Ref: A05621 CONFIDENTIAL PRIME MINISTER Heavier Lorries: The Armitage Report (E(81) 91) BACKGROUND In E(81) 91 the Secretary of State for Transport asks the Committee to approve a variety of increases in lorry weights, in line with some but not all of the recommendations of the Armitage Report; a package of environmental measures to make the decision more acceptable publicly; and, as a basis for detailed consultations, the publication of a short White Paper setting out the Government's response to the Armitage Report and of draft Regulations to implement increases in lorry weights and dimensions. The Armitage Report was published in December 1979 and recommended various increases in lorry weights to secure economic benefits and also a wide range of measures which might be taken to mitigate the environmental effects. The Government has announced, in reply to a Supply Day Debate on the Report on 17th June, that it does not accept Armitage's recommendation that the maximum lorry weight should be increased to 44 tonnes on 6 axles. The Secretary of State for Transport now proposes that the maximum weight for a 5-axle lorry should be increased to 38 or 40 tonnes, depending on the precise arrangement of the axles, in line with the recommendations of the Armitage Report; but that the weight limit for 4-axle lorries should remain at 32.5 tonnes and should not be increased to 34 tonnes as Armitage recommended, because of the increased road damage this would cause. As the former Secretary of State for Industry reported to you on 27th July, E(EA) failed to reach agreement at two meetings it held in July. The Sub-Committee recognised the strength of the economic case for an increase in lorry weights (the total savings to industry are now estimated at around £150 million a year) and saw it as one of the few measures which the Government could take to help industry significantly without additional public expenditure. It was not, however, persuaded that the environmental measures then proposed offered 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. -1-

- 4. Since then the Secretary of State for Transport, and his predecessor, have attempted to strengthen the environmental measures within the constraints of public expenditure. The main proposals are for more by-passes, for major reductions in lorry noise by the end of the decade, and for the adjustment of Departmental research priorities to give greater emphasis to the development of quieter and more acceptable lorries.
- 5. The main question now before the Committee is whether the environmental package proposed in E(81) 91 is sufficiently attractive to enable the Government to win acceptance of the introduction of heavier lorries with the substantial financial benefits that will bring to industry. A problem with the environmental measures is that critics will point out that they will take effect over a number of years whereas the heavy lorries will be introduced much more quickly. On the other hand, heavier lorries need not necessarily be noisier and more damaging to roads. The private sector of industry will be critical of the Government if increases are not approved.
- 6. The decision cannot be put off for much longer. The Opposition could table another critical motion, and the Select Committee on Transport are waiting for a full statement of the Government's intentions. The European Commission will publish their new proposals on lorry weights soon, and discussions, in which the Government will be expected to declare its views, will follow shortly after that. The EC discussions have already been delayed pending the Armitage Report and further significant delay is unlikely to be acceptable.
- 7. The EC discussions raise a difficult question of timing. The Secretary of State for Transport wishes to publish an early White Paper and, simultaneously, draft Regulations on increasing lorry weights and dimensions. Although the Commission's revised proposals are thought closely to parallel the Secretary of State's, the final consenses in the EC may well differ from them in some respects, it could be embarrassing for the Government to announce its decisions on the Armitage Report only to have to modify them in the light of whatever agreement is finally reached in the EC. The Committee will, therefore, want to consider whether the publication of draft Regulations should be delayed, at least until after

CONFIDENTIAL the United Kingdom Presidency. The White Paper will probably also need to retain some flexibility, although there will be an opportunity to consider this in detail when the text is circulated by the Secretary of State. HANDLING After the Secretary of State for Transport has introduced his paper you might ask the Secretary of State for Industry to comment on the economic case for heavier lorries and the Secretary of State for the Environment to give his views on whether the environmental package is satisfactory. The Chief Secretary will wish to comment on the economic case and the Lord Privy Seal on the European aspects and the timing problem referred to in paragraph 7 above. The Chief Whip will also wish to advise on the questions of timing and of handling. The Secretary of State for Social Services is attending on a personal basis, in view of his close involvement in this issue before his re-appointment. It should not be necessary to work through the details of the items in the environmental package; if necessary, it should be possible for the Ministers concerned to sort out any particular problems out of Committee. The main question is whether the environmental package as a whole is sufficient to enable the Government to go ahead with the increases in lorry weights. If that is accepted, you will want to go on to discuss handling and timing, and the case for publishing a White Paper and draft Regulations on lorry weights. CONCLUSIONS 10. You will wish to record conclusions on:-(i) - the proposed increases in lorry weights; (ii) - the environmental package; whether an early White Paper should be published and the (iii) timing of publication of draft Regulations on lorry weights. If the Committee favours an early White Paper you will wish to ask the Secretary of State for Transport to circulate a draft for clearance in correspondence. Robert Arms trong 22nd September 1981 -3-CONFIDENTIAL

