



The Rt. Hon. Mrs. Margaret Thatcher, M.P.

CHRISTINE

HOUSE OF COMMONS
LONDON SW1A 0AA

17 March 1977

Dear Lord Hailsham,

Mrs Thatcher would be most grateful if you could attend a special meeting at 5.00 p.m. on Monday 21 March.

There was a meeting yesterday between Francis Pym and Michael Foot at which Francis Pym was handed the enclosed tentative proposals - tentative because they have not yet been put to The Cabinet.

These proposals are being put to us only and to no other Party or Member, because the Government would like to have a preliminary indication of our reaction. The meeting is to discuss what our initial response will be.

Yours sincerely,

Miss Caroline Stephens
Private Office

Rt Hon Lord Carrington
Rt Hon Lord Hailsham ✓
Rt Hon William Whitelaw
Rt Hon Sir Geoffrey Howe
Rt Hon James Prior

Rt Hon Francis Pym
Rt Hon Humphrey Atkins
Rt Hon Ian Gilmour
Mr Leon Brittan

SCOTLAND AND WALES BILL

The Second Reading vote showed that the House of Commons supports the principle of devolution to Scotland and Wales. The Government remain committed to it in the terms of the Lord President's statement in the House on the 24th February 1977. The Government are now anxious to find a wider basis for agreement and are therefore engaging in discussions with other parties.

There are several possible ways of proceeding. The Government are however clear that discussion should be centred on a body set up by and responsible to Parliament.

One possibility would be to set up by resolution a special Parliamentary Commission, perhaps with members from both Houses. A possible advantage of a novel body like this is that its composition and working could more readily be purpose-built, without constraint by precedent. On balance, however, the Government believe that it would probably be best to proceed by way of reference to a Select Committee of the House of Commons, rather than some novel device. A Select Committee will have wide and flexible powers and established and understood patterns of working, including Standing Orders, while at the same time the House could readily make adjustments if necessary for the particular task in question. The size of the Committee and balance of representation would need special consideration in the particular circumstances of the devolution proposals. The Committee might be charged to consider the Scotland and Wales Bill and to report not later than 31 July 1977; it could be instructed to have regard to some or all of the following:

- a. the conclusions reached by the House of Commons on Second Reading and in the Committee proceedings;
 - b. the widespread agreement that there should be a directly-elected Assembly in Scotland;
 - c. the need to maintain the unity of the United Kingdom;
 - d. the distinctive circumstances of Scotland and Wales;
 - e. the importance of a sound basis for working relationships between any new institutions and the United Kingdom Government and Parliament.
- 