

STUDY GROUP ON DEVOLUTIONInterim Report

1. We have not finished our work, but in view of the Scottish Conference on 15th-17th May I felt that my colleagues would wish to have this interim report on our discussions to date.
2. The Study Group of which I am Chairman consists of Mr Alick Buchanan-Smith, Mr Nicholas Edwards, Mr Ian Gilmour, Mr Malcolm Rifkind, Mr George Younger, and three academics, Professor Ivor Gowan of the Department of Politics at the University College of Wales, Mr Nevil Johnson of Nuffield College, Oxford, and Professor Thomas Wilson, Professor of Political Economy at the University of Glasgow. It has met three times, and reached certain provisional conclusions.

Wales

3. We have agreed in effect that we should stick to the line taken by Mr Peter Thomas at the Welsh Conference at Llandrindod Wells on 15th June 1974 and in the House of Commons debate of 3rd-4th February 1975.
4. In Wales there is absolutely no widespread demand for a directly elected Assembly, legislative or executive. The great majority of the population realise how closely their interests are tied up with the rest of the United Kingdom, and do not want any radical change. For this reason we doubt the wisdom of the Government's proposals, which pose immense practical problems. We propose, instead, to increase the powers and functions of the Secretary of State for Wales and ensure that Wales' share of the UK budget is spent in accordance with decisions taken in Wales and the Welsh Office; establish a new Select Committee of Welsh MPs entitled to meet in Cardiff as well as Westminster; and strengthen the functions of the Welsh Council and reconstitute its membership so that the majority will be elected from the new County and District Councils. All this is as in our last Election Manifesto.
5. We are agreed, however, that we should try to put clothes on our idea of the Welsh Council, i.e. be more precise in what we propose; and that we should think in practical terms about what additional powers we would give to the Welsh Secretary.

Scotland

6. At our last meeting we agreed that before discussing the electoral system or the powers to be devolved it was necessary to have a clear view of the type of Executive to be preferred.
7. We were at first drawn to the idea of the Committee-type Executive, because:

/... (a) it would

- (a) it would not be so strong against the Secretary of State and the UK Government, and would thus reduce the risk of conflict, and
- (b) it would give greater participation to minority parties.

8. We concluded, however, that the analogy with local government is a doubtful one and that there were other disadvantages:

- (a) it is difficult to treat a law-making body in the same way as a county council
- (b) once an Assembly exists, it is difficult to impose on it the way it should organise itself
- (c) the local government structure would tend to give more power to the Civil Service
- (d) it would have little political appeal

9. We then discussed the alternative generally put forward, the Cabinet system. Here we came up straight away against the problems created by the establishment of a strong Executive, particularly in the special circumstances of Scotland, with the constant risk of clashes with the Central Government and the danger of adding fuel to separatist feeling. Although to some extent financial limits could ensure that the Executive kept on the right lines, we had to face the fact that conflicts could arise where it would be necessary to use the power of veto. In terms of practical politics, such a solution could only cause trouble. It seemed to us clear that the opportunity of a clash would be much less under the Douglas-Home proposals, where the Scottish Executive would consist of the Secretary of State and the other Scottish Ministers. Moreover, we felt that the current proposals of the Government go so far down the road of devolution that it will be very difficult to resist further pressures which might well lead to total separation.

10. We then considered the question of a separate Scottish Executive from a purely Party point of view. There is little doubt that this could cause a major ruction within the Party: many would say that we had gone too far, and would be intensely unhappy about it. There is also the danger of forgetting that we are an Opposition Party: there are no political advantages for us in coming out with detailed proposals; our role at the present stage is rather to provide sensible criticism of the Government's proposals.

11. At the same time we felt that if we are to criticise we should have a fairly clear idea of what we should do ourselves, in terms of potential responsibility, and that there were strong arguments for standing broadly on the basis of the Douglas-Home proposals, which geared the Assembly in with the Westminster legislative process.

12. The advantages of this course are:
- (a) it would give us consistency, and an independent position as an Opposition.
 - (b) it would be consistent with our position over Wales.
 - (c) it would be regarded by the Party as a very acceptable position.
 - (d) it is as near as we shall ever get to uniting the English Party and the Scottish Party.
 - (e) we could make a virtue of the fact that Parliament at Westminster would be supreme.
 - (f) we should be in a position, if the Assembly were not working well, to come forward with our own more workable proposals, with a chance of winning support on any swing back in feeling.
13. The main disadvantage of adopting this position is that the media will denounce it as inadequate and out of date.
14. To attempt to meet this criticism we consider that it will be necessary to add certain features to give the Douglas-Home proposals a new look, e.g. the block grant (already in our Manifesto) possibly proportional representation, and direct elections (provided for in the original Douglas-Home proposals, but not in our last Manifesto).
15. Before putting this interim report forward I thought it advisable to ask Mr Buchanan-Smith and Mr Younger to sound out the reactions of our Scottish members, on an individual and informal basis. In general, they support our views. The following is the relevant extract from Mr Buchanan-Smith's report:

"There is quite clearly a very considerable degree of worry about the danger of the devolution proposals of the Government. It is strongly felt that these proposals go too far down the road towards separation and should be regarded with great suspicion.

We are also confirmed in the views we expressed at our last meeting that the starting point for our policy should be the Douglas-Home Committee proposals modified by what we put forward at the last election. Added to that we should, of course, graft on direct elections.

The position therefore now appears more clear as to how our Policy Committee should now proceed. I still have personal reservations regarding the political impact of what we might be proposing. There is little doubt that it will come under very severe criticism from the media but our colleagues appear to be prepared to accept this in the interest of our policy being right constitutionally. There is no doubt in my mind that a great deal of work will have to be done in presenting our proposals and in convincing informed

opinion that we are on the right lines. At the same time, with the technical assistance which is now available to us, it ought to be possible to put more attractive clothes on the skeleton of the proposals we had at the last election."

16. At the Scottish Conservative Party Conference in May it is suggested that we should hold our hand on our own plans, and concentrate on exposing the danger of the Government's proposals.
17. If my colleagues agree with these interim conclusions, I suggest that the Study Group should next proceed to consider the Douglas-Home proposals more closely and come forward with more detailed plans based on them.

W.W.