

LEADER'S CONSULTATIVE COMMITTEE

Minutes of the 65th Meeting held at 5.00 p.m. on Wednesday, 18th June 1975, in the Leader's Room at the House of Commons.

Present: Mrs. Thatcher (In the Chair)

Sir Keith Joseph, Sir Geoffrey Howe,
Mr. Maudling, Lord Hailsham, Mr. Prior,
Mr. Jenkin, Mr. St. John-Stevas,
Mr. Maude, Mr. Raison, Mr. Buchanan-Smith,
Mr. Neave, Mr. Edwards, Mr. Jopling

Mr. Atkins.

Mr. Onslow (for items 1 and 2), Mr. Shelton,
Mr. Patten, Mr. Douglas, Mr. Ridley,
Mr. Nicholson (in attendance).

Apologies: Mr. Whitelaw, Mr. Gilmour, Lord Carrington,
Mr. Peyton, Mr. Younger, Lord Thorneycroft.

1. Business of the Week

On Monday, 23rd June, there would be a Supply Day, with subject to be decided, and this would be followed by a Motion on the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975 (Mr. Alison).

On Tuesday, 24th June, Mr. David Steel would seek leave to introduce his Prices and Incomes Board Bill under the 10 Minute Rule. This would be followed by a further Supply Day, with an Adjournment Debate on the Royal Air Force, and by Motions on the Social Security Benefits Up-Rating Order 1975 and on the Supplementary Benefit / Determination of Requirements (No. 2) Regulations (Mr. Kenneth Clarke).

On Wednesday, 25th June, Mr. Lovelidge would seek leave to introduce his Caravan Sites Act 1968 (Amendment) Bill under the 10 Minute Rule. This would be followed by the Second Reading of the Welsh Development Agency (No.2) Bill (Mr. Edwards), on which there would be a 2 line Whip, and by Motions on the Northern Ireland (Various Emergency Provisions) (Continuance) Order, and on the Northern Ireland Act 1974 (Interim Period Extension) Order 1975 (Mr. Biggs Davison).

On Thursday, 26th June, there would be the Second Reading of the Scottish Development Agency (No. 2) Bill (Mr. Buchanan-Smith) on which there would be a 2 line Whip, and this would be followed by the Remaining Stages of the Diseases of Animals Bill (Mr. Jopling, Mr. Hicks), and of the Industrial and Provident Societies Bill (Mr. Horder).

On Friday, 27th June, there would be an Adjournment Debate on the Fifth Report from the Expenditure Committee, Session 1974-75, on the Redevelopment of London Docklands (Mr. Fox).

On Monday, 30th June, there would be proceedings on the Report Stage of the Industry Bill (Mr. Heseltine, Mr. King)

2. Whipping for the RAF Debate

Mr. Onslow reported that the backbench Defence Committee was anxious that we should vote against the Government in the coming debates on the Air Force and Navy. While differences between the Parties on the Army were tactical, our dissent on the proposed cuts in the other two Forces was on major strategic issues. Scrapping the RAF Nimrods would weaken NATO's flank in the Mediterranean, and getting rid of the RAF transport division involved considerable loss of mobility. Overall, it might be argued that, by reducing the resources which permitted flexible response, the Government had increased the danger of earlier NATO resort to nuclear weapons. The Government's statement on Simonstown on the previous day had made the Party especially keen to vote.

There was a discussion in which it was noted that we had very rarely voted against the Government in such debates over the past decade. Some members felt that there might be a difficulty in reconciling policies which would increase proposed defence spending with our insistence on cutting public expenditure in general. Others stressed the primacy of defence and pointed out that, as a country like Britain became poorer, naturally it would cost more proportionally to maintain desired standards of defence.

It was agreed, on Mr. Maude's suggestion, that we should stress in our overall defence policy the need to keep our commitments to our allies, and the increased spending of our potential enemies rather than allow the argument to be dominated by comparisons of particular amounts of public expenditure. It was then agreed to vote against the Government on a 2 line Whip.

3. Subjects for the Supply Day

There was a discussion. Mrs. Thatcher reported that immediate debates on the Social Contract or Prices seemed to command less support than when the subject had been discussed last week, but prices might be a good subject for debate after the next index had been published. The plight of the fishing industry was another subject for a later Supply Day.

