



The Rt. Hon. Mrs. Margaret Thatcher, M.P.

HOUSE OF COMMONS
LONDON SW1A 0AA

10th January, 1976

Dear Quentin

Nicolas Wolfers, who is working for us on the Devolution Debate, is bringing this text of Margaret's speech for Tuesday. She particularly asked me if you would kindly help with some passages on the case for the Union, about which she feels strongly.

I also enclose a note which Nicolas Wolfers took of the discussion at Shadow Cabinet on Tuesday (6th January). He is in a position to call on you and collect any insertions or changes that you have in mind tomorrow (Sunday) afternoon, so that it can be re-typed in time for Margaret to look at it on her return to the House on Monday morning.

I am sure she will be extremely grateful for any suggestions you can make.

*John
Airey*

Airey Neave, M.P.
Head of Private Office

The Rt. Hon. the Lord Hailsham of St. Marylebone



NOTES BY NICOLAS WOLFERS ON LEADER'S
CONSULTATIVE COMMITTEE, AS REQUESTED
BY MR. NEAVE
MEETING HELD ON TUESDAY, 6TH JANUARY, 1976

The Conservative Party should reaffirm the pledge in the last two manifestos and as recommended by the Douglas-Home Committee in 1970 that Scotland should have a directly-elected assembly. At least 60% of the Scottish electorate appeared convinced of the need for such a body, although probably four fifths of those would be against separation. We might not be in the running to win mileage on Scotland on this issue, but we risked losing still more if there were any hint of a move back from our declared position. The next General Elections would then see an even larger band of probably disruptive SNP Members of Parliament. Opportunities should, in any case, be taken to split the SNP between social/^{ist} and more right-wing elements and to challenge them whether they would work constructively with the new Assembly or use it to drive a wedge for further independence from Westminster.

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A pure "talking shop" without legislative powers would no longer be acceptable in Scotland. Our position should be based on the Douglas-Home proposals, with the Secretary of State as Executive and a new Minister of State for Assembly Affairs. The Assembly's legislative powers would be integrated into the framework



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of Westminster proceedings. There would still be areas of potential conflict, especially with a party hostile to the Westminster Government dominating the Assembly, but far less than in the Government proposals.

Both for Wales and Scotland, the Government's proposals left ill-defined areas of responsibility or produced clumsy constitutional hybrids. There were two key differences between Labour and Conservative policies. Labour was giving wide executive powers, but keeping reserve powers of veto whose use would probably seem arbitrary and controversial (unclear "vires" and "on general policy grounds"). Conservatives oppose the built-in conflicts in a structure of rival executives. (The majority of Kilbrandon members had favoured executives for the assemblies but phasing out the Secretaries of State. We favour effective Secretaries of State, exerting power and influence through Cabinet, Whitehall and Westminster). Since the Douglas-Home proposals gave fewer powers to the Scottish Assembly, the veto problem would not arise to such a great extent. However, our proposals would be said by many in Scotland not to go far enough. Opinion might return to favour our more clear-cut proposals in a year or two, once the muddle and conflict caused by Labour's plans became apparent, though the SNP might then be in a dangerously strong position.



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There was another clear difference between Labour and Conservative policy, regarding Wales. We do not favour a Welsh Assembly, and public opinion in Wales (at least 50%) seems to support this position.

Labour's proposals would mean more, not better government. The price of over-government would be more civil servants, more bureaucracy and more burden on the tax-payer. The Government's proposals did not decentralise government, and the new assemblies and executives might make Government more, not less, remote from the people.

We should take every opportunity in the debate to stress the danger for Scotland and Wales in separation and to underline the benefits of Union. However, ^{we} should not commit ourselves on having a Referendum to decide the question of separation as this would pose many complications - for instance, whether all the United Kingdom should vote, only Scots or Welsh, or only those resident in Scotland and Wales. In spite of some benefits to Scottish Conservatives through systems of PR, it would be dangerous to support PR for the Assemblies, for though ^{they were} subordinate to Parliament and different in purpose and composition it could be thought to set a precedent for Westminster/



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The Devolution issue was complex and difficult. Our proposals did not jeopardise the unity of Great Britain, while Labour's could easily be exploited by the separatists, in spite of all professions to the contrary in the White Paper and affirmations in it of the importance of unity. This was not the issue on which the Conservatives could make a major new appeal this year, or the first great trumpet call of the new offensive.

However, we should gain by emphasising the many problems of an independent Scotland (e.g. narrow isolationism, parish pump politics, the burden of antedeluvian Glasgow), contrasted with the challenge and opportunity of a new sense of purpose in Europe and proper restructuring of the British economy as a whole on Conservative principles with full advantages of scale. The debate should not get lost in the small print of minute criticism. We were at the foothills of the great divide, and while aiming naturally for better and less remote government the Scottish and Welsh people should begin to face the major choice between unity and separation. For Scotland, constitutional changes would last longer than oil.