latest Bill with him on 2 December. At that stage he had not come to any final conclusion about the content of the Bill but thought it likely that he would put forward the same proposals which were considered in Committee in May. He made it clear, as John Butcher had during the Committee Stage, that we could not support a number of the provisions in his Bill, particularly those concerning a limitation to the liability of directors and auditors.

I have now given further thought to his proposals, and am prepared to recommend that we should allow three items from his list to go forward. They are:-

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(a) Clause 1

Independent directors to be indicated in directors' reports. Any burden which this would place on companies would be minimal and it would be useful information for shareholders;

(b) Clause 3

Directors' reports of major companies with fewer than three independent directors to state why. This could be accepted without causing major problems. It would be useful information to shareholders and would enable them to question the board's policy on this issue;

(c) Clause 4(1)

The Agenda of Annual General Meetings of major companies to include an item to consider the appointment or re-appointment of an audit committee to the board. This would also be a very limited additional burden on companies and would give interested shareholders the opportunity of discussing the question at the general meeting.

Such a Bill would be a considerable reduction from the one put forward by Brandon last May (copy attached) which itself was a substantial modification of the more regulatory ideas he had advocated in earlier years' Bills. I believe this limited version avoids the more objectionable parts of his proposals and would give some encouragement to the worthwhile concept of wider use of non-executive directors and audit committees.

I understand that Brandon is prepared to proceed on this basis if he can be assured that the Government will not block the Bill. He accepts that he can not at this stage expect our agreement to his other ideas and has undertaken not to add any additional matters to the Bill without our approval.

I would be grateful for your agreement to proceeding on the above basis. I am sending copies of this letter to the Prime Minister and other members of E(A) and members of L Committee.

Yours ever,

LORD YOUNG OF GRAFFHAM

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CCSG

DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

The Rt Hon Viscount Whitelaw PC CH MC
Lord President of the Council
Privy Council Office
68 Whitehall
LONDON
SW1A 2AT

7 December '87

NBPM

Dear Lord President

MERCHANT SHIPPING BILL: ADDITIONAL REQUIREMENTS FOR REGISTRATION (LORD GRAY OF CONTIN'S AMENDMENTS)

The Committee stage of the Merchant Shipping Bill passed off smoothly but there is one difficult problem facing us on Report. Lord Gray of Contin put down an amendment that would give me power to specify in regulations additional requirements to be satisfied in order for particular types of ship to be admitted to the British register. The amendment is closely modelled on a clause in the section of the Bill dealing with new requirements for the registration of fishing vessels and refers to the need to secure that vessels have a genuine and substantial connection with the United Kingdom.

Lord Gray's concern is to help reinforce the support that the Government can give to the offshore supply vessel sector which has suffered badly since the drop in oil prices and which has faced what is generally perceived as unfair competition from Norwegian supply vessels, whose owners have overbuilt in recent years. The amendment elicited widespread support from all sides of the House. Ivon Brabazon undertook to consider the proposal.

We have been conscious, ever since agreeing to the inclusion of the new registration proposals for fishing vessels in the Merchant Shipping Bill, that we would come under heavy pressure to extend the regime, or something like it, to offshore supply vessels. Since Lord Gray is only proposing an enabling power, it will be all the more difficult for us to argue persuasively against the amendment and I believe that there is a serious risk, if we oppose it, of our being defeated, although you will be the best judge of this.

The proposal has a certain merit in that access for supply vessels to the UK sector of the North Sea is at present closely monitored by the Offshore Supplies Office and their vigilance has secured a big reduction in foreign penetration over the last two years. Any foreign owner that was prepared to hire a UK crew could however evade this control by registering his vessel in the UK. I understand that the OSO would not feel able to treat any such vessel differently from UK-owned vessels for the purposes of the exercise of their "full and fair opportunity" policy.