CONFIDENTIAL Transport

DEPARTMENT OF TRANSPORT

2 MARSHAM STREET LONDON SWIP 3EB

The Rt Hon Michael Jopling MP Government Chief Whip 12 Downing Street

17 September 1981

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LONDON SW1

ARMITAGE REPORT: HEAVIER LORRIES

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As you will know from Keith Joseph's exchange of minutes with the Prime Minister on 30 July and 3 August respectively, there is to be a discussion of this issue in E Committee with a view to reaching a decision in time for an announcement soon after the recess. It would be helpful if we could have your advice on the Parliamentary tactics in time for this discussion which will be on 23 September.

Colleagues in E(EA) have already accepted the strength of the case for moving on the lorry weights issue on grounds of the economic benefits this would bring to industry generally and also the public gain to be achieved from having fewer heavy articulated vehicles on the roads. The main question for E Committee to decide is whether this can be presented with other associated environmental measures as a sufficiently attractive package to win support in Parliament. I enclose a copy of the paper I will be circulating.

You will see that paragraphs 13 and 14 of the draft paper propose that we announce a decision early in the new session so as to keep the political initiative in our hands and forestall the possibility of another critical motion by the Opposition. Given the need to allow time for study of our announcement (which could take the form of a White Paper) and for formal consultation on the draft regulations on lorry weights and dimensions, we could then promise a full debate in February or March.

Parliamentary opinion would obviously be affected by the reception accorded to our announcement, and the way in which public debate developed over the subsequent months. I think that we can show that we have moved a long way to meet our supporters, in particular by rejecting the 34 tonne vehicle (on grounds of road damage) as well as the 44 tonne vehicle. There is quite a good story to tell also on bypasses and lorry noise. And we can show how the package as a whole is directed towards achieving a more-efficient industry operating fewer and progressively quieter and cleaner vehicles running on an increasing number of bypasses. This may not be enough for some of our supporters, and I should welcome your advice on how we can best proceed.

I am sending a copy of this letter and enclosure to the Prime Minister, Peter Carrington, Patrick Jenkin, Michael Heseltine, Leon Brittan, George Younger, Nicholas Edwards and to Sir Robert Armstrong.

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DAVID HOWELL

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CONMITTEE ON ECONOMIC STRATEGY HEAVIER LORRIES: THE ARMITAGE REPORT

MEMORANDUM BY THE SECRETARY OF STATE FOR TRANSPORT

An efficient and competitive freight transport industry is vital to the whole economy. Whilst rail will continue to have an important role to play within the national transport system, there can be no turning back from our massive reliance on road transport, and in particular on the big lorries that now account for over half the freight movement. But the general public dislike of "juggernauts" is real and entirely understandable. I believe we should tackle the economic and environmental issues simultaneously with a set of measures which I can say will achieve within a practicable time-scale a more efficient and competitive road haulage industry operating fewer and progressively quieter and cleaner lorries, running on roads which will skirt round an increasing number of towns and villages. I want to make a start on this right away because delay will do nothing to help either the economic or the environmental problems that are with us here and now. This will require a package of measures the elements of which are set out below.

