

CONFIDENTIAL

COPY NO. 1...

LEADER'S STEERING COMMITTEE

63RD MEETING

5.00 p.m., Monday, 5th February 1979, in the
Leader's Room at the House of Commons.

AGENDA

1. Report by a working party on competition policy with an introductory paper by Mrs. Oppenheim, LSC(79)75 - to be circulated.
2. Any other business.

Steering

MRS THATCHER

STEERING COMMITTEE 5.2.79

Additional matters to be raised:

1. COMPANIES BILL

Chief Whip's letter of 2.2.79 refers.

John Nott, Cecil Parkinson and John MacGregor will be
in attendance.

2. REFERENDUM BROADCASTING

Memorandum attached.

Instructions for Chief Whip required, please.

LEADER'S STEERING COMMITTEE

Minutes of the 63rd Meeting held at 5.00 p.m.
on Monday, 5th February 1979, in the Leader's
Room at the House of Commons.

Present:

Mrs. Thatcher (in the Chair)

Mr. Whitelaw, Sir Keith Joseph,
Lord Thorneycroft, Sir Geoffrey Howe,
Mr. Prior, Mr. Pym,
Sir Ian Gilmour, Mr. Peyton,
Mr. St. John Stevas, Mr. Haude,

Mr. Atkins.

On attendance:

Mr. MacGregor (Items 1 & 2 only),
Mr. Nott, Mrs. Oppenheim,
Mr. Parkinson (Items 1 & 2 only),
Mr. Butler, Mr. Stanley,
Mr. Patten, Mr. Wolfson,
Mr. Ridley, Mr. Nicholson,
Miss Bulloch.

Apologies:

Lord Carrington.

1. Reply to Mr. Steel's Broadcast

Copies of the reply from Mrs. Thatcher's office to members of the public who wrote in after Mr. Steel's broadcast appealing for a coalition were circulated, and members were invited to base their replies to such letters on it.

2. The Companies Bill

Mr. Parkinson reported that Mr. Mikardo and other Labour Left-wingers were seeking to insert a new schedule into this Bill which would have the effect of significantly deterring companies from donating to the Conservative Party and other political bodies. There was a discussion on the prospects for such an amendment, and the following points were agreed:

(i) We should not make a public issue of the matter at present, and Mr. Atkins would point out to Ministers that the amendment would render an almost uncontroversial Bill which the Conservatives in general desired to see on the Statute Book, highly controversial.

(ii) We would seek to delay the Committee Stage of the Bill and thus avoid reaching this amendment. In these speeches we should make the point that it was frivolous to introduce such an issue at a time of major industrial crisis.

(iii) We should watch the progress of Mr. Mikardo's amendment and be ready to make robust statements of our attitude at the appropriate time.

3. Competition Policy

Mrs. Oppenheim introduced her paper covering the Report of the Working Group on Competition Policy. There was a discussion and the following points were agreed:

9i) It was desirable to have a clear idea of what powers, at present embodied in the Price Commission, we would wish to retain after its abolition. It would not be necessary, however, to draw attention to these points before the election.

(ii) Our main objective was to ensure that the public sector was subject to the same disciplines as was the private sector. It was, however, desirable to reduce Ministerial discretion to the minimum, so that industry might operate against a more stable and definite background. We were aware that industry had had long experience of successive governments failing to implement their good intentions not to meddle.

(iii) The prospects of a heavy burden of legislation in the early years of the next Conservative Government had been increased by recent commitments, so it was desirable to avoid adding further heavy legislative commitments in the area of prices and competition. Our general aim should be not to create new powers but to set the existing powers in an acceptable framework.

(iv) A group including Sir Geoffrey Howe, Lord Thorneycroft and Mr. Nott would re-examine the Working Party's Report with some of its members. In particular they would consider how far it was necessary to have substantial new legislation and to change the definitions of oligopoly and monopoly.

The meeting closed at 6.15 p.m.