What I am proposing therefore is that Ivon Brabazon should accept Lord Gray's amendment in principle at Report and offer to come back at Third Reading with a Government amendment but to indicate that we would intend to specify that the power would be limited to the offshore supply vessel sector. We would at the same time make it absolutely clear that we would have no intention of using the power except to deal with a clear threat of a major incursion of foreign-owned tonnage into the UK sector of the North Sea, whether from Norway or anywhere else.

I recognise that there may be pressure subsequently - especially in the Commons - to extend the power so as to cover other shipping sectors, in particular vessels flagged in to the UK in order to attract naval protection. We had a round of correspondence on this before the Bill was introduced when it was the Prime Minister's view that we should not take a power to refuse registration in the national interest but would be ready to see the conditions for registration more tightly drawn if there were good grounds for this. My present proposal is of course much more limited in scope and does envisage precise criteria being written into the regulations.

I am afraid the timing on this is rather tight. Report stage of the Bill will be on Monday 14 December and I will need to be able to give to Lord Gray a clear indication of our intentions by then. I would therefore be grateful to know by noon on Friday 11 December whether you or any colleagues to whom I am copying this letter see any objection to the course of action which I propose.

I am sending copies of this letter to the Prime Minister, to the Secretaries of State represented on MISC 19, to John Wakeham, John Major and Bertie Denham and to Sir Robert Armstrong.

Yours Sincerely,

Jon Cunliffe

P.P. PAUL CHANNON (approved by the Secretary of State and signed in his absence)

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cc BG

DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET
Telephone (Direct dialling) 01-215)
GTN 215) 5147
(Switchboard) 01-215 7877

From the Chancellor of the Duchy of Lancaster and Minister of Trade and Industry

THE RT HON KENNETH CLARKE QC MP

1. PASS
2. nbpm

Nick Gibbons Esq
Private Secretary to the
Rt Hon Viscount Whitelaw CH MC
Lord President of the Council
Privy Council Office
68 Whitehall
LONDON
SW1A 2AT

26 November 1987

Dear Nick,

SCOTCH WHISKY BILL

Mr Clarke has seen Mr MacGregor's letter to the Lord President of 23 November. Although he is not entirely persuaded by the arguments for preventing the production in Scotland of whiskies other than Scotch, he can - given the views of colleagues - agree to policy approval and Government support for the Bill. WILL REQUEST IF REQUIRED

I am copying this letter to the Private Secretaries of members of H Committee, to Sir Robert Armstrong's Private Secretary and to Shaun Mundy (Cabinet Office).

Yours sincerely,

Alastair Morgan

ALASTAIR MORGAN
PRIVATE SECRETARY

NO6AAO

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LCE BG

FROM THE PRIVATE SECRETARY 114584 Repeat under

HOUSE OF LORDS,
SW1A 0PW

24.11.87

Rec'd by fax.
PSB 25/11

Dear Gregory,

Land Registration Bill

Here are the Lord Chancellor's two letters. I gather that in fact arrangements have been made for the Law Commission to provide any necessary drafting expertise.

Yours,

P.A. Bearpark Esq.
10 Downing St.

FROM THE RIGHT HONOURABLE THE LORD MACKAY OF CLASHFERN 113915

HOUSE OF LORDS,
LONDON SW1A 0PW

The Rt. Hon. John Wakeham M.P.
Lord Privy Seal
Lord Privy Seal's Office
Whitehall
London SW1

23rd November 1987

Dear John

You will have seen my letter of 16th November 1987 to Willie Whitelaw setting out my position on Lord Templeman's Land Registration Bill and seeking colleagues' views. I am now writing with my further proposals for handling this bill.

I propose that the Government's line should be generally supportive. The Bill, which was drafted at the Law Commission, appears to be in reasonably good shape. It does not seem to need much by way of amendment, but I would be grateful if you would agree that we might make use of Parliamentary Counsel if amendment is required. I understand that Lord Templeman himself may amend the only provision which causes me any concern, that relating to commencement.

