



10 DOWNING STREET

From the Principal Private Secretary

24 October 1979

Dear Jim,

REFORM OF THE HOUSE OF LORDS

The Prime Minister met the Lord President, the Lord Chancellor, the Foreign and Commonwealth Secretary and Lord Thorneycroft yesterday evening to discuss the Lord President's minute of 22 October 1979 about reform of the House of Lords.

The Lord President said that the purpose of his minute was to stimulate discussion. The Government needed to begin to think about its attitude to reform of the Lords. Otherwise matters might go by default. In the next few months we should make up our minds whether to embark upon the road of reform and if so, what the nature of the reform should be and when and how it should be introduced. It was essential to be clear in our own minds what we wanted before we began to take any action in public.

The Lord Chancellor said that he believed that reform of the House of Lords was very necessary. If a Labour Government took office at some point in the future, we were very likely to see the United Kingdom moving much farther and faster towards the Left than hitherto. For this reason it was important that we had a second Chamber which was capable of acting as a brake upon a Labour Government. The present House of Lords, for all its many qualities, was incapable of acting in this role. Even with a very small majority in the Commons a Labour Government would be able to carry through whatever measures it set its mind upon, notwithstanding any opposition which the House of Lords with its present powers might offer. In any case, a Labour Government would almost certainly seek itself to reform the Lords either by emasculating it completely or by its total abolition. What was needed was a reformed House of Lords with an increased power of veto. If the House was to be effective, however, he believed that it would have to be based in future on the elective principle. This would be bound to create a division within the Lords on party lines, and there might be something to be said for having in addition a nominated component with a vote. This element would be cross-bench in nature and would include the Lord Chancellor himself, the Law Lords and members representing the Churches. A second Chamber reformed on these lines should be able to stop the ratchet effect of socialism in a way in which the present House of Lords could not. His studies had shown that no socialist measures since those of 1945 would have got through a House of Lords based on the elective principle. He was preparing a paper setting out

/his ideas

his ideas on reform of the Lords and he would like to circulate it to those present.

The Foreign and Commonwealth Secretary said that he very much agreed with the views of the Lord Chancellor. An effective second Chamber was essential as a safeguard against any attempt that might be made in the future to deprive this country of fundamental liberties. Recent experience already showed that when a Labour Government was in power, the House of Lords was powerless to oppose it on any issues of substance. He thought, like the Lord Chancellor, that an elected second Chamber was what was required but he would go further and suggest that it should be elected on the basis of proportional representation. But he thought that if it was made up of both elected and nominated elements, it would have a second class status by comparison with the Commons. He did not believe, however, that it would be possible to get a reform on these lines through the House of Commons in the foreseeable future, but it was important to begin to sow the seeds now for action later.

Lord Thorneycroft said that if we thought that there would be a Labour Government again at some point in the future, it was essential that there should be a second Chamber which would act as a brake on it in the way proposed by the Lord Chancellor. This required bold measures of reform; if the Government was prepared to do no more than tinker with the existing House of Lords, it would be better to do nothing and leave things as they were. He had prepared a paper on the subject (copies of which he circulated to those present). If an effective second Chamber was to be created, there would be a price to be paid, and this price was the elective option which was the second of the four options advanced in the report of the Conservative Review Committee chaired by Lord Home. The second Chamber had to be elected if it was to have the credibility which would allow it to operate effectively in the circumstances they were envisaging. What was new in his paper was his proposals for how reform of the House of Lords should be presented publicly. He saw no future in trying once again to get a bargain on reform through the Lords and then the Commons. Rather, the Government should make up its mind about the future structure and powers of the Lords and then begin to sell its ideas directly to the public. He thought that this should be done gradually: he did not believe, for example, that the Government's proposals should be made public in an early White Paper. Even so, he thought that public opinion outside Parliament was ready to see a change in the structure of the Lords and he believed that it would be possible gradually to get public opinion behind what the Government wanted to do. It would then be open to the Government to include its proposals in the next election manifesto and then to act upon them after the election. One possibility was that reform of the Lords might be put to a referendum at an appropriate moment.

The Prime Minister said that she had serious reservations about reform of the House of Lords on the lines that had been suggested in discussion. She was not convinced that the present House of Lords was not better than anything that had been proposed so far. The present House of Lords had come about in an unplanned way but it was effective.

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We should not tear down lightly this unique institution. It was not clear that an elected second Chamber would necessarily be a more effective barrier against any future advance of socialism than the present House of Lords: indeed, it was not impossible that, even with two elected Chambers, the country might find itself governed by an elective dictatorship one day. A more effective way of preventing this happening was to ensure that a Labour Government of an extreme left wing character was never returned to power. Moreover, an elected second Chamber would be bound to have a wholly different relationship with the House of Commons from that between the present House of Lords and the Commons; and an elected body, which would always have the electorate in mind, would bring to bear on its work a different kind of judgment from that of the House of Lords. She was in any case very doubtful whether it would ever be possible to get through the House of Commons a reform of the Lords which provided for an elected second Chamber. Nonetheless, those present should consider the matter further. The Lord Chancellor should revise his paper in the light of the discussion and circulate it. They would then resume their discussion on the basis of his paper and Lord Thorneycroft's.

I am sending copies of this letter to Lord Thorneycroft, Ian Maxwell (LCO), and George Walden (FCO).

Yours ever,

Miss Whitman.

J. Buckley, Esq.,
Civil Service Department.