

CONFIDENTIAL

COPY NO. 1...

LEADER'S CONSULTATIVE COMMITTEE

61ST MEETING

5.00 p.m., Wednesday 7th May 1975 in the

Leader's Room at the House of Commons

AGENDA

1. Minutes of the 60th Meeting - attached.
2. Future business.
3. Study Group on Devolution - Interim Report, attached.
4. Allocation of the "Short Money" - note to be circulated.
5. Any other business.

Conservative Research Department,
24 Old Queen Street, LONDON, S.W.1.

CFP/SMW
5.5.75

LEADER'S CONSULTATIVE COMMITTEE

Minutes of the 61st Meeting held at 5.00 p.m. on Wednesday 7th May 1975, in the Leader's Room at the House of Commons.

Present: Mrs. Thatcher (In the Chair)

Mr. Whitelaw, Sir Geoffrey Howe, Mr. Maudling, Lord Carrington, Mr. Prior, Mr. Gilmour, Mr. Peyton, Mr. Jenkin, Mr. St. John-Stevas, Mr. Heseltine, Mr. Raison, Mr. Fowler, Mr. Maude, Mr. Neave, Mr. Buchanan-Smith, Mr. Edwards, Mr. Jopling.

Apologies: Sir Keith Joseph, Lord Hailsham, Lord Thorneycroft

Mr. Patten, Mr. Ridley, Mr. Nicholson (In attendance).

1. Business of the Week

On Monday 12th May, there would be the Second Reading of the New Towns Bill. (Mr. Jones, Mr. Sainsbury), followed at 7.00 p.m. by consideration of the Timetable Motion on the Industry Bill (Mr. Peyton, Mr. Heseltine), with a Three Line Whip, and a Motion on the Northern Ireland Loans (Increase of Limit) Order.

On Tuesday 13th May, Mr. William Hamilton would seek leave under the 10 Minute Rule to introduce his Nationalisation of the Duchies of Lancaster and Cornwall Bill. This would be followed by the Second Reading of the Child Benefits Bill (Mr. Fowler and Mr. Clarke) and a motion on the Referendum Order (Sir Michael Havers).

On Wednesday 14th May, Mr. Toby Jessel would seek leave under the 10 Minute Rule to introduce his Residential Boats (Security of Tenure) Bill. This would be followed by the Second Reading of the Hare Coursing Bill (Mr. Gilmour), on which there would be a free vote, and the Remaining Stages of the Housing Finance (Special Provisions) Bill (Mr. Raison and Mr. Percival), on which there would be a Three Line Whip.

On Thursday 15th May, there would be the first day of the Committee stage on the Finance (No. 2) Bill (Sir Geoffrey Howe and his team), followed by a motion on the Family Income Supplements (Computation) Regulations.

On Friday 16th May there would be Private Members Bills - the remaining stages of Mr. Doig's Guard Dogs Bill, and the Second Reading of Mrs. Colquhoun's Balance of Sexes Bill and of Mr. Cormack's Rating Reform Bill.

On Monday 19th May, there would be Private Members Motions until 7.00 p.m.: The balloted Motions would be those of Mr. William Shelton, Mr. Jim Spicer, and Mr. Alexander Fletcher. This would be followed by a Motion on the Prevention of Terrorism (Temporary Provisions) Act 1975 (Continuance) Order (Mr. Gilmour).

2. Matters Arising on Business

It was agreed that we should vote with the Government against the Left-wing amendment at the end of the Defence debate, and then vote against the Defence Estimates as a whole.

It was also agreed to try to ensure that the Remaining Stages of the Housing Finance (Special Provisions) Bill should be debated before the Second Reading of the Hare Coursing Bill on Wednesday, as it was desirable that good Commons votes should be recorded on the former so as to encourage the House of Lords to resist it.

It was agreed that reference should be made in speeches to the fact that the first day of the Committee Stage of the Finance Bill was too early to allow for sufficient representations to be made to the Government. Mrs. Oppenheim said that her Backbench Committee wished to table an amendment on the increase of VAT on the servicing of domestic appliances, which penalised pensioners and those on low incomes. It was suggested that this arose on a Schedule of the Bill which would be debated upstairs. It was agreed that, if possible, an amendment would be tabled, and that the point would be made anyway in speeches on the floor of the House. A similar point, relating to increased VAT on repairs to TV sets provided by charities for pensioners, would also be made in speeches.

Mr. St. John-Stevas raised the question of VAT on the living artist: the amount of revenue involved in a concession was very small. It was agreed, however, that we could not at present propose measures which would increase still further the Government's borrowing requirement. Backbenchers, however, might table an amendment to the Finance Bill.