I propose that the Government Spokesman in the Lord's which I expect to be myself, should indicate support for the Bill and that the Bill should not be blocked in the Commons, although I will naturally make it clear to Lord Templeman that it is not possible to make Government time available there. Unless I hear to the contrary by close of play on Tuesday 24th November, I shall assume that colleagues are content with this line. I am copying this letter to the Lord President of the Council, colleagues on H and L committees, and to Sir Robert Armstrong and First Parliamentary Counsel.

Yours ever,

James.

I recommend, therefore, that we should allow Lord Templeman's Bill to take its course in the Lords, that the foremost spokesman in the Lords, which should be myself if possible, should state that we support the principle of the Bill, but that there are timing difficulties of the kind I have described. We should make it clear to Lord Templeman that we are not able to give him any Government time in the Lords, nor in the Commons were the Bill to progress that far. Should colleagues agree with this line, I shall write to Lord Templeman accordingly.

I am copying this letter to John Wakeham, to colleagues on H- and L-Committees, and to Sir Robert Armstrong and First Parliamentary Counsel.

Yours ever,

Jam.

Parl - leg Pr 17

O&D

cc BC

DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET
Telephone (Direct dialling) 01-215
GTN 215 5147
(Switchboard) 01-215 7877

n6pm

From the Chancellor of the Duchy of Lancaster and Minister of Trade and Industry

THE RT HON KENNETH CLARKE QC MP

Rt Hon Douglas Hurd CBE MP
Secretary of State
Home Office
50 Queen Anne's Gate
LONDON
SW1H 9AT

23 November 1987

Dear Douglas,

LICENSING BILL

WILL REQUEST IF REQUIRED

Thank you for copying to me your letter to Willie Whitelaw of 18 November taking forward your proposal to include in the Licensing Bill an amendment to bring wholesalers of alcohol within the licensing system, in response to Mr Andrew MacKay's Licensing (Retail Sales) Bill.

My strong reservations about this continue. The main effect, and arguably main purpose, of Mr MacKay's Bill would be anti-competitive, blocking the enterprise of new companies who have found a profitable and useful place in the market. If there is a specific abuse where action is needed (and I accept that may be the case with sales to minors), it is surely more in keeping with our commitment to reduce the regulatory burden to ensure that further restriction goes no further than necessary. That is why I suggested a specific offence. And I do not think a widening of regulation compatible with our desire to keep as open as possible the position on Sunday licensing and trading in general.

However, I do not see that we need to be forced into action at this stage. Placed fourth, the Retail Sales Bill is not certain of Second Reading on 11 December (and it would no doubt be easy enough

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to ensure it was not reached). Thereafter its chances would not be good without government support. In any event, the argument that the answer to anomalies is not further anomalous regulation at this stage seems an adequate defence on this Bill or if an amendment was tried on the Licensing Bill.

It would of course be easier to pursue if the way to reform of Sunday licensing hours by the Licensing Bill in the event of support becoming clear had been kept open, as agreed in Willie Whitelaw's letter of 9 August. I was therefore disappointed to see that Douglas Hogg had stated in the Second Reading debate that the Government would oppose amendments to relax Sunday licensing, rather than responding when the level of support became clearer.

I am sending copies of this to Willie Whitelaw and the other Members of H Committee, John MacGregor, John Wakeham and David Waddington, and to Sir Robert Armstrong.

KENNETH CLARKE

NO4ABL

For Information

MGT

CABINET OFFICE

70 Whitehall London SW1A 2AS Telephone 01-270 0135

Dear Private Secretary,

23 November 1987

LEGISLATIVE PROGRAMME 1988/89

I am writing to ask for your Minister's proposals for legislation in 1988/87.

Attached at Annex A is guidance on the completion of the forms at Annexes B and C. I should be grateful if you could let me have four copies of the completed forms listing your proposals for Bills. Government Bills should be divided into Essential, Programme, Contingent and Uncontroversial categories, with each category being listed on a separate sheet of the form at Annex B. Bids for Private Member Handout Bills (also four copies, please) should be set out in the form at Annex C. If you have no candidates please let me have a "nil" return.