Other suggestions were nationalisation, which opinion polls had shown to be important in West Woolwich, and the plight of the voluntary organisations in time for a Lords' Debate on Thursday. It was felt that the latter would not have sufficient impact on the by-election, but might be debated next week.

It was agreed to have 2 half-day debates: first, education (in which it would be possible to refer to local issues in West Woolwich), and the need for Mr. Mulley to abandon the more doctrinaire aspects of his predecessor's policy; and second, postal ballots for union elections.

4. Other matters arising on Business

It was agreed to try to switch the days fixed for the second reading of the Bills setting up the Welsh and Scottish Development Agencies, as a number of Scottish MPs would be absent on Thursday.

Although it was felt that the important motion on the Social Security Benefits Up-rating Order 1975 was fixed for an inconvenient time, it was agreed to let this pass.

5. Alternative Electoral Systems: Comment by Lord Hailsham (LCC/75/77) on the Research Department Note on Electoral Reform (LSC/75/33)

Lord Hailsham introduced a discussion. It was reasonably certain that the present Government would not introduce Electoral Reform. If the Conservative Party came out now in support of it, we would be playing prematurely a most important card which we might conceivably need to use if there were any talks over co-operation with other Parties. He was convinced that all alternative systems proposed would destroy the Conservative Party in its present form in that it could never again govern alone. Among the arguments arising from an examination of foreign experience were that in France and Italy proportional representation might have encouraged the emergence of large Communist Parties, whereas in Scandinavia, while the Social Democrats were able to rely on the union vote, moderate and right wing opinion was only expressed through a number of parties.

The ensuing discussion showed general agreement with Lord Hailsham's approach, and in it the following points were also made:

(a) We had a major task of educating the public: we should not underestimate the strength of the forces behind Electoral Reform. The CAER, in particular, was very effective. Lord Alport had written to Mrs. Thatcher suggesting that three members of the Lords and three MPs should examine the subject from a Conservative angle. This suggestion had been declined.

(b) There was danger that the larger the Liberal Party became, the more it would tend to the Left.

(c) We must expose the fallacy of the argument that Electoral Reform would mean the decline of the left wing of the Labour Party. One Party with a firm base could more effectively keep the Labour Party out of power that two Parties constantly having to determine their relationship.

(d) We could not refuse to co-operate with a Speaker's Conference, but we could try to ensure that it did not reach undesirable conclusions.

(e) The Scottish Nationalists were losing interest in Electoral Reform as they now hoped to gain power in Scotland without it.

(f) We should recognise that some people favoured Electoral Reform because they did not think we could win an election on our own, or if we did that we could subsequently govern the country.

(g) A strong argument against Electoral Reform was that most different electoral systems destroyed the present member/constituency relationship.

It was agreed that we should give early attention to attacking the weaknesses in the various proposals for Electoral Reform. While it was probably desirable for Mrs. Thatcher to avoid personal involvement in this controversy, a committee consisting of Sir Keith Joseph, Lord Hailsham, Mr. Maude and Mr. Prior should examine the various methods suggested for countering the Electoral Reform argument: these tactics included; publishing a CPC pamphlet, writing articles for the serious national newspapers and periodicals, and getting some senior party spokesmen to make speeches on the subject.

6. The "Short Money"

Mr. Maude reported that following discussions by the Sub Committee set up to discuss the allocation of the Short Money, he and Mr. Clark had estimated that the following sums were chargeable against the Government grant of £150,000: £50,000 for the Leader's Office, £17,500 for research and secretarial assistance for the Shadow Cabinet, £13,000 for the Whips' Offices in both Houses, £30,000 on proposed extra Research Department officers and secretaries, and £102,500 as an estimate of the present Research Department staff costs accounted for by Parliamentary servicing. These sums totalled £213,000, thus exceeding the Government grant by £63,000, and this made no allowance for the not inconsiderable premises and office expenses and other applicable Central Office costs.

The proposals for the allocation of the Short money, based on the figures above, were agreed.

7. Conservative Party evidence to the Houghton Committee on Aid to Political Parties.

While we had refused to give evidence to such committees in the past, it was difficult to refuse to give evidence to this committee, and it was agreed that a group should prepare advice to Lord Thorneycroft on what we should say.

8. Policy meetings in July

It was agreed to meet on 21st July from 3.00 to 6.30 and on 28th July from 3.00 to 6.00 to discuss the reports from the Policy Groups.

The meeting closed at 6.10 p.m.