CABINET

CONCLUSIONS of a Meeting of the Cabinet held at
10 Downing Street on Thursday, 24 February, 1972
at 10.30 a.m.

Present:
The Right Hon. EDWARD HEATH, M P, Prime Minister
The Right Hon. REGINALD MAULDING, M P, Secretary of State for the Home Department
The Right Hon. LORD HAILSHAM OF ST. MARYLEBONE, Lord Chancellor
The Right Hon. WILLIAM WHITEWALL, M P, Lord President of the Council
The Right Hon. SIR KEITH JOSEPH, M P, Secretary of State for Social Services
The Right Hon. ROBERT CARR, M P, Secretary of State for Employment
The Right Hon. GORDON CAMPBELL, M P, Secretary of State for Scotland
The Right Hon. PETER WALKER, M P, Secretary of State for Environment
The Right Hon. JAMES PRIOR, M P, Minister of Agriculture, Fisheries and Food

The following were also present:
The Right Hon. MAURICE MACMILLAN, M P, Chief Secretary, Treasury (Items 5-6)
The Right Hon. SIR PETER RAWLINSON, Q C, M P, Attorney General

The Right Hon. SIR ALEC DOUGLAS-HOME, M P, Secretary of State for Foreign and Commonwealth Affairs
The Right Hon. ANTHONY BARBER, M P, Chancellor of the Exchequer
The Right Hon. LORD CARRINGTON, M P, Secretary of State for Defence
The Right Hon. GEOFFREY RIPPON, Q C, M P, Chancellor of the Duchy of Lancaster
The Right Hon. MARGARET THATCHER, M P, Secretary of State for Education and Science
The Right Hon. THE EARL JELLICOE, Lord Privy Seal (Items 1-3)
The Right Hon. PETER THOMAS, Q C, M P, Secretary of State for Wales
The Right Hon. JOHN DAVIES, M P, Secretary of State for Trade and Industry and President of the Board of Trade

The Right Hon. FRANCIS PYM, M P, Parliamentary Secretary, Treasury
### Contents

<table>
<thead>
<tr>
<th>Item</th>
<th>Subject</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Parliamentary Affairs</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Northern Ireland Bill</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Shipbuilding</td>
<td>3</td>
</tr>
<tr>
<td>3</td>
<td>Monopolies, Mergers and Restrictive Practices Bill</td>
<td>4</td>
</tr>
<tr>
<td>4</td>
<td>Oversea Affairs</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Cyprus</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Visit of the President of the United States to China</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Spain</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pakistan</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Qatar</td>
<td></td>
</tr>
<tr>
<td></td>
<td>New Zealand</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Industrial Affairs</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Unemployment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Coalminers' Strike</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pay Policy After the Wilberforce Recommendations</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Future Administration of Magistrates' Courts</td>
<td>11</td>
</tr>
</tbody>
</table>
1. The Prime Minister tendered the Cabinet’s congratulations to the Ministers concerned with the Northern Ireland Bill on its rapid passage through both Houses of Parliament in the previous day’s sitting.

The Cabinet would also wish to express their appreciation of the skill and speed with which Parliamentary Counsel had drafted the Bill.

The Cabinet were informed of the business to be taken in the House of Commons in the following week.

2. The Secretary of State for Trade and Industry said that on the previous day the Ministerial Committee on Economic Policy had agreed the steps which should be taken in order to maintain activity in the three yards of Govan Shipbuilders Limited. The necessary action had to be taken by the end of February because the Scotstoun yard would otherwise run out of work by then. Under the arrangements which had been agreed by the Committee Govan Shipbuilders Limited would receive £35 million of Government finance, of which £17 million was required to write off losses on the construction of ships and the remainder to purchase, modernise and keep in operation the three yards. £3 million of the £17 million for write-off on ships, however, would be payable in due course in any event under the general production grants scheme. £10 million of this total Government provision could be saved by closing down the Scotstoun yard, but only at the cost of sacrificing 2,000 jobs. The prospect revealed by the studies on the future viability of Govan Shipbuilders Limited which had been made for the Government by Hill Samuel and the Maynard Group was not very satisfactory. It indicated that, while the company might move from deficit into surplus in about three years’ time, they could not be expected to reach full commercial viability within the next five years. In the last fortnight, since it had appeared that the bid for Clydebank Shipyard by a United States company was being seriously pursued, considerable progress had been made with the unions and shop stewards about methods of working in Govan Shipbuilders Limited. Nevertheless, if the general level of unemployment was lower and economic activity was reviving more rapidly, he would not have felt it necessary to recommend financial support for the three yards on the scale now envisaged. The Ministerial Committee on Economic Policy had recognised that the case for Government intervention was principally a social one; and it would therefore be appropriate to make known the Government’s decision in the debate on unemployment in the following week.

