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PRIVY COUNCIL OFFICE

WHITEHALL. LONDON SW1A 2AT

NBPM

28 October 1986

Dear Mike,

SELECT COMMITTEE ON TRADE AND INDUSTRY: TIN

Your Secretary of State and the Minister of State (Industry) discussed the Governor's proposed response to the Select Committee's demands with the Lord Privy Seal and the Chief Whip at 6pm on 27 October. Mr Murray from your Department was present; the FCO were represented by Sir John Freeland and Ms Reed; and Murdo Maclean (PS/Chief Whip), Mr Townley (Cabinet Office) and Mrs Brown (MPO) also attended.

It was noted that the Select Committee has asked the Bank to provide, before its next meeting on 29 October, a list of the ITC documents seen by the Bank and a memorandum on the advice given by the Bank to the Government before the signing of the Sixth International Tin Agreement. The Committee's probable objective was not to press the Bank to disclose the documents in the list but rather to demonstrate that the provision of the list itself was a breach of ITC rules against the disclosure of confidential documents, in order to weaken the Government's case that ITC rules prevented it from disclosing the documents to the Committee. But the references to ITC documents in the list would be so phrased as to make it impossible for the Committee to make this argument. It was agreed that the Bank should be allowed to provide the Committee with a list approved by the DTI who had taken legal advice on its wording. It was felt that the Department itself would have gone as far, if the Committee has asked it for such a list.

On the Committee's second request, it was clear that the Bank would be on strong ground in refusing to disclose the advice they had given to the Government. The Select Committee would not expect a solicitor to disclose the advice he had given to his client, unless the client agreed. The Government, the client in this case, were not prepared to agree to the disclosure, and it was quite in order for the Bank to say that their refusal to make the disclosure followed consultation with the Government.

On tactics, it was noted that the Bank had been asked to respond before the Minister of State (Industry) appeared before the Committee on the morning of 29 October, the day of the Westland debate. It was important that the meeting did not develop into a confrontation, lest the Committee were provoked to make an issue of it in the later debate when the Government's attitude to Select Committees would be under discussion. The Minister of State should phrase his replies carefully, accordingly.

I am copying this to David Norgrove (No 10), Tony Kuczys (Treasury), Tony Galsworthy (FCO), Juliet Wheldon (Law Officers), Murdo Maclean (Chief Whip's Office) and to Michael Townley and Linda Brown.

Yours sincerely

Steven Wood

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29 October 1986

Steven Wood Esq
Private Secretary to the
Lord Privy Seal

N BPM

Dear Steven

SELECT COMMITTEE ON TRADE AND INDUSTRY: TIN

The Chancellor has seen your letter of 28 October to Mike Gilbertson, recording the Lord Privy Seal's meeting at 6.00 pm on Monday. He is content with the outcome of the meeting, and I see that the Governor's letter to Mr Warren has now been sent.

The Chancellor was, however, concerned that no Treasury Minister (or official) was invited to the meeting. He has asked me to ensure that the Treasury's interest in this subject is not overlooked in future.

I am copying this letter to David Norgrove (No.10) and Mike Gilbertson (DTI).

Yours ever,

Tony Kuczys

A W KUCZYS
Private Secretary

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