I should be grateful if you could send me replies by Friday 18 December. We intend to hold meetings in the Cabinet Office in January with those in your Department who will be responsible for the main Bills in your bids so that we can have a reasonably good idea of the contents of these Bills. To this end it would be very helpful if you could send me, with your bids, the name and telephone number of the officials who will be responsible for each of the main Bills you are putting forward so that we can arrange a meeting directly with them. QL Committee will begin their consideration of bids for the 1988/89 session early in the New Year, in the usual way.

I am sending this letter to the Private Secretaries of all Ministers responsible for Departments and sending copies to Mike Eland (Lord President's Office), Steven Wood (Lord Privy Seal's Office), Murdo MacLean (Chief whip's Office) and Rhodri Walters (Lords Chief Whip's Office). I am also sending copies to Mr de Waal (First Parliamentary Counsel) and Mr Adamson (First Parliamentary Draftsman for Scotland).

Yours sincerely

William Fleming

WILLIAM FLEMING

Annex A

NOTES ON COMPLETING ANNEXES B ANC C

ANNEX B

GENERAL

1. Entries should be in note form, grouped by class of Bill (see below) and numbered in order of priority within each class. If there is space successive items may be listed on the same page; conversely a few longer items may need to run over onto a further page. Returns should be on white paper.

CLASS OF BILL

2. Bids should be classed as 'essential', 'contingent', 'programme' or 'uncontroversial'. There are notes on these descriptions below. Where different parts of a Bill fall into different classes, please include brief notes on this at the foot of the Bill's entry in the PURPOSE column.

a. Essential. Bills may be included in this class only if they must be enacted during the Session eg because existing powers or finance would otherwise expire or because of treaty obligations. Please give the reason in the PURPOSE column. A Bill should not be classed as essential simply because it has high political priority; that can be made clear in the POLITICAL ASPECTS column. A Bill which is basically essential can sometimes include some non-essential items too. They should be clearly distinguished, and before including them Departments should consider their effect on the length of the Bill and the need to avoid controversial provisions which might affect the Bill's prospects of enactment by the required date.

b. Contingent. These are Bills which might during the relevant Session become essential as defined above, for example if a pending court judgment were to put important powers into question. Bills which

may become desirable for some non-technical reasons should be included in the 'programme' or 'uncontroversial' class - with a brief explanation at the bottom of the PURPOSE entry of what they depend on.

c. Programme. These will form the main part of the legislative programme and are Bills which can already be identified as being desirable for enactment in the relevant Session, have a significant political priority and can be prepared in time.

d. Uncontroversial. These are Bills which are desirable for enactment in the relevant Session but are not expected to be controversial in Parliament. It will be assumed that a Bill in this class is suitable for Second Reading Committee Procedure (see paragraph 8b. below) unless the PARLIAMENTARY PROCEDURE entry specifically records that it is not, and briefly indicates why. In the case of a Bill which might also be suitable for a Private Member, reference to this should be made in the PARLIAMENTARY PROCEDURE column and a full entry should also be made in the separate schedule covering Bills suitable for offering to Private Members (Annex C).

PRIORITY AND TITLE

3. Within each class, please number your Bills in the order in which your Department would like to give them priority. As regards the title, a provisional wording is quite acceptable.

PURPOSE

4. Please list the various topics to be covered by the Bill, briefly indicating the purpose in each case. This list should cover all the substantive topics likely to be included. Because of their impact on drafting capacity and parliamentary handling, the business managers and other members of QL Committee are likely to resist attempts to make substantial additions later on.

DEPARTMENT

5. Only the Department which would take the lead in preparing the Bill needs to be mentioned here. It is sufficient to use the short form eg "DHSS", "DTp".