In discussion it was pointed out that a decision to provide Government finance on this scale for a company whose prospects would remain dubious would not be likely to commend itself to the Government’s supporters. Moreover, unless the history of the affair were made abundantly plain, the public would be left with the impression that the Government had originally decided to abandon
Upper Clyde Shipbuilders Limited to its fate; that there had been a “work-in” under the leadership of the shop stewards; and that this had compelled the Government to change their mind and to provide finance on a wholly exceptional scale. It would also be necessary to be ready to rebut the argument advanced by the Opposition at the time of the collapse of Upper Clyde Shipbuilders Limited that the company could have been saved at that point by the provision of assistance which was very modest by comparison with the amount which would now be involved. Finally, it was important to avoid any premature disclosure of the Government’s decision until the debate on the following Monday, and particular care should be taken by all concerned in this respect.

The Cabinet—

Took note of the statement by the Secretary of State for Trade and Industry and agreed that he should indicate the Government’s intention to provide additional financial assistance to Govan Shipbuilders Limited during the debate on unemployment in the House of Commons in the following week.

3. The Lord President said that the Legislation Committee had approved the terms of the Monopolies, Mergers and Restrictive Practices Bill at their meeting on the previous Tuesday but had been concerned both about the weight of this prospective addition to the Government’s existing legislative commitments in the current Session and about the extent of the controversy which was likely to be provoked by the Bill. Without in any way underestimating its importance he had regretfully come to the conclusion that, in view of these considerations, he must recommend to the Cabinet that the Bill should not be introduced. This would be preferable to the alternative course of introducing the Bill in the expectation that it might have to be abandoned before it reached the Statute Book.

The Secretary of State for Trade and Industry said that, although he recognised the force of the Lord President’s arguments, the Bill represented an important element in the Government’s economic programme, which would transform competition policy in this country and would be warmly welcomed by the Government’s supporters as a major, constructive measure of reform.

In discussion, it was generally accepted that the Bill should make a significant contribution to the reduction of inflation, the provision of incentives and the stimulation of competition. On the other hand it was lengthy, and gave ample scope for controversy as regards, for example, the breadth of the powers to be conferred on the proposed Director General of Fair Trading and Competition, the references to European Community obligations, the favourable treatment to be given to certain professional services and the suggested reference of restrictive labour practices to the Monopolies Commission. The issue of prices and incomes policy was also likely
to be involved, since the previous Administration’s Commission for Industry and Manpower Bill, which had lapsed at the General Election, would have amalgamated the Monopolies Commission and the National Board for Prices and Incomes.

The Bill could be introduced in the House of Lords, but with little prospect that time could subsequently be found for it in the House of Commons, a consideration which in itself would create difficulties for the Government’s supporters in the Upper House and would cast doubt on the Government’s ability to manage their legislative programme.

The Prime Minister, summing up the discussion, said that the Cabinet were reluctant to set the Bill aside for a later Session. But to attempt to enforce its passage would be liable to have a damaging impact on the Government’s other legislation and would adversely affect a number of major Bills of critical importance. The Cabinet therefore agreed that the Bill should not be introduced in the current Session.

The Cabinet—

Agreed that the Monopolies, Mergers and Restrictive Practices Bill should not be introduced in the current Session.

4. The Foreign and Commonwealth Secretary informed the Cabinet that the recent importation of arms from Czechoslovakia by the President of Cyprus, Archbishop Makarios, continued to cause concern to both the Greek and Turkish Governments. The Greek Government had pressed the Archbishop to surrender the arms to the United Nations Force in Cyprus; but he had refused to do so. Although the tension now appeared to be rather less, the Turkish Government were still expressing misgivings.

The Foreign and Commonwealth Secretary said that the visit of the President of the United States to the People’s Republic of China appeared to be proceeding satisfactorily and would probably be of considerable assistance to the President in his forthcoming electoral campaign. A second consequence of the visit might be increasing anxiety on the part of the Government of the Soviet Union about Chinese intentions in the short term, particularly if it seemed likely that United States policy towards the People’s Republic might become less hostile.

