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Begins: 27/9/89. Ends: 3/10/89.



PART A

Chancellor's (Lawson) Papers:

HOME AFFAIRS CABINET -THE CHANGE TO BRITISH SUMMERTIME

DD's: 25 Team

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PART A

CH/EXCHEQUER

REG. 20CT 1989 2/

Direct Line 01-217

27 September 1989

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer
Her Majesty's Treasury
Parliament Street
London SW1P 3AG

National Economic
Development Office
Millbank Tower, Millbank
London SW1P 4QX

Telex 945059 NEDO G Fax 01-821 1099 Reception 01-217 4000

Daylight Saving/Single Double Summer Time (SDST)

You will know that the Home Office has asked for further representations by the end of this month, following publication of the Green Paper on the above subject in early July.

The NEDC Sector Group for Tourism and Leisure Industries has come out in support of a shift to SDST. Whilst we believe that there are powerful arguments in favour of such a change in relation to road accidents, fewer assaults in the evening, and energy savings, our particular interests are as follows:-

- All tourists' boards support the change, and believe it would be a very useful help in attracting overseas tourists for a longer season. This could help to reduce the trade deficit for travel and tourism which is currently in excess of £2 billion per annum. A major complaint by tourists to this country, particularly in spring and autumn, is the early dusk compared with most of Europe.
- 2 Many UK companies providing holidays primarily for UK people (eg holiday centres, caravan parks etc) have invested heavily to provide facilities which enable customers to go for most, and perhaps all, of the year. More daylight in the evening is seen by these companies as being extremely helpful in attracting UK breakaway customers during the shoulder months.
- The Sector Group has noted the much greater participation in outside sports over the last few years. Increasing daylight would provide an enormous boost to such participation and for the provision of more facilities. At the same time light in the evening makes it easier for others to attend their leisure activity without fear of assault etc (eg teenagers going to youth clubs, women going to bingo etc).
- The benefits enumerated above will lead to increased employment, both directly and indirectly. Apart from additional people required to service more facilities for a greater part of the year, our industries anticipate an increase in construction with obvious employment implications.

I would be most grateful if you could communicate your support for this change to the Home Office by the end of this month.

Yours sincerely,

Brian G Wolfson Chairman, NEDC Tourism and Leisure Industries Sector Group

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10 DOWNING STREET LONDON SWIA 2AA

From the Principal Private Secretary

REG. 4 OCT 1989

OFFES CST, FST, EST, DMC

TO SUP P. Muddle ton

Me wicks, Dm. A. Mueuel

M. Anscnish T. Burns

M. HP Evans M. Scholar

M. Manak M. Phulips

2 October 1989

Dear Stere,

PM

CABINET: HOME AFFAIRS

The Prime Minister mentioned in Cabinet last week that it would be helpful if her colleagues could give advance warning of items that they wished to raise for discussion under the Home Affairs item. I should be grateful if you and other Private Secretaries could arrange for this office to be given notice by 1700 hours on the day preceding Cabinet meetings of any business that their Ministers proposed to raise under this item. It is understood of course that there may on occasion be issues that arise at short notice and cannot be covered by this arrangement.

I am copying this letter to the Private Secretaries to members of the Cabinet and to Sir Robin Butler.

Your sincerely Andre Turbul

(ANDREW TURNBULL)

Steven Catling, Esq., Lord President's Office.

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FROM: DATE:

R J WILLS (IAE3)

x4472

1. MR STEPHENS (IAE3) 2/10/89

SIR PETER MIDDLETON

CC

PS/Chancellor

PS/Chief Secretary
PS/Economic Secretary
PS/Paymaster Conoral

PS/Paymaster General

Mr Monck Mr Wilson

Mrs Case Mr Walsh

Mr Ilett

Mr Peretz Mr Strachan Mrs M Brown

Mr Mortimer

Mr Burr Mr Fox

gno

SUMMER TIME

2.

The Secretary of the CCSU, Peter Jones, has written to you hoping that the Treasury will express a clear view in favour of harmonising British time with that of most of the rest of Europe. Such an option - the main alternative being to maintain the status quo - is contained in a Green Paper entitled 'Summer Time - A Consultation Document' published by the Home Office on 27 June. A closing date for responses to the Green Paper was set at 29 September. The Government has not at this stage taken a position. The Home Secretary's professed intention has been to gauge reaction to the document before selecting an option. The subject will be debated in Parliament.