POLITICAL ASPECTS

6. Please state briefly what, if any, commitments the Government have made about the legislation in question. Please also cover briefly -

a. the Bill's likely reception in Parliament, including whether it is likely to arouse particular interest in the House of Lords;

b. what the attitude of the official Opposition is likely to be;

c. whether it is likely to be controversial politically or for any other reason;

d. whether there is pressure for the Bill from groups representing particular interests;

e. whether it is likely to appeal to or be strongly opposed by any particular sections of the community.

LENGTH

7. An estimate of the length of the Bill is needed so that the demands on drafting capacity and Parliamentary time can be assessed at the earliest possible stage. It will not normally be possible to give an accurate forecast of the number of clauses and schedules, but some indication such as 'very short' (ie not more than 4 clauses), 'short' (5-12 clauses),

'medium' (13-25 clauses), 'substantial' (26-50 clauses) or 'long' (over 50 clauses) should be given. The approximate number of clauses for a long Bill should be indicated. If the Bill would be short but the schedules lengthy please say so. Where a Bill would cover more than one distinct topic, please indicate roughly what proportion of the Bill would be devoted to each topic. Departments should consult their legal advisers about the likely length of Bills.

PARLIAMENTARY PROCEDURE

8. A Bill may be suitable for special forms of Parliamentary procedure. Please state whether it might be suitable for or require any of the following -

a. Introduction in the House of Lords.

b. Second Reading Committee procedure in the House of Commons - that is, the Bill is likely to be accepted on all sides of the House as uncontroversial and of little or no political significance (there is no need to mention this specifically in the case of Bills categorised as 'uncontroversial').

c. Scottish or Welsh Grand Committee procedure in the House of Commons.

d. Offering to a Private Member successful in the Ballot. Such a Bill should be short, simple, non-controversial in party political terms and without significant financial implications. (In such a case a full entry for the Bill should also be made in the separate schedule dealing with Bills suitable for Private Members - Annex C).

e. Special Standing Committee procedure in advance of normal Committee Stage.

f. Committee proceedings on the Floor of the House of Commons, for part of all of the Bill.

g. Committee proceedings in a Public Bill Committee in the House of Lords.

h. Treatment as a hybrid or potentially hybrid Bill.

ROYAL ASSENT

9. For 'essential' and 'contingent' Bills, please give with reasons the date by which Royal Assent is needed. For other Bills, please give a target date (with reasons) only if Royal Assent is essential or desirable before the end of the Session. Please make it clear in each case whether Royal Assent by a particular date is essential - eg because borrowing limits will otherwise be exceeded - or desirable but not essential.

FINANCIAL AND MANPOWER IMPLICATIONS

10. Please indicate the effect on central and local government expenditure and manpower of the proposed Bill for the PES period, and whether PES provision has been made for any necessary expenditure. Any separate implications for the Public Sector Borrowing Requirement (PSBR) should also be mentioned, especially if they affect the date by which Royal Assent is required (see also paragraph 9 above on ROYAL ASSENT).

EUROPEAN COMMUNITY (EC) IMPLICATIONS

11. Please say whether the Bill is required to fulfil any EC commitment. If so, any relevant timing considerations should also be mentioned under ROYAL ASSENT.

TIMETABLE FOR PREPARATION

12. We need to have the best possible estimates of -

a. when Ministers' collective policy clearance will be sought (ie from the appropriate Ministerial Cabinet Committee or, exceptionally, full Cabinet). If this is expected to be in stages, eg outline

clearance before public consultation and detailed clearance afterwards, please cover each stage. Any likely cause of delay, eg dependence on autumn PES decisions or publication of an inquiry report, must be covered;

b. whether and if so when and for how long any public consultation on the proposals will be carried out;

c. when firm instructions will be delivered to Parliamentary Counsel. (If it is proposed to deliver instructions in instalments or at different times for different topics please give details); and

d. when the Bill is expected to be ready for introduction.

