

MR K R STOWE

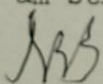
REVIEW OF QUANGOS

I have a copy of the minute from the Minister of Agriculture to the Prime Minister of 24 May suggesting that if a significant number of quangos (set up by Act of Parliament) are to be abolished, the simplest course might be a short Bill conferring on Ministers a power to make Orders abolishing the quangos in their field.

2. This idea has clearly considerable attraction; but it could also raise difficulties. In some cases all that may be entailed is the straightforward abolition of a body. But in others, and very possibly in the more important cases, abolition will be associated with policy changes involving alterations to the nature of existing statutory functions and the powers of Departments or other bodies. For example, the proposed abolition of the Price Commission will be associated with major changes in competition policy involving amendment to existing legislation affecting the role and powers of the Secretary of State for Trade, the Director General of Fair Trading and the Monopolies and Mergers Commission. In that case, amendment of existing legislation will be effected by a Bill especially for that purpose. It must be doubtful whether it would be proper or indeed desirable to effect major amendments of primary legislation of that nature by subordinate Order as a consequential of the abolition of a quango. This would particularly apply if a Government Department or other public body were to be given new or extended powers, since it would normally be expected that the nature of these and related questions such as safeguards for the citizen should be subject to the full Parliamentary scrutiny applicable to primary legislation.

3. I wonder whether the best course in these circumstances might be to suspend judgement on the nature of the appropriate legislative vehicle until it is known what bodies are to be abolished as a result of the review and what, if any, associated policy changes will require amendment of existing legislation. At that stage, consideration could be given in consultation with the lawyers to the propriety and desirability of proceeding by subordinate Order.

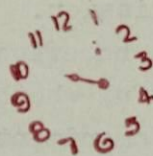
I am sending a copy of this minute to Sir John Hunt.


IAN BANCROFT
30 May 1979



RECEIVED
 I have received the above mentioned letter of the 21st inst. and in reply to inform you that the same has been forwarded to the appropriate authorities for their consideration. I am sorry that I cannot give you a more definite answer at this time but I will endeavor to advise you as soon as a final decision has been reached.

31 MAY 1979



Very truly yours,
 [Signature]

I am sorry that I cannot give you a more definite answer at this time but I will endeavor to advise you as soon as a final decision has been reached.