Background

2. All European Community (EC) member states adopt summer time. Since 1979 the Community has had a common starting date for summer time, but no change was made to time zones, and the UK and Ireland have continued to end summer time in October rather than September. The present arrangements are covered by the Fifth Directive on Summer Time which extends the present position up to the end of 1992. The Directive also specifies that more

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comprehensive measures for harmonisation should be adopted as soon as possible. Since the adoption of the Single European Act, the issue falls to be decided by qualified majority vote.

- 3. A consultation exercise conducted by the Home Office through departments during 1988 offered three options:
 - (i) maintenance of the status quo;
 - (ii) full harmonisation with the rest of the EC (minus Greece) by moving into the Central European Time Zone (ie GMT+1 in winter, GMT+2 in summer), referred to in the document as Single/Double Summer Time (SDST). This would require primary legislation.
 - (iii) limited harmonisation ie a common summer time period from 1 April - 30 September.
- 4. However the third option attracted little support during the consultation exercise, largely because of unwillingness to lose the lighter evenings in October. The Home Secretary therefore sees the choice as being between SDST and the status quo.
- 5. The subject continues to arouse considerable interest, on Summer time will be emotive and politically Change will be strongly opposed. sensitive. Scotland particular will be affected by darker mornings, a concern also for all those groups that need to start work early in the day. The Financial times (28 September) has reported on the campaign being conducted by the Building Employer's Confederation against The decisive question will be whether the effects inconvenience for those in the North and in affected occupations will outweigh any net gains offered by full harmonisation. The content of the Green Paper makes it clear how difficult it is quantify the advantages of change despite the claims advanced by

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proponents of change such as the Policy Studies Institute and put forward in the paper attached to the letter from Peter Jones.

Recommendation

- 6. Treasury interest is somewhat peripheral, given that the financial markets could live with either option, although they, and the Bank of England particularly, have a preference for SDST. During the consultation exercise prior to publication of the Green Paper, the Financial Secretary in his reply to the Home Secretary (copy attached), raised two general queries. Neither has been fully answered. The Department of Energy can still provide only very broad estimates of the likely effects of SDST on energy costs. Anything like a full assessment of the economic consequences has yet to be made and would probably be of questionable value.
- 7. The period for responses to the Green Paper has now closed. On the evidence presented, and bearing in mind the limited direct Treasury interest the balance of advantage would still seem to lie in supporting harmonisation. However given the political sensitivity of the issues, Ministers will need to decide on which option the Government will decide upon. Therefore we recommend that you send Mr Jones a neutral response. A draft reply is attached.

R J WILLS

hahad talls

DRAFT LETTER FROM SIR P MIDDLETON TO:

P D Jones Esq The Council of Civil Service Unions 58 Rochester Row LONDON SW1P 1JU

SUMMER TIME

Thank you for your letter of 20 September concerning the current consultation exercise being conducted by the Home Office on the possibility of harmonising British time with that of other European countries.

There are as you point out many factors to be taken into consideration. The debate is likely to be emotive, and will be argued strongly on both sides. The Treasury has of course been consulted by the Home Office and has made it clear that its main concern is that the question be widely debated and the consequences of any change be properly assessed.

Flanagan 04.30.3.89



CC: PPS, CST, PMG, EST, Sin P Middleton, Mr Anson, Mr Phillips, Mr Mondk, Mrs Case, Mr Burgner, Mr Edwards,

Treasury Chambers, Parliament Street, SWIP 3AGMr Moove,

Mr Burr, Mrs Chaplin,

The Rt Hon Douglas Hurd CBE MP
Secretary of State for the Home Department
Home Office

Wr Tyru, Park Cluk.

50 Queen Anne's Gate LONDON SW1H 9AT

30 March 1989

Dear Mr Hard

SUMMER TIME

I have seen a copy of your letter to Geoffrey Howe of 22 February. I agree that the consultation document should be published in order to give an idea of reaction to the matter before it is debated in Parliament.

Of the two remaining options, on the evidence presented I would see the balance of advantage lying with full harmonisation. However, as I made clear in my letter to you of 25 March 1988, before we take a final decision an assessment needs to be made of the full economic consequences of any change. I should also be interested to know the outcome of the Department of Energy's work on where the balance of advantage (and cost) lies in terms of electricity usage.

I am copying this letter to the Prime Minister, members of OD(E) and H Committees, Nicholas Ridley, Paul Channon, Cecil Parkinson, and to Sir Robin Butler.