Lorry Weights

2. The Sub-Committee on Economic Affairs has considered my predecessor's proposals for increasing maximum lorry weights from 32.5 tonnes to 40 tonnes, along with a number of other measures, in response to the recommendations of the Armitage Report on Lorries, People and the Environment. They recognised the strength of the economic case for such increases which, by allowing industry to use lorries more productively, would bring total

- savings estimated at around £150m a year. It would be one of the few measures the Government could take to help industry significantly without incurring any further public expenditure.
- 3. What makes the expensive heavier lorries economically worthwhile, and why industry is pressing so strongly for them, is that with each vehicle carrying a greater load fewer of them would be needed. The TGWU has seized on this point because it would mean fewer drivers. Research by the Transport and Road Research Laboratory has indicated that with an upper limit of 40 tonnes there would be a reduction of 11% in the number of heavy articulated vehicles. . This would be an important public gain which I would want to emphasise in any announcement. I would also stress that new controls on lorry size would ensure that the heavier vehicles would be no bigger than big lorries are at present. And - as my predecessor recommended to colleagues in E(EA) - I would make it clear - if colleagues agree - that we are rejecting the 34 tonne vehicle on 4 axles recommended by Armitage, and requiring all vehicles above our present 32.5 tonne limit to have a fifth axle, to secure a substantial reduction in road damage. There would be further technical safeguards to protect bridges and underground services, and to ensure that the heavier lorries would be no worse than existing vehicles in respect of noise, vibration, pollution or road safety.
- 4. All this would show the Government's determination to take environmental considerations into account in its decisions on weight

CONTIDERTIAL

Roads

There is no doubt that the provision of new roads to take lorries out of our towns and villages is seen by ny of our supporters as the key requirement for dealing with lorries. I agree. As Armitage recognised, my existing trunk road programme is entirely in line with this objective and includes many schemes tak ng traffic out of historic towns and villages. The real issue is the pace of the programme. In present economic circumstances we cannot do all we would wish, but we have done and are doing a great deal for which we can take credit. Even within existing resources my predecessor had already found it possible to add four schemes on which I hope we can make a start in 1982, including one major by-pass to which Sir Arthur Armitage drew specific attention. In selecting schemes to go forward great weight is already attached to the environmental benefits they bring. Looking further ahead, I propose to promote several highly desirable by-passes now in the Reserve List to the main programme (which will not in practice increase the demand on resources), and to add three or four other small one's. Taken together with the real progress currently being made on our existing programme, this gives us a good story to tell.

Noise and Pollution

6. There has been some improvement in lorry noise and pollution which will be reinforced by regulations coming into force in 1983. But Armitage recommended a much tougher programme of reductions in this key area. It would mean progressively reducing the perceived noise from new heavy to lorrescoming onto the road less than half the 1981 level,

model cars. I believe that we should commit curselves to a reduction of this order in the European discussions which are about to begin. Consultations with the UK industry have indicated that it is an achievable target, given the necessary effort and R & D backing. But in acting firmly to show our determination to reduce lorry noise at source, we must also ensure that our industry will be at least as well placed as their competitors in meeting this major technical challenge.

What I propose is a collaborative programme of research and development involving .vehicle and engine manufacturers. would take in not simply noise, but also ways of making heavy lorries more acceptable by improving smoke emissions and general safety standards. It would look particularly at technical ways of developing quieter and cleaner vehicles, and also at the possibility of developing even better engines and vehicles towards the end of the century. There might also be one or two demonstration projects. Discussions between officials in my Department and the Departments of Industry, Energy and Environment in principle have suggested that /it would be feasible to re-order existing programmes of R & D within existing overall budgets. If colleagues think that this would be a useful part of our response to Armitage I will put detailed proposals on this to the colleagues concerned very shortly.

Transfer of Freight to Rail and Waterways

8. There is a general support on both sides of the House for the grants which are available to assist the railways to take freight traffic off the roads under Section 8 of the 1974 Railways Act. We can take credit for having already extended this type of grant to inland waterways in the new Transport Act. And I propose also to increase the maximum rate of grant from 50% to 60%, retaining flexibility to pay smaller grants in appropriate circumstances, without altering the character of the grant but it may become increasingly difficult, within the public expenditure constraints, to sustain our present policy that no acceptable case will be refused.

Lorries on the Road

9. Controls over the routeing of forries can have a useful effect on the environment locally. They require careful planning to avoid merely shifting the nuisance from one place to another, and I agree with Armitage's view that local authorities have in general exercised their extensive powers, which they have had for many years, responsibly. As the scope for diverting lorry traffic is often limited, Armitage proposed that some of the worst affected places could be designated as "lorry action areas" in which special steps might be taken (eg the provision of double glazing) to alleviate the effects of lorries. Cost must be a major obstacle to anything like this. But it is well worth exploring and I propose with the Secretary of State for the Environment to invite the co-operation of the local authorities and the Civic Trust in studying it further (perhaps leading to a pilot project).

