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LORD PRESIDENT OF THE COUNCILORDNANCE FACTORIES AND MILITARY SERVICES BILL

David Trefgarne has told me of your discussion with him last Thursday evening.

2. I can well understand your and Bertie Denham's present problems in managing business in the Lords, but I must underline the importance from my point of view of adhering to the objective originally endorsed by L Committee, that we should, if at all possible, seek to secure Royal Assent to the Bill by the Summer Recess (preferably, indeed, by 31st July). The crucial aspect of this objective is that Nigel Lawson is anxious, in the context of the Government's privatisation programme as a whole, to secure the privatisation of the ROFs at the earliest practicable opportunity, and there can be no prospect that we can meet the desired date for this, the autumn of 1985, unless by then the ROFs have been trading as a Companies Act Company for at least a year, having been incorporated, therefore, by the October of this year. All action has been directed at meeting this objective and it is one, as you know, which we have made very clear to Parliament, most recently in the Statement on Defence Estimates 1984 which the Lords discussed on 14th June. If we cannot get the Bill through by the summer there will, therefore, be the risk of some public embarrassment, of which the Opposition will no doubt seek to make capital, in addition to the major prejudice to Government policy.



3. I very much hope, therefore, that you and Bertie, and John Biffen, and John Wakeham in the Commons, will do everything you can to secure the passage of the Bill before the Recess. I do not think that the Bill, which is, of course, a very short one, should cause real controversy in the Lords so that Committee stage should not be protracted and Report and Third Reading could follow pretty promptly without taking up too much time. I appreciate that you will not be able, at this point, to give me any firm commitment, but I should be most grateful for your assurance that efforts will be bent to getting the Bill back into the Commons before the end of July.

4. I am sending copies of this minute to the Prime Minister, the Chancellor of the Exchequer, the Lord Privy Seal and the Chief Whips in the Lords and Commons; and to Sir Robert Armstrong.

MJA

Ministry of Defence
18th June 1984



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

22 June 1984

The Rt. Hon. Viscount Whitelaw CH MC
Lord President of the Council

John Walker

N 25/6

ORDNANCE FACTORIES AND MILITARY SERVICES BILL

I have seen a copy of Michael Heseltine's minute dated 18 June.

I fully recognise all the competing pressures which you face. But the ROFs are an important element in our privatisation programme and, as Michael points out, the timetable is very tight. I very much hope, therefore, that it will be possible to secure Royal Assent to the Bill by the end of July.

I am copying this letter to the Prime Minister, the Secretary of State for Defence, the Lord Privy Seal and the Chief Whips in the Lords and Commons and to Sir Robert Armstrong.

NIGEL LAWSON

Nigel Lawson

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legislation

25 JUN 1984

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PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

25 June 1984

Dear Michael

JR 26/6

ORDNANCE FACTORIES AND MILITARY SERVICES BILL

Thank you for your letter of 18 June underlining David Trefgarne's arguments for securing Royal Assent to this Bill by the summer adjournment and preferably by 31 July. I have also seen Nigel Lawson's letter of 22 June.

I have discussed the problems you face with the other Business Managers, but I am afraid that we do not see how your objective can be achieved, given the progress we must also make before the summer recess on other important Bills. Completion by the summer would in any case require fairly rapid progress through the Lords, and we do not share your confidence that the Bill will prove largely uncontroversial. I must add that we do not think that it was prudent to commit the Government to commencement by 1 October in the absence of any undertaking from L Committee or the Business Managers that Royal Assent could be secured by the summer adjournment. Your memorandum to L Committee said simply that Royal Assent was desirable by this summer, and that statement was not strengthened or indeed mentioned at the subsequent L Committee meeting. I do not suggest that any of this is of any relevance now, but the fact is as I have said that the pressure of other important legislative business in the Lords makes Royal Assent before the summer virtually impossible.

Looking to the future, we are still considering the timing of the spillover but you cannot assume that you will have Royal Assent before the end of October. Thereafter, provided that those with an interest have been made well aware of the provisions I think it would be possible to reduce the normal two months interval between Royal Assent and commencement. I realise that will not avoid deferment of the 1 October starting date; but I am afraid we see no alternative to that.

I am sending copies of this letter to the Prime Minister, the Chancellor of the Exchequer, the Lord Privy Seal, the two Chief Whips, and to Sir Robert Armstrong.

*Yours
Michael*

The Rt Hon Michael Heseltine MP

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