The Foreign and Commonwealth Secretary said that he proposed to visit Spain during the following week in response to an invitation from the Spanish Foreign Minister that they should “think together” about the future of Gibraltar. It might be to the general advantage to try to direct these exploratory discussions towards an arrangement similar to that which we had reached with the Argentine Government about the Falkland Islands, whereby the question of sovereignty was set aside while efforts were made to develop co-operative measures in such matters as trade. It was not clear, however, how far this would be feasible in the case of Gibraltar.
The Foreign and Commonwealth Secretary said that, following our recognition of Bangladesh, he considered it desirable to visit Pakistan at an early date. He had accordingly arranged to do so immediately following a visit which he was due to pay to Israel in some two weeks' time. He intended to do everything possible to promote a reconciliation between the leaders of Pakistan and Bangladesh; it was unfortunate that the Prime Minister of Bangladesh had so far refused to meet the President of Pakistan until the Government of Pakistan had recognised Bangladesh.

The Foreign and Commonwealth Secretary said that on the basis of present information he did not consider that any formal act of recognition by the United Kingdom Government would be necessary following the assumption of power in Qatar by the former Deputy Ruler Sheik Khalifah.

The Cabinet—
(1) Took note of the statements by the Foreign and Commonwealth Secretary.

The Minister of Agriculture, Fisheries and Food informed the Cabinet that the New Zealand Government had asked for the postponement of the last instalment, due to be implemented in July, 1972, of the imposition of a levy on imported lamb. A similar request for the postponement of the previous instalment from January, 1972, had been rejected; but there were political arguments in favour of postponing the final instalment until January, 1973, at a cost of some £1½ million. There would be advantage in announcing this decision in the context of a visit either by a United Kingdom Minister to New Zealand or by a New Zealand Minister to the United Kingdom.

The Prime Minister, summing up a brief discussion, said that the Cabinet agreed that the final instalment of the imposition of the levy should be postponed until January, 1973, and that the New Zealand Minister of Agriculture should be invited to London with a view to the announcement of this decision in the context of his visit.

The Cabinet—
(2) Took note, with approval, of the Prime Minister's summing up of their discussion.

The Secretary of State for Employment said that the total of unemployed in Great Britain at the February count, including those temporarily out of work, amounted to 1,571,000 or 6.9 per cent of the insured work force. This very large figure had, of course, been seriously inflated as a result of the impact of the coalminers' strike on industry in general. The underlying trend of wholly unemployed, seasonally adjusted, was more satisfactory. There had been a rise of only 1,000 between January and February, compared with increases of 10,000 and more a month for many months past. There had been decreases in the number of wholly unemployed, unadjusted, in both Scotland and Wales. Moreover, seasonally adjusted figures
of vacancies had increased slightly in February. On the other hand there was evidence that in the circumstances of the past week or so employers had reassessed their labour requirements more critically; and, although the "labour shake-out" had seemed to be ending, the coal strike appeared to have given many employers grounds for prolonging it.

The Cabinet—

(1) Took note of the statement by the Secretary of State for Employment.

The Home Secretary said that the Ministerial Committee on Emergencies had considered earlier that morning a report by the Minister for Industry on the coal prospects following the withdrawal of pickets by the National Union of Mineworkers (NUM). The report was more hopeful than had seemed likely in the previous week. The National Coal Board (NCB) had already managed to transport \( \frac{3}{4} \) million tons; and on the assumption that there was a favourable response in the ballot and a satisfactory return to work by the miners on the following Monday, over 2 million tons of coal should be made available from stocks and new output in the following week, of which \( \frac{1}{2} \) million tons would be coal for power stations. Shortly thereafter deliveries of power station coal might approach the weekly normal for the time of the year. On the basis of these figures and an assurance from the British Railways Board (BRB) that they should be well able to transport these amounts of domestic coal together with prospective imports, the Central Electricity Generating Board (CEGB) and the Electricity Council now believed that a further significant easement of restrictions on electricity consumption was possible with effect from the following Monday. They recommended that rota cuts should be retained on the present basis, that the electricity consumption of large industrial firms should be increased from 60 per cent to 85 per cent and that the medium-sized firms should be allowed either four days' working a week, instead of three, or unrestricted operation subject to the rota cuts on two working days a week. The latter of these alternatives was preferable. The restrictions applying to the domestic consumer would not be relaxed at present. An announcement about the proposed relaxations for industry was required that day. The estimates of coal and electricity supply and the consequent relaxation of electricity restrictions had been based on the retention of rota cuts for approximately three weeks and therefore depended upon the continuance of the State of Emergency for that period. The CEGB, however, would still recommend the proposed relaxations even if the State of Emergency were to be allowed to expire on 8 March. On the understanding that the proposals would not in fact pre-empt the Cabinet's decision about the renewal of the State of Emergency, the Committee recommended that the proposed relaxations should be approved.

