

CONFIDENTIAL



From the Secretary of State

PRIME MINISTER

I have just seen a copy of C(81)27 about the legislative programme for the next Session, with a reference in para 11 to the possibility that the Insolvency Bill might have to be dropped if it became necessary to accommodate some other pressing legislation. As I am leaving for a Ministerial visit to Scandinavia tomorrow morning, I am writing this letter to record my reactions to such a suggestion.

It is obvious that a saving of over 500 staff is a major contribution to a policy to which we are publicly committed: there is no way in which my Department could replace more than a small fraction of that saving if the Bill were to go. Any postponing or cancellation of the Insolvency Bill would have to reflect this when setting Department manpower targets.

Furthermore there is a strong case - in its own right and apart from staff savings - in having the Insolvency Bill.

I must impress on my colleagues the need for this Bill, and I devoutly hope it can be retained in the programme for 1981/82.

I am copying this to Cabinet Colleagues.

n. m. Jones

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pp J.B.

(Approved by the Secretary of State
and signed in his absence)

9 June 1981

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