

PRIME MINISTER

Mr Callaghan (see attached Hansard) was

PRIVY COUNCIL OFFICE

WHITEHALL, LONDON SW1A 2AT



Chancellor of the Duchy of Lancaster

30 November 1979

mf.

very threatening in the House. We shall have to wait for Monday's meeting, but

Law Nick

once again the Opposition are in a ~~hopeful~~ ^{hopeful} position and they know it.

MS 30/xi

The Prime Minister will see from Hansard the exchange which took place between the Chancellor of the Duchy and the Leader of the Opposition after the business statement yesterday. The Leader of the Opposition asked the Government to reconsider their decision (which had been confirmed by Cabinet last week) that the Local Government, Planning and Land Bill should be introduced in the House of Lords, and he threatened that the Opposition would disrupt Government business in the Commons if they did not.

The Opposition have now repeated their request through the usual channels, and the Chancellor of the Duchy has agreed to see Mr Foot on Monday morning. The Chancellor of the Duchy will hear what he has to say, and will let the Prime Minister have a report, with his advice, after the meeting.

I am copying this letter to Murdo MacLean, Charles Cumming-Bruce and Martin Vile.

John
John

J W STEVENS
Private Secretary

N Sanders Esq
Private Secretary
10 Downing Street
SW1

NAVY COUNCIL OFFICE
WHITEHALL LONDON SW1A 2JH



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Mr. Callaghan: There are two questions that I wish to raise on business. First, decisions will shortly be reached in Brussels about the future of theatre nuclear modernisation. In October—over a month ago—the Secretary of State for Defence said that he proposed to ask the Leader of the House for an early debate on defence. Since then, my right hon. Friend the Member for Stockton (Mr. Rodgers) has written to the Secretary of State reminding him of this matter and saying that it would be unacceptable that a matter of such importance should be settled without the House being given an opportunity to express its views. Does the Leader of the House intend to fulfil that undertaking, which we think is very important?

Secondly, I turn to a matter that I can hardly believe is true, namely, the report that the Government propose to introduce the local government Bill in the House of Lords. If so, it will be in disregard of all the conventions and understandings between the two Houses. That Bill will clearly affect taxation in the form of rates and alter the powers of the local authorities and the Minister in relation to them. There is no doubt in our mind that, in accordance with the conventions and understandings between the two Houses, the Bill should be introduced into this House. I ask the Leader of the House not to treat the House of Commons with disrespect in this matter, but to give an undertaking that the Bill will be introduced here. I ask him to give that undertaking now.

Mr. St. John-Stevas: I have been in consultation with my right hon. Friend the Secretary of State for Defence about the debate on defence. I shall raise the matter with him again at the request of the Leader of the Opposition.

On the second point, it is the Government's intention that the local government Bill should be introduced in the House of Lords. We are a bicameral legislature. It is fully in accord with precedent that substantial Bills should be introduced into the other place.

As regards the financial aspects of the Bill, I point out to the Leader of the Opposition that in the 1975-76 Session 13 Bills requiring money resolutions were introduced into the other place. Only two Bills requiring money resolutions have so far been introduced by this Government.

Mr. Callaghan: That is not good enough. I do not know to which of the 13 Bills requiring money resolutions were referring. If he is talking about the Rating (Caravan Sites) Bill or the Rating (Charity Shops) Bill in the 1975-76 Session, he may think that he has a scintilla of a case, but we are not ready to accept that. Conservative Members should be just as concerned as we are about this matter. This House is responsible for money and taxation matters. We demand that the right hon. Gentleman ask the Cabinet to reconsider this item and to make a further statement on it, because the Opposition will wish to consider the implications of the Cabinet's decision on future business in the House.

Mr. St. John-Stevas: I cannot give the right hon. Gentleman the undertaking that he requires. His point would be valid if the Bill were primarily a financial measure. It is not. That deals with the constitutional point that Bills that are primarily financial should be introduced into this House. Only a small proportion of the local government Bill, which is important, is concerned with finance.

Mr. Callaghan: Is it or is it not the case that the Bill is concerned with the powers of the Secretary of State to introduce measures that will restrict the right of local authorities to increase their rates by a higher amount than he thinks right? Is that a minor matter in the Bill? Will not the Bill give the Secretary of State power to introduce a unitary grant system? Is that a minor matter? The right hon. Gentleman is treating the House with disrespect. I warn him now. He said that the House would adjourn on 21 December. Let us see how much business he gets before that time if he proceeds in this way.

[there was more at the
end of the Business Question-

see over]

MS

29 November (contd.)

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Mr. James Callaghan : I wish to return to the question of the local government Bill. The plain truth is that the right hon. Gentleman has put forward phoney arguments for introducing the Bill into the House of Lords because he has got himself into a muddle through overloading the programme down here. That is not a sufficiently good excuse for not bringing the Bill before the House of Commons first. The right hon. Gentleman has been dismissive of everything that has been said this afternoon, yet he knows better than most that progress in this House depends upon co-operation. I hope that he does not underestimate the strength of feeling that exists on these benches about this matter. Will he reconsider this matter and see whether there is any prospect of bringing the Bill into this House at an appropriate time, so that it can be given proper consideration? I urge the right hon. Gentleman, in the interests of Government business in this House, to think again about what he is doing if he wants to ensure co-operation.

Mr. St. John-Stevas : The Leader of the Opposition knows very well that if I can accommodate any right hon. or hon. Member I will do so. But this matter has been fully considered by the Cabinet and it is the Government's decision. I would like to help the right hon. Gentleman, but the Government have reached a considered decision on this matter and they will stick by it.