Mr. Payton said that the 1922 Committee was very hostile to the idea of an English Grand Committee and it was agreed that he should write to Mr. Short telling him that we found the idea unacceptable as it would move important business away from the floor of the House.

3. Future Policy

Lord Carrington raised the question of possible reform of the electoral system. Many industrialists, influenced by Liberal pressure over proportional representation, had been pressing for Conservative support for this idea. The industrialists seemed to be confusing their objectives with methods for obtaining those objectives and we needed to explain this to them. It was agreed to discuss this further and a paper by the Research Department would be circulated.

Mr. Prior suggested that we should consider what attitude we should take if the Government produced tighter guidelines for incomes under the Social Contract or even a statutory policy. This, it was suggested, was important as the Party would need to advise the candidate in the West Woolwich by-election, which might be held on 10th July, what line he was to take. It was agreed that Mr. Prior would prepare a paper pinpointing the arguments, which could be discussed at an early meeting.

It was also agreed that Mr. Maude should present a paper to the Leader's Consultative Committee after Whitsun setting out some of those policy questions which should be resolved by the

Party at an early stage and that in order to ensure that all policy groups were moving ahead they should be asked to present progress reports before the summer recess.

4. Mr. Whitelaw's Paper on Devolution (LCC 75/75)

Mr. Whitelaw introduced his paper, prepared with the Scottish Conference of 15th - 17th May in view. Mr. Edwards had agreed that we should oppose the Government's proposals for a non-legislative assembly for Wales and should suggest instead that the Welsh Secretary should be given more power and that the Welsh Council should be strengthened. The group had concluded that the best position to take on the very difficult question of Scottish devolution was to stand close to the Douglas-Home Committee proposals. The Scottish members were happy with this approach, which would stand the best chance of keeping the Party united. The SNP and the Scottish media would probably oppose us bitterly but our policy would seem much more sensible when the implications of the Government's proposals became clear.

Mr. Buchanan-Smith said he wished to have Shadow Cabinet authority to go beyond the Douglas-Home position in two respects. First, he wanted to say that he favoured direct rather than indirect election to the Assembly, as the latter method was discredited and widely criticised by some Conservative supporters. The other was to say that we were considering proportional representation.

There was a discussion. One criticism was that if we said anything positive we would get the worst of all worlds, disatisfying both those who thought we were not going far enough and those who thought we were going too far. Why did we not concentrate on selling the U.K. idea for all it was worth? But it was suggested that we had tried this in Scotland and it had not worked, and that if we went back even on the October Manifesto when the Government proposals came out, the effects could be very embarrassing.

Several advantages for PR were put. By making a coalition in the Assembly almost inevitable it would help to ensure that that body was not in constant conflict with Westminster. The "Unionist" parties would dominate such a coalition, and the risk of an SNP majority, which might be created even by a minority vote without PR, would probably be avoided. If we simply said we would consider it, we would show that our minds were open on the idea, unlike the Government which had dismissed it out of hand. There was, however, the obvious danger of pre-empting the issue of PR at Westminster.

It was agreed to support the idea of direct elections for the Scottish Assembly. If Mr. Buchanan-Smith were cross-examined at the Scottish Conference or by the Press over PR he could say that we were prepared to consider it, but he should not make the running on this himself.

5. Paper by Sir Keith Joseph and Mr. Maude on the Allocation of the "Short Money" (LCC 75/76)

Mr. Maude introduced the paper, pointing out that the House of Lords, in particular, needed improved service, and it was proposed to allocate two secretaries and a Research Department Officer who would deal only with House of Lords' work. It was necessary to increase Research Department salaries to keep pace with inflation and to recruit additional staff to meet the needs

...../of the Shadow Cabinet.

of the Shadow Cabinet. It was not practicable to allot individual research assistants solely to work for each Shadow Minister, and if such research assistants were appointed independent of the Research Department, this would be harmful both to morale and effective liaison. Thus the paper proposed a secretarial pool to help Shadow Ministers; they might be able to enlist further assistance following the report of the Boyle Committee, by encouraging M.P.s (interested in their own fields) who did not take up their full financial allowance to pool what was left over so as to provide greater assistance for the Front Bench.

He understood that the Civil Service Department was asking for the return of £20,000 of the £150,000 to meet the cost of the Whips' messengers and others, but Mr. Atkins said that he proposed to enlist Mr. Mellish's support in resisting this proposal.

There was a discussion. Some Members felt that the secretarial pool would not meet their needs, although particular requirements varied. The items relating to the Leader's Office, the Whips' Office in both Houses and the Research Department's salary increases were agreed. The remaining items - the secretarial pool and additional recruitment for the Research Department - should be looked at again.

The meeting closed at 6.15 p.m.