It is important to have realistic estimates to enable Ministers to plan the use of Parliamentary time. Over-optimistic timetables are unhelpful all round. Please be as specific as you can - indicating where possible 'early', 'mid' or 'late' when naming a month. In cases of doubt, earliest and latest dates should be given for each stage. Account should be taken of Parliamentary Counsel's absence on leave (normally for the whole of August). Departments are strongly advised to consult their legal advisers on entries for dates for delivery of instructions.

ANNEX C

This annex is for Bills your Department considers would be suitable, and can be made ready, for offering to Private Members of the House of Commons who are successful in the Ballot for Bills which will take place at the beginning of the 1988/89 Session. The purpose of putting together this list now is to avoid a rush of requests for policy clearance and drafting in the autumn when pressure of work on Government Bills is at its greatest. Once Departments' proposals have been considered and agreed, it should be possible to carry out preparatory work on at least some of the Bills in advance of the Ballot. There is of course no guarantee that a particular Bill will be taken up. Your Department's list should include any Bills which have been offered or introduced in previous Sessions without success and which you would like to offer again.

To be suitable for offering to a Private Member a Bill should normally be short, simple, non-financial and not controversial in party political terms. It may be unsuitable if it is likely to be unpopular with prominent non-parliamentary interest groups, but such proposals may be included on the list provided that the likely reaction of outside groups is explained. There is no need to use a separate page of Annex C to list each bid, but bids should be numbered in the Department's order of priority.

Overlap Between Lists

Departments may consider that some Bills merit places in the Government programme but would also be suitable for offering to Private Members. If genuinely suitable for both categories they should be included on both lists, with a cross-reference in each entry to the other one. Inclusion in the Private Members' list as well as the Government one will not necessarily lead to a Bill being excluded from the latter by QL Committee. It is important for each entry to make clear whether there are any special timing considerations which could influence the choice which is finally made.

Cabinet Office
November 1987

Annex B

GOVERNMENT BILLS PROPOSED FOR 1988/89

[Please indicate Class of each Bill (Essential, Programme, Contingent or Uncontroversial)]

PRIORITY AND TITLE; PURPOSE	DEPT	POLITICAL ASPECTS	LENGTH PARL. PROCEDURE; ROYAL ASSENT	FINANCIAL MANPOWER AND EC ASPECTS	TIMETABLE FOR PREPARATION

Annex C

PROPOSED PRIVATE MEMBER PANDOUT BILLS FOR 1988/89

PRIORITY AND TITLE; PURPOSE	DEPT	LENGTH	INTEREST GROUPS AFFECTED AND LIKELY ATTITUDES	FINANCIAL MANPOWER OR EC ASPECTS	TIMING OF POLICY APPROVAL AND INSTRUCTIONS TO COUNCIL

113915.

LORD CHANCELLOR

HOUSE OF LORDS,
LONDON SW1A 0PW

16 November 1987

Dear Willie,

Land Registration Bill

On 5th November Lord Templeman introduced a Private Peer's Bill to give effect to the Law Commission's proposal in its Report (Law Com. No. 148) that the register of title at the Land Registry should be made open to public inspection. Second Reading has been fixed for 25th November.

You will remember that this matter has been the subject of H-Committee correspondence between Quintin Hailsham and colleagues at the Department of the Environment and the Welsh Office, all of whom favoured the opening of the register. But Quintin was unable to bring this forward as an uncontroversial measure of law reform because of the strong joint opposition of the Law Society and the Country Landowners' Association. (The Law Society's attitude has since shifted to one of indecision). He also considered that there was much to be said for doing it in conjunction with the extension of compulsory registration to cover the whole of England and Wales, which should be completed by 1990, and further computerisation of the Land Registry.