Your since ely

NORMAN LAMONT

Approved by the Minister and signed in his absence



58 ROCHESTER ROW, LONDON, SW1P 1JU Tel: 01-834 8393 Fax: 01-828 4152

P.D. JONES Secretary Mr Fray My hills Advice pt - have we expressed a view to the HO yet? 1827/9

COUNCIL OF CIVIL SERVICE UNIONS

REF:

20 September, 1989

Sir Peter Middleton GCB HM Treasury Parliament Street London SW1P 3AG

Dear Peter

PERM. SEC'S. OFFICE

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SUMMERTIME

As you know, the Home Office is currently canvassing views on the possibility of harmonising British time with that of other Western European countries. Effectively, this means retaining our present summer time during the winter months and introducing double summer time in the summer.

The CCSU gave evidence to the Home Office last year in favour of this change, and we have confirmed our support again in the current consultation. I enclose herewith a summary of the research arrrived at by the Policy Studies Institute, which came down very firmly in favour.

My purpose in writing to you is to request that consideration be given to a departmental view being expressed to the Home Office in favour of the change.

Quite apart from the general quality of life arguments in favour of the change, there are significant economic and commercial advantages, as the PSI research indicates. I hope, therefore, that a Treasury view in favour of the change will be expressed.

Yours sincerely

P D JONES

Waldren - 25/9

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RESEARCH & PUBLICATIONS

MAKING THE MOST OF DAYLIGHT HOURS

- * New report identifies improvements in the quality of life for the great majority of British people
- * Reform of daylight hours would result in major reduction in road accidents
- * Out of 250 organisations likely to be affected by any clock change, the majority favour transfer of an hour of daylight from the morning to the evening
- * PSI puts daylight saving on the political agenda
- * Institute offers Government 'a free and regular banquet'

PSI issues on Monday 13 June its full report on the costs and benefits of moving the clock one hour ahead of its current setting throughout the year. That would mean British Standard Time in the winter and Double British Summer Time in the summer. At present, the great majority of the population get up well after sunrise for most of the year, but are then not able to do all the things they want to do in the evening because of the early sunset. We need a better matching of waking hours with our precious daylight and sunlight hours.

The PSI research has stimulated growing awareness of the benefits of this reform. Early in 1987, the Home Office declared that there was no interest in the subject on the part of Government, the Opposition or any interest groups. PSI published some interim results last October, which received wide attention.

At the end of March, the Home Office issued a Green Paper 'Summer Time - A Consultation Note' inviting responses to the possible options. The Green Paper makes clear that the Home Office now sees the transfer of one hour from morning to evening throughout the year as the only realistic alternative to maintaining the status quo.

Continued/...

Later this year, the UK government will have to respond to the European Commission's initiative aimed at achieving greater harmony on the dates for the beginning and the end of summertime each year among Member States of the Community. There will be a free vote in Parliament.

The benefits of reform

The main conclusions of the PSI report are that the reform would have a substantial impact upon a surprisingly large area of public and daily life. Putting the clock forward by one hour would mean that there would be an additional hour of evening daylight on every day of the year whereas there would be an extra hour of morning darkness in only the depths of winter.

The advantages of this arrangement would far outweigh the disadvantages.

- * Perhaps the most important of all the benefits to be gained would be an overall reduction of about 600 fatalities and serious injuries in road accidents in the winter months. Any increase in the morning would be more than compensated for by a fall in the later part of the day when the accident rate is much higher. Had winter BST been maintained since 1971, the total number of fatal and serious injuries to date would have been about 15,000 lower in the subsequent years.
- * Opportunities for making journeys for social and recreational purposes in daylight would be considerably extended. This would benefit old people in particular, many of whom are currently confined to their homes for the long dark evenings of winter. It would benefit children whose parents are also fearful about the dangers of accidents, molestation or assault after dark.
- * There would be an overall increase of well over one quarter in the number of hours for outdoor leisure activities after school or work in the evening. Participation in sport and recreation would rise substantially.
- * An improvement in general health and well-being is predicted from the increase in exercise in daylight and sunlight that this would encourage.
- * There would be a two-month extension of that part of the tourist season which is governed more by the availability of daylight than change in temperature. Current earnings in tourism would rise be about £600 million annually.

- * The increase in leisure activities, both indoors and outdoors, would lead to additional annual earnings of about £150 million for the leisure industries.
- * The growth of demand in these industries would also generate a substantial increase in jobs.
- * The better matching of waking hours with daylight hours would lead to an annual saving of about £100 million in fuel costs and improved efficiency in electricity generation.
- * Clock times between the UK and nearly all of Western Europe would be identical for all twelve months of the year rather than, confusingly, one month as at present. The UK would share a common time zone with 93 per cent of the European Community's population. This would be advantageous for all aspects of trade and communications with the Continent as there would be much more overlap of office hours.
- * Travel to and from the Continent would be made more convenient by having the same clock times. Businessmen would be more able to make round trips within a day. It is estimated that an additional 100 to 200 thousand more journeys a year would be generated with increased revenue for British airlines of £30 to £50 million.
- * The removal of the 'temporal' barrier could be symbolically completed before 1992 and would be widely welcomed by the UK's EEC partners. A complete resolution would be achieved of the long-running dispute on this issue since the UK joined the Common Market.

