

CC MASTER

NOTE FOR THE RECORD

RATE FINANCED PROPAGANDA

The Prime Minister held a meeting on Thursday 17 January to discuss ways of stopping or countering rate financed propaganda. Present were the Lord President, the Secretaries of State for the Environment and Education, the Attorney General, the Minister for Local Government, and the Paymaster General. Also present were Mr. Ingham, Mr. Sherbourne and Mr. Letwin. The meeting has not been formally recorded but I have conveyed to John Ballard (Mr. Jenkin's Office), Mike Bailey (Mr. Baker's Office), Elizabeth Hodgkinson (Sir Keith Joseph's Office) and Alex Galloway (Mr. Gummer's Office) the following points:

(i) DOE should consider as quickly as possible whether the issue of rate financed advertising should be referred to the Widdicombe Inquiry with a request for an early report, or whether the best course would be to delete this issue from the terms of reference and for the Department to develop proposals for legislation. While use of the Widdicombe Inquiry could give independent backing to measures to restrict rate financed advertising, the outcome of the Inquiry was less predictable and might be too far delayed to permit legislation in the next session.

(ii) Mr. Baker, Mr. Gummer and Sir Keith Joseph should consider how an "independent" counter-campaign might be conducted, what amount of publicity it might issue; what organisation would be needed; whether a new organisation should be established; or whether there was an existing organisation, eg Aims of Industry, which could be used. Approaches to possible benefactors to establish whether funds could be raised which would not otherwise be available to the Conservative Party should wait until the proposals had been further developed.

(iii) DOE should consider how publicity might be given to the judgement in the Westminster City Council v. GLC case (assuming the verdict was favourable). Local authority officers could be sent copies of the judgement so that they could warn Councillors in other rebellious authorities of the implications for them of the judgement. DOE should also consider how challenges might be mounted in other authorities on the back of the judgement.

(iv) At the meeting it was pointed out that restrictions had been placed on the number of leaflets on abolition which had been made available to MPs. Mr. Ingham explained that there was a distinction between leaflets which set out the facts relating to legislation which was already on the Statute Book and leaflets which sought to present facts or correct mis-information in relation to bills going through the House. There was no reason to place limits in the case of the former but the Government should exercise restraint in the distribution of the latter.

AT

ANDREW TURNBULL

18 January 1985

Distribution: Mr. Ingham
Mr. Sherbourne
Mr. Letwin