I strongly support the principle of an open register. But there are two further considerations. First, the Land Registry is exceptionally stretched at the present, owing to a great increase in conveyancing activity, and is no longer able to absorb the additional work which an opening of the register would entail unless additional manpower is made available. Secondly, the Law Commission is engaged in an overhaul of the land registration legislation which could result in a Bill in three years' time. This would provide an ideal vehicle for the open register proposals.

The Right Honourable
The Viscount Whitelaw CH MC
Lord President of the Council

file

PRIME MINISTER

LEGISLATIVE PROGRAMME: CURRENT STATE OF PLAY

A number of important Bills have now been introduced in the Commons and received their Second Reading, and the Criminal Justice Bill has just completed its Lords Committee Stage. The three major "flagship" Bills on Education, Housing and Rates Reform have yet to be introduced.

DETAIL

Bills which have already received Royal Assent this Session

British Shipbuilders (Borrowing Powers) Act
Channel Tunnel Act - hybrid legislation introduced in the last Parliament
Finance (No. 2) Act - containing the tax proposals left over from the previous Parliament.

Bills introduced in the House of Commons and awaiting a Second Reading

Immigration

Bills introduced in the House of Commons and having received a Second Reading

Arms Control and Disarmament (Privileges and Immunities)
Dartford-Thurrock Crossing - hybrid legislation introduced in the last Parliament and now in its House of Commons Select Committee Stage
Employment - dealing with trade union reform
Licensing
Local Government - dealing with competitive tender
Public Utility Transfers and Water Charges - the paving Bill for water privatisation
Scottish Development Agency

Social Security - dealing with, among other things, 16 and 17 year olds entitled to benefit
Urban Development Corporations (Financial Limits)

Bills introduced in the House of Lords and awaiting a Second Reading

Copyright, Design and Patents

Bills introduced in the House of Lords and having received a Second Reading

Criminal Justice - now through Committee Stage
Farmland and Rural Development - ALURE
Merchant Shipping - Second Reading today

Also, the Norfolk and Suffolk Broads Bill is awaiting Second Reading in the Lords, having been introduced in the last Parliament, and having completed its Commons stages.

Education and Housing are expected to be ready for introduction next week. Rates Reform may, at the earliest, be ready for introduction on 3 December, but this timetable is likely to slip a bit. But it should be introduced before the House of Commons rises for Christmas.

Mark Addison

10 November 1987

DG2CJG

MR ADDISON

PROGRESS ON THE LEGISLATIVE PROGRAMME

You asked for a note on the progress of the programme so far. I hope you find the division of the Bills into the following categories helpful.

Bills which have already received Royal Assent this Session

Appropriation (No 2) Act
British Shipbuilders (Borrowing Powers) Act
Channel Tunnel Act - hybrid legislation introduced in the last Parliament
Finance (No 2) Act

Bills introduced in the House of Commons and having received a Second Reading

Arms Control and Disarmament (Privileges and Immunities)
Dartford-Thurrock Crossing - hybrid legislation introduced in the last Parliament and now in its House of Commons Select Committee stage
Employment
Licensing
Local Government
Public Utility Transfers and Water Charges
Scottish Development Agency
Social Security
Urban Development Corporations (Financial Limits)

Bills introduced in House of Lords and having received a Second Reading

Coroners
Criminal Justice
Farmland and Rural Development
Merchant Shipping (today's business)

Bills introduced in House of Commons and awaiting a Second Reading

Duchy of Lancaster
Immigration
Multilateral Investment Guarantee Agency

Bills introduced in House of Lords and awaiting a Second Reading

Civil Evidence (Scotland)
Copyright, Design and Patents
Income and Corporation Taxes

Certain of the Bills which have received Second Reading have also progressed significantly further - the Criminal Justice Bill, for example, has already completed its Lords Committee stage. Others have yet to start Committee stage - the Licensing Bill which received its Second Reading yesterday is the most recent example.

In addition to the Bills listed above, the Norfolk and Suffolk Broads Bill is also before Parliament at present. Having been introduced in the last Parliament, it has now completed its Commons stages and is awaiting Second Reading in the Lords.