In discussion some concern was expressed about the possible need for renewing the State of Emergency; it would be particularly undesirable to have a further Parliamentary debate on the Emergency Powers. On the other hand, given that the outcome of the ballot and the consequent extent of the return to work were still uncertain and
that there must be a continuing risk of a period of cold weather, the need to prolong Emergency Powers might well arise. It might be possible to make the further proclamation on 8 March and then to allow the Emergency Regulations to lapse after seven days without debating them; and, although this might provoke the charge that the Government had had no intention of debating the extension, it might be justified on the ground that it was customary to allow the use of Emergency Regulations for up to seven days before they were confirmed by Parliament. In the event of a rail strike Emergency Powers might in any case be required; but the Government would not be justified in renewing the existing Powers in order to conserve coal stocks in anticipation of that contingency.

*The Prime Minister,* summing up this part of the discussion, said that the Cabinet approved the proposed relaxation in the restrictions on the industrial use of electricity from 28 February, on the understanding that this did not pre-empt a decision whether to renew the State of Emergency on 8 March. This question would need to be considered further when the situation became clearer, following the expected resumption of work by the miners. The relaxations should, as proposed, be announced in the House of Commons that day, in order that industry might have adequate notice. Meanwhile, he had invited the Lord Privy Seal to co-ordinate action to ensure that power supplies to industry and domestic consumers were re-established as rapidly as possible. The Ministerial Committee on Emergencies should continue to supervise progress on the resumption of coal supplies, including the problems created at the docks by the importation of extra coal. He had put in hand a review of the organisation to deal with civil emergencies in order to provide Ministers on future occasions with better and more up-to-date information upon which to base decisions.

The Cabinet—

(2) Took note, with approval, of the Prime Minister’s summing up of their discussion.

(3) Invited the Secretary of State for Trade and Industry to arrange for the announcement of the proposed relaxation of electricity restrictions.

Pay Policy
After the Wilberforce Recommendations

The Cabinet considered a Note by the Secretary of State for Employment (CP (72) 22) about pay claims which were at present outstanding.

*The Secretary of State for Employment* said that his Note did not attempt to review incomes policy in the longer term or to consider what could be done to change the balance of industrial bargaining power. He would be preparing further memoranda on these matters, in which he would also review the law governing picketing and would consider what could be done to require the unions to pay strike pay. His present Note, which had been considered by the Ministerial Steering Committee on Pay Negotiations on the previous evening, listed the main public sector pay claims at present outstanding, not all of which required early decisions. The first indications of union
attitudes in the aftermath of the report of the Wilberforce Court of Inquiry were not altogether discouraging. The claim for nurses had been settled at about 8 per cent; and there were signs that the Union of Post Office Workers might reach agreement on their claim at about the same level. His recommendations, which had been approved by the Ministerial Committee, were that the Government should still seek to achieve public sector pay settlements at 8 per cent or less over the next few months; that the implications of possible industrial action by the rail and steel workers should be urgently examined; that it should be the objective to avoid further "wholly exceptional" cases in the current pay round and to achieve settlements by negotiation or conciliation in preference to a court of inquiry; that there should be further discussions with the Confederation of British Industry (CBI) and the employers' organisations; and that all possible steps should be taken to rebuild coal and other fuel stocks as rapidly as possible, against the possibility of an early rail strike. The meeting being held later that day between the BRB and the three rail unions would provide some indication of the likelihood of this. It was the Associated Society of Locomotive Engineers and Firemen (ASLEF) who were most likely to prove militant on this occasion. The objective, bearing in mind that the new railway pay agreement would not come into force until 1 May, must be to defer substantive negotiations as long as possible.

