

CONFIDENTIAL

Prime Minister's Parliament ②

MUS 4/12

PRIVY COUNCIL OFFICE

WHITEHALL, LONDON SW1A 2AT



4 December 1981

Dear Patrick,

MS

Thank you for your letter of 27 November about the proposed legislation on regional development grants. As you say, Cabinet has already agreed that the legislation should be introduced in the current Session, and in the circumstances I am happy to give my authority for the employment of Parliamentary Counsel on the drafting of the Bill.

You will recall that I warned Cabinet colleagues recently that the congestion of major bills in the Commons at the beginning of next year meant that the business managers could not guarantee that the deadlines originally specified for Royal Assent for particular bills could necessarily be met. We shall, of course, use our best endeavours to ensure that the RDG legislation is passed by the end of March, but the timetable is an extremely tight one, and I hope that you will do everything possible to ensure that the Bill is ready for introduction very soon after the Christmas Recess.

I am copying this letter to the recipients of yours.

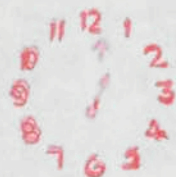
Mrs Loh  
Jenkins

FRANCIS PYM

The Rt Hon Patrick Jenkin, MP  
Secretary of State for Industry  
Ashdown House  
123 Victoria Street  
LONDON

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-4 DEC 1981



MBPM  
 DEPARTMENT OF INDUSTRY  
 ASHDOWN HOUSE  
 123 VICTORIA STREET  
 LONDON SW1E 6RB

TELEPHONE DIRECT LINE 01-212 3301  
 SWITCHBOARD 01-212 7676

Secretary of State for Industry

27 November 1981

The Rt Hon Francis Pym MC MP  
 Lord President of the Council  
 and Leader of the House of Commons  
 Privy Council Office  
 Whitehall  
 London SW1

Dear Francis,

PROPOSED LEGISLATION ON REGIONAL DEVELOPMENT GRANTS (RDG)

As you know, Cabinet agreed yesterday, following discussion in E Committee, that urgent legislation should be introduced in this Session of Parliament to enable cuts to be made in the Department's expenditure on RDGs.

2 The purpose of the legislation would be to limit the amount of RDG payable in respect of large capital intensive projects, yielding public expenditure savings of £50m a year from 1983/4 onwards. After E Committee discussions it was agreed that this could only be achieved by legislation.

3 I am therefore seeking your formal agreement to bringing this Bill into the programme for the current Session of Parliament. I intend to keep the Bill as short and simple as possible and hope that drafting can be completed in time for it to be introduced very early next year. It would need to become law by 31 March 1982 to produce the required savings.

4 I shall be putting a paper to Ministers with a direct interest in the matter shortly, explaining the details of the changes that will be made to the RDG scheme. But in view of the urgency of the matter and as Cabinet has agreed that legislation should be introduced this Session, I would be grateful for your agreement now also for employing Parliamentary Counsel on drafting the Bill.

5 I am copying this letter to the Prime Minister, to Willie Whitelaw as Chairman of QL Committee, to members of E Committee, to George Younger and Nicholas Edwards, to Michael Jopling and Janet Young and to Sir Robert Armstrong.

Your ever  
 Patel

30 NOV 1984

