

Parliament

Ref: A05039

PRIME MINISTERLegislative Programme 1981-82: C(81) 27

## BACKGROUND

At their meeting on 14 May, the Cabinet invited QL Committee to re-examine their proposals for the legislative programme for next session so that it gave more adequate expression to the Government's main strategic objectives. The Home Secretary's memorandum (C(81) 27) reports the outcome of the Committee's further consideration.

The Committee now recommend that 6 of the 22 main programme bills which they originally proposed for next session should be deferred. The Ministers concerned have agreed. A one-clause Coinage Bill has been added to the Second Reading Committee list in partial replacement of the Currency and Banking Bill. The Committee recommend the retention of the Mental Health (Amendment) Bill mentioned at the last discussion as a candidate for deferment. The other main points to emerge from the QL's review of their earlier proposals are their continuing concern about the ability of the Department of Energy to handle four major bills in a single session; concern at the possible scope of the Housing Bill; their rejection of the bid by the Secretary of State for the Environment for a Water Bill; and the Secretary of State for Defence's belated suggestion, in response to the last Cabinet discussion, that room should be found for a bill to privatise the Royal Ordnance Factories.

The Home Secretary emphasises that the overall weight of the programme and the timing of the various bills means that the revised programme will be more demanding in terms of Parliamentary handling than that originally proposed. (In particular the deferment of the more "technical" bills means that only six of the main bills are now judged suitable to start in the House of Lords.) He asks the Cabinet to accept that there should be no major additions to the

programme without compensating deletions. He also stresses the need for Ministers to honour their commitments on the timing of the preparation and introduction of the bills for which they are responsible, as set out in the Annexes to C(81) 23.

#### HANDLING

You will wish to begin by inviting the Home Secretary to introduce his memorandum, and then inviting the Lord President and the Chancellor of the Duchy of Lancaster to add any general comments they may have.

It might be convenient to confirm at the outset that no major political or other difficulties are likely to result from postponing any of the six bills mentioned in paragraph 2 of C(81) 27. The Home Secretary can explain the consequences for his new citizens' band radio proposals of not proceeding with the Wireless Telegraphy (Amendment) Bill and the Secretary of State for Education and Science of not proceeding with the Teachers' Remuneration and Other Conditions of Service Bill. You will have seen the correspondence in which he and the Secretary of State for Employment have said that they think the risk is acceptable. In theory the two major local authority associations could combine to outvote central government on the management panel of the pay negotiating machinery and force a reference of next year's teachers pay claim to arbitration.

The Cabinet might then look at the general balance and size of the revised draft programme, leaving aside so far as possible the arguments for and against particular bills. Do the changes made adequately meet the criticisms voiced in the previous discussion and does the programme now give adequate priority to the Government's main objectives? The Secretary of State for Industry may want to comment. Are the Cabinet convinced by the arguments in paragraph 10 of C(81) 27 about the size of the programme, or do they think that QL and the business managers have erred on the side of caution? A programme containing only 18 main programme bills is by any standards modest, but many of the bills will be strongly opposed in the Commons and to add other major controversial bills likely to have to start in that House would risk serious problems in the Lords towards the end of the session. The Lord President and the Chief Whip will have views.

The Cabinet might then consider paragraphs 4-8 of C(81) 27 and any possible additions to the programme. They can confirm the inclusion of the Gas (Industrial and Commercial Supplies) Bill, but you will wish to ask the Secretary of State for Energy about the timetable for its preparation. The misgivings of the business managers about the legislative capacity of the Department are based on the experience of the last two sessions. Is there any realistic chance of a better performance? How much preparatory work has been done on the bill? Could instructions to Counsel be ready in September rather than October so that the Bill itself might be ready before Christmas?

The Secretary of State for the Environment put revised proposals for three bills to QL. He can say whether he accepts the position now reached. The length and scope of the Housing Bill can best be left in the hands of the Home and Social Affairs Committee for the time being, though the arguments about deregulation of private sector rents may need to be resolved in Cabinet. Can the Secretary of State confirm that he will not seek to add to the Local Government Finance Bill any of the provisions he originally suggested for a Public Bodies Management Bill except those for the Accounts Commission. Do Cabinet agree that the Water Bill should be deferred? The Secretary of State for Wales, who strongly supports the abolition of the National Water Council and the restructuring of the regional water authorities, will wish to comment. Is this a bill which could safely start in the House of Lords?

Since the last meeting the Secretary of State for Defence has proposed legislation next session on the Royal Ordnance Factories. He will argue strongly that such legislation would be in line with Government policy and an announcement of it would form a useful part of his forthcoming statement on defence policy. You will want to avoid discussion of the merits of his proposals. They were sent to certain Ministers on 5 June and reactions have not yet been received. Discussion might concentrate rather on QL's conclusion that any Bill on the subject would be better deferred to 1982-83. This would give time for policy discussion and the preparation of what might then be complicated legislation but lose the advantages of following any announcement with immediate legislation.



Is there a foreseeable need for any other major bill next session, apart from the Canada Bill, which might well have to be introduced then if the Supreme Court were not to deliver their judgment before they begin their summer recess on 25 June? Pressure for legislation on trade union immunities or the closed shop (for which no firm bid for time next session has so far been formulated) is likely to increase.

If the Cabinet wish to leave space for such a major bill and accept QL's conclusion that the programme is already over-subscribed, they will need to consider whether any of the bills still recommended in Annex A might be deferred. The main candidate seems to be the Insolvency Bill. It would save 570 civil servants in the Department of Trade but require some more staff in other departments. It has not yet received final policy approval (the Lord Chancellor maintains his reservation on the proposal that the Official Receiver should withdraw from personal bankruptcy work) and will be controversial because of the opposition of sections of the legal and accounting professions. The Civil Jurisdiction and Judgments Bill should not occupy much time in either House and the Local Government (Miscellaneous Provisions) Bill is essential if a great deal of time is not to be spent in the House of Lords on private bills promoted by local authorities. That leaves only the Mental Health Amendment Bill, which is the only "social measure" in the programme since the other programme bills listed in Annex A fit squarely within the main stream of Government policy.

#### CONCLUSIONS

Subject to the course of the discussion, you will wish to guide the Cabinet to -

1. Approve the revised draft legislative programme set out in Annexes A to D in C(81) 27, with or without further additions or deletions;
2. Invite the Secretary of State for Energy to give urgent consideration to ways of improving the timetable for the preparation of the Gas (Industrial and Commercial Supplies) Bill and to report the outcome to the Home Secretary and other members of QL;



3. Note that the Home and Social Affairs Committee are still considering the overall length and scope of the proposed Housing Bill; and
4. Recognise the importance of the stated timetables for the preparation and introduction of all bills for next Session's programme being rigorously observed.

A handwritten signature in black ink, consisting of the letters 'RWA' in a stylized, cursive script.

Robert Armstrong

10 June 1981