The Home Secretary said that the Ministerial Committee had commissioned urgent assessments of the strength of the case for increased pay which the railway unions could deploy; of the likelihood of a railway strike and the extent of the damage which it could cause, taking into account the possibility of support from other unions; and of the tactical options which might be open to Ministers in dealing with the negotiations on railwaymen's pay.

In discussion of the threat posed by the railwaymen's pay claim, it was noted that the basic rates paid to railwaymen were lower than those paid to surface workers in the coal industry prior to the Wilberforce recommendations. It was likely that the more militant elements on the ASLEF Executive were in touch with similar elements on the NUM Executive; and the ASLEF leaders were involved in a struggle for power within the union which would compel the moderate elements to try to preserve their own position by adopting more intransigent tactics. It would be important for the BRB to stand firm in the face of the Wilberforce report. Perhaps the most important objective would be to defeat any proposal that the effective date of the settlement should be advanced; but it would also be desirable to ensure that on this occasion the levels of pay and conditions of service on which public discussion was based were not those which the unions selected for presentation, but the true figures. Steps should accordingly be taken to ensure that the BRB had suitable material ready for publication.

In further discussion is was suggested that consideration should now be given to the relationship between the Government and the nationalised industries in public sector pay negotiations. It was becoming increasingly difficult to maintain that these undertakings
were free agents in conducting pay negotiations; and it was doubtful whether the Government could afford to stand apart from the public defence of pay decisions which were likely to attract public criticism unless they were adequately explained and might lead to industrial action on a wide scale. In the case of the strike in the electricity industry during the previous winter early intervention by the Government had contributed to a successful outcome of the dispute; and it was for consideration whether any future Government intervention should be at an early stage or as late as possible.

In further discussion the following main points were made—

(a) It was now clear that the NCB would incur a serious financial deficit as a result of the miners’ dispute. The likely loss in 1971–72 was £143 million and in 1972–73 £150 million, after allowance was made for a 5 per cent price increase to yield £30 million. It would be necessary to consider whether a larger price increase would be justified, although this could be at variance with the initiative on price restraint introduced by the CBI. If there were to be an increase of more than 5 per cent, it should be made quickly in order that it could be clearly identified as a result of the coal strike. Proposals to deal with the anticipated deficit would be put before the Ministerial Committee on Economic Policy as soon as possible.

(b) The examination of the arrangements for social security benefits, which was due to be completed later in the year, could be brought forward for early consideration.

The Prime Minister, summing up the discussion, said that the Cabinet noted the situation in relation to outstanding pay negotiations. The Secretary of State for Employment should circulate as soon as possible his further memoranda on the factors affecting the current policy of de-escalation and the balance of industrial bargaining power. Further consideration would need to be given to the Government’s role in major pay disputes in the public sector; in particular, it was debatable whether it was right to leave both the negotiations and the publicity about the dispute to the nationalised undertaking concerned, as had happened in the case of the coal strike. The Secretary of State for Trade and Industry should arrange for the urgent submission to the Ministerial Committee on Economic Policy of proposals for the treatment of the situation created by the expected deficits of the NCB. The Secretary of State for Social Services should arrange for the review of social security benefits to be brought forward as suggested.

The Cabinet—

(4) Took note, with approval, of the Prime Minister’s summing up of their discussion.

(5) Invited the Secretary of State for Employment to circulate as soon as possible his proposals about de-escalation policy and the balance of industrial bargaining power.

(6) Invited the Secretary of State for Trade and Industry to circulate proposals about the financing of the NCB deficit to the Economic Policy Committee as soon as possible.
Invited the Secretary of State for Social Services to circulate his proposals in relation to social security benefits as soon as possible.

Future Administration of Magistrates' Courts

6. The Cabinet considered memoranda on the future administration of magistrates' courts by the Lord Chancellor (CP (72) 19) and the Home Secretary (CP (72) 20).

