

SR



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LONDON SW1P 3EB

My ref:

Your ref:

5 February 1981

✓ MS

John Christopher

LEGISLATION ON PRIVATISATION ETC

I mentioned to you the other day that I had been wondering whether there was a case for some general enabling legislation in the field of privatisation, abolition of quangos, etc, and promised to write so that colleagues could also offer their views.

One of my bids for next session's legislative programme will need to be a vehicle for legislation in this area in my field of responsibility. Among the items that may need to be covered (though on some of them I have not yet finally decided on the precise course of action) are:

- (i) changes of status for parts of my Department eg. Hydraulics Research Station, Building Research Establishment, Ordnance Survey;
- (ii) abolition of, or changes to quangos eg. New Towns Commission, Development Commission.

It occurs to me that many of our colleagues are likely to need legislation for similar purposes during the remainder of the Parliament and that the pressure on the legislative programme may be considerable if we have to proceed with a large number of separate Bills which will in any case very likely raise similar issues and require similar provisions. Nonetheless failure to legislate will have significant consequences for our objectives of reducing civil service numbers, purging quangos, and generally rolling back the frontiers of the public sector.

So it seemed to me that this might be a case where we ought to be thinking of some piece of general enabling legislation (promoted by you or some other central colleague) which would enable Ministers to secure more readily and with less pressure on the Parliamentary timetable - though with proper Parliamentary scrutiny - our manpower and other objectives in this area. For example, the legislation might cover the principles and any matters that can be dealt with on an across-the-board basis and might envisage a supplementary Parliamentary procedure for each case which would allow effective Parliamentary scrutiny of individual

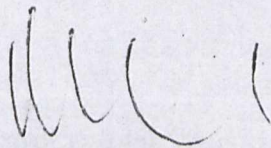
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proposals but be less onerous and time-consuming than a lot of individual bills. It would, I think, be important that any legislation of this kind should be next session and should not hold up action that is already going forward.

I should be interested to know whether you and colleagues think that this idea is worth pursuing. Subject to their views, officials of the Departments concerned might get together quickly to look at the possibilities.

I am sending a copy of this letter to the Prime Minister, the leader of the House of Commons, other Cabinet colleagues, First Parliamentary Counsel and Sir Robert Armstrong.

Yes *un*



MICHAEL HESELTINE



1-6 FEB 1987

The Rt Hon Lord Soames

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