

CONFIDENTIAL

2 PRIME MINISTER



My own view (shared by most of the officials concerned) is that Mr Pym is being over-cautious in pressing for deferral of the BNOC Bill - but Cabinet will have to decide

MS 20/1

PRIME MINISTER

LEGISLATIVE PROGRAMME 1980/1981

(minutes attached)

At a meeting held under my chairmanship on 19th January, QL Committee carried out a further review of the legislative programme for 1980/1981 on the basis of a memorandum circulated by the Chancellor of the Duchy of Lancaster and Paymaster General. The Chancellor of the Duchy pointed out that the continuing delay in bringing forward a number of outstanding major programme Bills had prevented the business managers from using the legislative time at their disposal as efficiently as they had hoped, and that unless some further action was taken to lighten the programme, a substantial spillover of the kind which we experienced at the end of the last Session, with all its attendant difficulties, would be almost inevitable. The business managers were already faced with the problem of finding additional time for legislation to raise the financial limit of the Redundancy Fund, while other Bills not in the current programme might have to be brought forward at short notice, and the possible need for legislation on the patriation of the Canadian Constitution remained an ever present threat to the timetable. The Opposition could be expected to adopt an increasingly obstructive attitude as the Session went on, and the Chancellor of the Duchy and the other business managers had concluded that it was essential to think in terms of abandoning the Health and Social Services and Petroleum and Continental Shelf Bills, and of confining the Companies Bill to the abolition of the Register of Business Names, the only part of a long Bill which offered the prospect of some useful savings in manpower and public expenditure.

The Committee were grateful to the Social Services Secretary for agreeing to relinquish the Health and Social Services Bill for this Session, in spite of the considerable departmental problems which this might cause him. The Chancellor of the Duchy agreed to discuss further with the Minister of State, Department of Trade and Civil Service Department, the scope of reducing the length of the Companies Bill so that it concentrated on areas where some financial or manpower savings might be made.

CONFIDENTIAL

CONFIDENTIAL

The majority of the Committee also felt that the Petroleum and Continental Shelf Bill should be postponed to next Session. The Bill, originally planned for the 1979/1980 Session, should have been introduced last November, but was delayed because of the need to consider representations from our own supporters, and will not now be coming to Legislation Committee until 28th January. The Minister of State, Treasury, told the Committee that the Bill would not generate substantial benefits to the Exchequer, and this, combined with the delays which had already occurred, the highly controversial nature of the Bill, and the fact that shares in the British National Oil Corporation could not be offered for sale before 1982/83 or possibly 1983/84, led most members of the Committee to conclude that it would be better for the Bill to have priority at the beginning of next Session rather than to be allowed to impede the current programme. The Secretary of State for Energy, however, with support from the Minister of State, Treasury, resisted this approach. He pointed out that the principles of the Bill were now enthusiastically supported by our own back benchers, and that both he and you had already given a firm commitment that the Bill would be introduced this Session. Any further delay would be seen both by the Opposition and by our own supporters as a political climb-down. If the Government were not ready to arrange for the introduction of private capital into BNOC before 1983/84, the imminence of the next General Election might well mean that the share market would not be in a suitable state for sale to be offered in the lifetime of the present Parliament. The Energy Secretary pointed out that the Bill was also intended to deal with other highly desirable subjects, such as the improvement of North Sea safety.

The Committee were unable to resolve this conflict between the needs of the legislative programme and the political and other arguments against postponement of the Petroleum and Continental Shelf Bill to which the Energy Secretary had drawn attention, and, after further discussion, agreed that the Energy Secretary should raise the matter at Cabinet next Thursday under Parliamentary Affairs before a final decision was taken.

CONFIDENTIAL

CONFIDENTIAL

I am sending a copy of this minute to all members of the Cabinet and QL Committee, to Sir Henry Rowe, and to Sir Robert Armstrong.

hs 113

20

January, 1981

3.  
CONFIDENTIAL