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PRIME MINISTER

MG 127/7

THE ARMITAGE REPORT: HEAVIER LORRIES

The Sub Committee on Economic Affairs, at its meetings on 14 and 21 July, has considered proposals for increases in maximum lorry weights put forward by the Secretary of State for Transport (E(EA)26 and 29) in the context of the Government's response to the Armitage Report, which was published last December.

- 2 The Sub-Committee recognises the strength of the economic case for an increase in lorry weights; indeed, this is one of the few measures which the Government could take to help industry significantly which does not involve a direct increase in public expenditure. It is not, however, persuaded that the proposals for measures to reduce the impact of heavier lorries which have so far been put forward offer a convincing answer to the strong, though not always well-founded, opposition on environmental grounds to any increase in lorry weights, both in Parliament and more generally.
- 3 To decide between these conflicting industrial and environmental objectives will require a major and difficult political judgement, and for that reason I recommend that the Secretary of State for Transport should put a paper to the Committee on Economic Strategy after the Recess. In the meantime E(EA) has invited him to consider further with the Secretary of State for the Environment, the Chief Secretary, Treasury and the other Ministers principally concerned what further measures might be agreed in order to increase the chances of winning Parliamentary and public acceptance of his proposals. The Secretary of State for Transport will also consult the Chief Whip on tactics.
- 4 It will be important to reach a firm decision soon after the Recess: the Opposition could well put down another Motion designed to get the Government to state its intentions; the European Commission will circulate their own proposals shortly;



and, if it were thought that the Government was proposing increases in lorry weights simply to fall into line with proposed European legislation, this could compound the already considerable political difficulties which we will face on this issue.

5 I am sending a copy of this minute to the Members of E, to the Secretaries of State for Scotland, Wales and Transport, to the Chancellor of the Duchy of Lancaster, to the Chief Whip, and to Sir Robert Armstrong.

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27 July 1981

Department of Industry Ashdown House 123 Victoria Street

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10 DOWNING STREET

From the Private Secretary

3 August 1981

THE ARMITAGE REPORT

The Prime Minister has read Sir Keith Joesph's minute of 27 July, and agrees that the Secretary of State for Transport should put a paper to E Committee after the recess.

I am sending a copy of this letter to the Private Secretaries to Members of E Committee, the Secretaries of State for Scotland, Wales and Transport, the Chancellor of the Duchy of Lancaster, the Chief Whip and to Sir Robert Armstrong.

T. P. LANKESTER

I.K.C. Ellison, Esq., Department of Industry.

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