

told Geoff Dart
by phone on 9/2
that the pm had
seen and not commented.

MJS
9/2

Energy
PRIME MINISTER

To see. This is the
minute from Mr Howell which
Mr Pym mentioned in Cabinet
today

MJS
5/2

PRIME MINISTER

PETROLEUM AND CONTINENTAL SHELF BILL

You will recall our discussion about the Petroleum and Continental Shelf Bill in Cabinet on 22 January (CC(81)3rd Meeting).

The Bill itself was approved by Legislation Committee this morning but I understand that doubts were expressed about the wisdom of proceeding with the Cabinet decision to publish and introduce it in the House of Commons as soon as possible.

I still believe that the best course if at all possible would be to enact the Bill this session. We are committed to it in the Queen's Speech and elsewhere, and we must maintain the momentum of our policies.

But I also understand the problems facing the business managers. To help them I have indicated my readiness, as they know, to shorten the Bill from 23 to 10 clauses in length dealing solely with the outcome of our review of BNOG as promised in our manifesto, with the remaining clauses being introduced as a separate Bill early in the next session.

Much of this shortened Bill would be financial, not suitable for amendment in the Lords. The remainder would deal with privatisation and with modification of the last Government's legislation on BNOG. I understand that there would, however, be objection to even this short Bill on business management grounds.

Given these difficulties, it is essential that we at least proceed with the introduction and publication of the Bill. Naturally it would be my hope that time might possibly be found after all for the Bill

to proceed through its various stages. If not, we would have to make it clear to our supporters and others in due course that for reasons of business management it could not proceed. But at least our commitment and intentions would be clear. If contrary to our promises we were to do nothing at all on BNOG this session, not even introduce legislation, it would do great damage to the Government in an area central to our longer term purposes and at a time when it is vital that our firmness of purpose should not be questioned.

I therefore must ask that we should proceed with the introduction and publication of the Bill as soon as possible as agreed by Cabinet, and leave open the possibility of enacting it in the current Session if Parliamentary time unexpectedly becomes available. I shall of course consult with the Chancellor of the Duchy of Lancaster about the separate question of how we make the position known to our supporters.

I think
we should
leave this
as a
possibility
mjs

I am copying this to the Lord Chancellor, the Chancellor of the Exchequer, the Lord President, the Chancellor of the Duchy of Lancaster and to Sir Robert Armstrong.

D.H.

SECRETARY OF STATE FOR ENERGY

4 February 1981