Of the Bills yet to be introduced, Education, Housing and Rates Reform are the most important. The first two of these are expected to be ready for introduction next week. Rates Reform may, at the most optimistic estimate, be ready for introduction on 3 December, but this timetable is expected to slip slightly. In any event, it should be introduced before the House of Commons rises for Christmas.

Dawn Gibson

ALISON SMITH

10.11.87

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cc BG

DEPARTMENT OF TRADE AND INDUSTRY
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nb pm

From the Chancellor of the Duchy of Lancaster and Minister of Trade and Industry

THE RT HON KENNETH CLARKE QC MP

Rt Hon Douglas Hurd CBE MP
Secretary of State
Home Office
Queen Anne's Gate
LONDON
SW1H 9AT

9 November 1987

Dear Douglas,

LICENSING BILL

WILL REQUEST IF REQUIRED.

Thank you for your letter of 29 October, proposing that a measure should be included in the Licensing Bill to bring the wholesale of alcohol within the scope of the licensing system.

I am grateful for the opportunity to comment on this issue which, as you know, I regard as having serious implications for the industry concerned in the light of our overall commitment to reduce the regulatory burden on business.

There clearly are anomalies in the current licensing and Sunday Trading laws. But, given current proposals to increase licensing hours and our undertaking to look again at the whole issue of Sunday Trading, our approach must surely be to look at ways of reducing restrictions for all the businesses concerned, or at the least ensuring that increased regulation does no more than tackle effectively whatever particular defects are seen in the present arrangements.

We would not want at the present time to do anything to suggest that we favoured restricted Sunday trading hours, or believed that short licensing hours were a significant factor in reducing alcohol abuse. On both, I take a directly contrary view. But a blanket extension of licensing restrictions on wholesalers now would inevitably lend some support to both arguments, and make it more difficult to take forward our overall aim of allowing businesses the most liberal framework within which to compete.

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There is, however, one point on which some action might be justified. It is at present possible, as you say, for wholesale dealers to exploit the present arrangements by selling alcohol to young people. From the nature of the trade, I would not have expected that to cause particularly widespread or serious problems, but we would always want to ensure that young people were adequately protected by the law, and change here could not possibly be taken to conflict with our overall aim. Is there therefore not scope for legislation making the sale to minors of alcohol by retail or wholesale on an equal footing, whether or not the place of sale was licensed?

That must be a more directed way of tackling the mischief in the present system. I understand that Mr Andrew MacKay has now reintroduced Mr George Gardiner's Licensing (Retail Sales) Bill, which also seeks to bring wholesalers within the licensing system. In these circumstances, I would recommend that the Government should take a neutral line during this Bill's passage.

I am copying this letter to Willie Whitelaw, members of H Committee, John MacGregor, John Wakeham and David Waddington and to Sir Robert Armstrong.

KENNETH CLARKE

EC9AIG

DTI

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9 November 1987

Dear Douglas.

GAMING (AMENDMENT) BILL: CHANGES IN OWNERSHIP OF CASINOS

Thank you for sending me a copy of your letter of 26 October to Willie Whitelaw seeking support for an amendment to the Gaming Act 1968 to widen the powers of the Gaming Board to revoke a certificate of consent, and for three more minor measures.

I am content for this amendment to be included in a Bill suitable for handing out to a Member of the House, but I am concerned that implementation of the proposals should not impose unnecessary burdens on the industry, either in certification procedures or in the requirement to make available records of cheque transactions. I am encouraged that you will be seeking the support of the British Casino Association, and taking their views into account in the preparation of the Bill. I look forward to learning the outcome of these discussions.

The Bill will provide a useful vehicle for one of the deregulatory measures identified from the review of gaming licences carried out earlier this year.

Yours ever,

KENNETH CLARKE

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PART 16. ends:-

D. Tpt. to MEA - 29Oct'87.

PART 17. begins:-

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