The only problems that would have to be offset against these substantial benefits are the disadvantages of exacerbating the already depressing start to the day in the winter, especially for those whose work has to begin early, irrespective of the availability of daylight, such as postmen, milkmen, others in public services, and some farmers. It would be especially depressing for people living in Scotland, though there would be the compensation of the extra hour of daylight in the afternoon.

As W. W. Daniel, the Director of PSI, comments: "The Government is inclined to believe that there is no such thing as a free lunch. PSI judges that the



10 DOWNING STREET

LONDON SW1A 2AA

CH/EXCHEQUER 4 OCT 1989 REC. PS/EST, SIP. MIDDLETON MY WICKS, MY EVANS, COPIES TO Mr SCHOLAR Mr BROOK, MISS O'MARA MO CHAPLIN.

3 October 1989

From the Private Secretary

PRIME MINISTER'S MEETING WITH DAME LYDIA DUNN

The Prime Minister had a talk lasting some 45 minutes with Dame Lydia Dunn this evening. Sir Percy Cradock was also present.

Dame Lydia Dunn said that when she had last seen the Prime Minister she had been rather depressed about the prospects for Hong Hong. But Hong Kong's people had bounced back. Business was more or less back to normal. The stock market was doing well and property was moving. The trouble was that the Chinese Government were in an obtuse mood and likely to stay that way. It was reminiscent of 1982. People found it unsettling: they felt that the Chinese Government would never learn. We had to find a way to make the Chinese leaders understand the damage that they were doing in Hong Kong. In her view we were all in for a difficult time until there was a change of leadership in China. The Chinese leaders had got themselves so far out on a limb that it was impossible for them not to take a hard line. It had to be admitted that Hong Kong had given them some excuse: in the heat of the events of June, some people in Hong Kong had been financing the students' activities.

The Prime Minister paid tribute to the enterprise, creativity and dynamism of Hong Kong, while expressing understanding for the concern about the Chinese Government's attitude. She recalled that, at their last meeting, she and Dame Lydia had discussed nationality problems. We were still working on a package and it would certainly not be ready before the Prince of Wales' visit in November; it might take until the end of the year. She hoped people in Hong Kong would not take out their frustration on the Prince and Princess of Wales. Dame Lydia agreed that it was wise to postpone the package until after the visit. But Hong Kong did need a generous package and the focus would be on the numbers. This might seem simplistic but it was the way it would be. She had suggested to Mr Maude during his visit that HMG might simultaneously announce that it would open negotiations with other govertnents to persuade them to offer citizenship to people from Hong Kong. This might help dilute disappointment with the British

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package. The Prime Minister said that she doubted that other governments would be willing to respond except in a worst case. But we were seeking support for Hong Kong at virtually every international meeting we attended and she had made a particular point of encouraging additional Japanese investment there during her visit to Japan.

Dame Lydia said that the pace of democratisation was a hot issue in Hong Kong. The Prime Minister said that she thought the pace ought to be increased. Part of our agreement with the Chinese was that we administered Hong Kong until 1997 and we must show that we were in charge. Dame Lydia said that people in Hong Kong wanted to see Britain firmly in control. EXCO and LEGCO were unanimous in recommending faster progress and it would surely be hard for HMG to refuse this. But they quite understood the need to avoid a confrontation with China if possible. Sir Percy Cradock said that the Foreign Secretary's meeting with the Chinese Foreign Minister had shown how very important it was to approach the Chinese on private channels about these matters and not confront them in public. Dame Lydia said that Hong Kong might have to accept that the provisions for the Basic Law were less advanced than the actual system in Hong Kong before 1997. There were bound to be some difficulties with China and we should not shy away from them. Prime Minister said that she would ask the Foreign Secretary to pursue these matters with the Chinese Government on private channels with all due speed.

Dame Lydia urged the Prime Minister to pay a visit to Hong Kong. She would find it was very far from being the fallen star described in today's Independent. The Prime Minister said she would very much like to come at some stage.

The Prime Minister would like to know how we intend to proceed with the Chinese on the question of democratisation and what are our plans for establishing private channels.

I am copying this letter to John Gieve (HM Treasury), Brian Hawtin (Ministry of Defence) and Trevor Woolley (Cabinet Office).

Charles Powell

Bob Peirce Esq Foreign and Commonwealth Office.

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