The Lord Chancellor said that the Home and Social Affairs Committee had been unable to agree about his proposal that the administration of magistrates' courts should become the responsibility of central Government. Now that the Government had assumed responsibility for all the higher courts in England and Wales and responsibility for the administration of the county courts was already vested in himself, the reform of the administration of magistrates' courts was the most important single measure of law reform at the present time. The responsibility was at present divided between four authorities: the Home Secretary, himself, the local authorities and the local magistrates' courts committees. This division not only resulted in inefficiency but also made effective control of the system impossible. The different priorities which local authorities assigned to the courts in their areas resulted in widely differing standards of court administration and, therefore, in varying standards of justice. Central control would enable court staffs to be deployed more effectively and by providing a better career structure, would encourage recruitment. It would also enable better training facilities to be provided for the staff; and it would encourage more efficient standards of accounting, which would for example, facilitate the recovery of unpaid fines, which now amounted to £7 million. It was a necessary prerequisite to many important law reforms which he had in mind. Some adjustment of the present system had to be made in order to take account of the forthcoming organisation of local government; and the necessary provisions in the Local Government Bill would shortly be reached in Committee in the House of Commons. There was already danger of a breakdown in the administration of magistrates' courts in London; and central control would have to be instituted sooner or later. If so, it should begin in April, 1974, simultaneously with the new structure of local government. Of the interests concerned with magistrates' courts those who might be concerned to maintain the present position, the Central Council of Magistrates' Courts Committees and the local authority associations, were against change but the other interests, including the Magistrates' Association and the Justices' Clerks' Society, as well as the legal profession, favoured central control.

The Home Secretary said that it was possible to exaggerate the advantages of central as against local administration. There was bound to be a lack of uniformity, because the needs of different areas varied. But this would not be remedied by central control, particularly since central control would not of itself ensure that additional
funds would be available to improve or rationalise standards. It was true that the Magistrates' Association had favoured central control; but this was probably because the magistrates were under the erroneous impression that in a system of central control they would continue to be able to appoint their own clerks. The arguments for central control of the magistrates' courts could logically be applied to a wide range of services which were at present under local control; and they had, indeed, been used to advocate the central control of the police. The assumption of central control would involve complicated and contentious legislation in the next Session of Parliament; it would alienate local government opinion; and it would run contrary to the Government's policy of decentralisation. It was important that local communities should feel that they were involved in the maintenance of law and order; and it would therefore be undesirable to make the proposed change. Moreover, if the control of magistrates' courts were centralised, the present administration of the probation and after-care service would become an obvious anomaly; and it would be difficult to avoid transferring responsibility for the service either to the local authorities or to central Government. This was not an issue which should be faced at the present time, when the urgent need was to secure the rapid expansion of the service.

In discussion it was suggested that a decision at this juncture to centralise the administration of magistrates' courts would be liable to alienate the local authorities, particularly in relation to the Local Government Bill now before Parliament. The local authorities were in any event having to adjust themselves to considerable structural change, not only in local government itself but also in relation to social services, the National Health Service and the water industry. It was not reasonable that they should have to accommodate themselves to yet another change which they would probably regard as unwelcome on its own merits. Moreover, if local authorities ceased to have any part to play in the administration of magistrates' courts they would be likely to be less willing in future to continue the arrangement under which many magistrates' courts met in council premises. In this respect centralisation would lead to pressure for higher expenditure. It was always possible to criticise the arrangements in particular areas. But the magistrates' courts succeeded in dealing with the great bulk of criminal cases without general criticism; and it should not be assumed that central control would result in more efficient administration than local control. There was always an argument for the central control of local services on the ground of efficiency and uniformity. But the Government's declared policy was to decentralise rather than to centralise; and they were already in danger of criticism for apparent breaches in that policy. A Bill to give effect to the Lord Chancellor's proposals would undoubtedly be contentious; and the Opposition in Parliament would be likely to favour the continuance of the present arrangements.

On the other hand the central control of magistrates' courts, particularly since all other courts in England and Wales were now under central control, was the most logical system of administration; and it was undesirable that local authorities should have any influence
in the administration of justice. The interests of justice should be the sole criterion upon which the issue should be decided. The argument for centralising the administration of magistrates' courts was essentially different in character from the arguments for centralising other local services; and the main argument for not centralising police administration, namely that it was undesirable that the central Government should acquire excessive power in this respect, was not relevant to the administration of magistrates' courts.

_The Prime Minister_, summing up the discussion, said that the general view of the Cabinet was that, although in principle the centralisation of the administration of magistrates' courts had advantages, it would not be appropriate to make any change at the present time. The possibility of change at some future date should not be excluded; but in the meantime no indication should be given that this possibility was under consideration.

The Cabinet—

Took note, with approval, of the Prime Minister's summing up of their discussion.

_Cabinet Office,_

24 February, 1972.