

CF ✓
24/2



cc Trans
CDLO
CWO

vb

10 DOWNING STREET

THE PRIME MINISTER

23 February 1981

Dear Roger

Thank you for your letter of 16 January about the Government's position on compulsory seat belt wearing.

I appreciate your concern and I can confirm that my Answer of 15 January does indeed mean that we would not expect to depart from the tradition of allowing a free vote on this issue should it arise. At the same time, I know from your very helpful contribution to the Second Reading debate that you yourself appreciate the importance of the proposals which are already included in the Transport Bill. We are determined to ensure the Bill's success and I am sure I can count on your continuing support in helping us to bring this about.

Yours ever

MT

Roger Moate, Esq., M.P.

jfh

Q2. Mr. Bob Dunn asked the Prime Minister if she will list her official engagements for Thursday 15 January.

The Prime Minister: I refer my hon. Friend to the reply which I have just given.

Mr. Dunn: Does my right hon. Friend share the view that staffing levels in local government have increased partly because of the nature of the legislation that has been passed by successive Governments? Does she agree that local bureaucracies could be further reduced by repealing some of that legislation?

The Prime Minister: Over the years increasing burdens have been placed on local authorities. That alone has led to increased manpower. Indeed, over the past 30 years manpower has doubled. We have reduced some of the functions and statutory duties of local authorities by means of the recent Local Government, Planning and Land Act. The Community Land Act has been repealed and planning powers are no longer duplicated. In addition, there is a good deal of relaxation of capital controls. Two things are involved: a reduction in the number of functions, and the scope to carry out existing functions more efficiently and economically.

Mr. Foot: During the right hon. Lady's study of speeches today, has she had a chance to study the speech by the Financial Secretary to the Treasury? From the very heart of the Government—I think that that is the description she approved of in *The Times*—could she tell us whether it is a good idea that the Financial Secretary should declare that, despite the fact that the two main pillars of the Government's economic policy—money supply and the public sector borrowing requirement—have crumbled, the Government will continue building the same old edifice?

The Prime Minister: If the right hon. Gentleman were to read the whole speech thoroughly—it is in the Library—he would probably agree with leader writers who, almost unanimously, called the speech “remarkably frank and intelligent”, “modest and intelligent” and so on. They said that it was intelligent.

Mr. Foot: I have had a chance to read the whole speech. Does the right hon. Lady agree with the proposition underlined in that speech—it has never before been so candidly admitted—namely that the right hon. Lady's Government has increased the real burden of taxation? Is that part of the policy that the right hon. Lady is so determined to continue?

The Prime Minister: I cannot in any way disagree with that highly intelligent speech. The person who made it is a lot more intelligent and perceptive than some of his critics. I do not disagree that the total burden of taxation, for the time being, has increased. However, it has not been increased on personal incomes. Indeed, the burden has been shifted from personal incomes to indirect taxation. That was part of our manifesto, which we intend to continue to carry out.

Mr. Moate: On the controversial subject of the compulsory wearing of seat belts, may I ask my right hon. Friend to confirm that it is still the Government's policy to abide by the results of a free vote in the House?

The Prime Minister: The Government's policy has not changed.

Q3. Mr. Christopher Price asked the Prime Minister if she will list her official engagements for 15 January.

The Prime Minister: I refer the hon. Member to the reply which I gave some time ago.

Mr. Price: Given the right hon. Lady's recent interest in leaks and in briefing small groups of the lobby, will she find time today to consider genuine open government? Will she tell the House why her Chief Whip has told all her Ministers to cancel their engagements tomorrow and to be on a parade at 2.30 pm? Will she assure the House that the reason is that they will be able to vote for my motion, which contains the recommendations of an all-party group and which seeks to make a modest increase in open government in relation to Select Committees?

The Prime Minister: Conservative Members will vote with or against the hon. Gentleman as they wish. *[Interruption.]* I think that I heard one of my right hon. Friends say that he would vote against the motion, and I believe that he will be followed by quite a number of my right hon. and hon. Friends. I understood that the objection of the Leader of the Opposition to the speech made by the Financial Secretary was that it was open.

Mr. Latham: Will my right hon. Friend confirm that in the fight against inflation it is important to ensure that the nationalised industries do everything possible to absorb price increases, rather than pass them on to the consumer?

The Prime Minister: I agree with my hon. Friend. There is a strong feeling that the private sector is much better at cutting costs than is the public sector. Over the past six years the increases in nationalised industries' prices, taken as a whole, have greatly exceeded any increases in prices in the private sector. *[Interruption.]* Opposition Members seem to be muttering “Gas”. When the revenue from gas is taken into account, about £3 billion of taxpayers' money still has to be paid to subsidise the nationalised industries.

Mr. John Home Robertson: Will the right hon. Lady reaffirm an undertaking that she gave in 1974 to the effect that the domestic rating system would be abolished during the course of a Parliament? If she does, she will certainly have my support.

The Prime Minister: I must consider whether I find that prospect tempting. I refer the hon. Gentleman to the manifesto issued during the last election. We did not undertake to abolish the domestic rating system during the lifetime of this Parliament. It has always been my view, and that of my right hon. and hon. Friends, that the rating system will have to be abolished at some time. It is thoroughly undemocratic and unfair. I stand by both of those descriptions.

Q4. Mr. Montgomery asked the Prime Minister if she will list her official engagements for 15 January.

The Prime Minister: I refer my hon. Friend to the reply which I gave some time ago.

Mr. Montgomery: Will my right hon. Friend find time today to remind people that while the latest figures show that the living standards of those in work rose last year, they did so at the expense of many jobs, because people priced their products out of the market? Is there not a lesson there for the seamen?

The Prime Minister: It is a tragedy that by demanding wages that are far greater than can be borne by their