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Secretary of State for Trade and Industry

1 October 1984

The Rt Hon Lord Hailsham PC CH FRS DL
House of Lords
London SW1

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D. Quintin

CO-OPERATIVE DEVELOPMENT AGENCY AND INDUSTRIAL DEVELOPMENT BILL

You wrote on 13 September to Nigel Lawson commenting on my proposal to dispense with the two month period between enactment of this Bill and its coming into force. You expressed some slight concern about the proposal in regard to provisions in the CDA part of the Bill.

Whilst repeal of S.3(2) and S.3(3)(b) of the CDA Act 1978 will allow the Agency to engage in commercial activities and form partnerships, the Agency will only be able to act commercially in carrying out its statutory functions. It will not be able to undertake any commercial activity it thinks fit, merely to raise money. In any case, the Agency does not propose to engage in any significant commercial activity in the initial period after enactment of the Bill and is conscious of the need to ensure that its activities do not have a detrimental effect on other parties.

In the circumstances I am satisfied that dispensation of the two month period will have no adverse effect in regard to the Agency's activities.

I am copying this letter to others members of E(A), the Lord Privy Seal, members of L Committee, Sir Robert Armstrong and the First Parliamentary Counsel.

Norman Tebbit

NORMAN TEBBIT



OCT 12 1984

Parliament Hill

Legislative