Operators' Licensing

70. A measure to strengthen the licensing authorities' powers regarding the environmental suitability of the place from which vehicles are operated would be welcomed. I have not been able to fit this into either of the two Bills I am planning for next session, but it would be a suitable subject for a Private Members Bill and I am pursuing this possibility.

Taxation of Lorries

11. We have already taken steps in the new Transport Act to enable the Chancellor to ensure that each category of heavy lorry pays in taxation the full track costs attributed to it. These changes will put competition with railways on a fairer basis.

Other measures

12. In a comprehensive statement on Armitage I would also need to response to other recommendations on a great variety of subjects including the development of techniques for measuring the environmental impact of lorries on people and buildings; the method for assessing road track costs; encouragement of local authorities to use planning powers and controls over lorry parking more effectively - particularly in inner urban areas; enforcement techniques; roadside enforcement checks to deal severely with excessive smoke and overloading; the development of standards to control vibration; and lorry speed limits.

Timing: The Next Steps

13. The decision between the conflicting industrial and environmental views on lorry weights is a difficult matter of political judgement. I believe it will be necessary to reach a

decision in time for an announcement very soon after the recess if

we are to keep the political initiative in our hands. Otherwise
the Opposition could well table another critical motion in the
autumn. There will also be resumed discussion in Brussels of the
European Commission's proposals which have now been modified to
agree with the European Parliament's recommended 40 tonne maximum
limit. And I am under increasing pressure from industry for an
early decision to end the uncertainty which is inhibiting new
investment and to show that the Government means business when it
talks about wanting to help industry.

14. The Select Committee on Transport recommended that the Government should make a full statement of their intentions in respect of the Armitage recommendations as a whole and that more than the usual time should be made available to the House to debate any amending regulations to increase maximum lorry weights. The Government has accepted those recommendations and my predecess told the House it is our intention to publish a statement setting out our response to the Report as a whole. I suggest that a short White Paper would be appropriate for this purpose. Simultaneously I would publish draft amending regulations on weights and dimensions and invite comments from organisations concerned, as required under the Road Traffic Act. This would pave the way for the promised full debate in February or March.

RECOMMENDATION

15. I invite my colleagues to agree that I should now proceed with the preparation of a comprehensive statement, in the form of a White Paper, accepting the case for increasing maximum lorry wigh up to 40 tonnes on 5 axles, as recommended by Armitage, and as parapackage of of measures outlined above with the broad objectives I have indicated

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ransport Ministry of Agriculture, Fisheries and Food Whitehall Place London SW1A 2HH

From the Minister's Private Office CONFIDENTIAL

> Timothy Lankester Esq Private Secretary 10 Downing Street London SW1

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22 September 1981 275

Dear Tim.

HEAVIER LORRIES: THE ARMITAGE REPORT

I regret that it will not be possible for a Minister from this Department to be present at E Committee tomorrow when E(81)91 is discussed. I can however say that my Minister supports the measures proposed.

I understand that discussions are continuing between officials on the detailed limitations intended to apply to vehicles between 32.5 and 40 tonnes in weight. These could reduce the economic benefits in food distribution that the introduction of larger lorries might otherwise have made possible, and we would hope that due consideration will be given to this aspect in framing the detailed proposals.

I am copying this to the Private Secretaries of other members of E Committee and of the Secretary of State for Transport; and to Sir Robert Armstrong.

> You en O well del

G H STEEL Assistant Private Secretary Policy Unit

PRIME MINISTER

HEAVIER LORRIES: ARMITAGE REPORT

Original returned

- Howell's proposals in E(81)91. We see the predominant issue as industry's competitiveness. The Government rightly urges economic realism on others. Here is an opportunity to show our own realism; to help industry with savings of at least £150 million per year; make exports to the continent easier; and give a boost to our domestic truck-making industry, while putting pressure on them to adopt more advanced standards. To reject this would be quite inconsistent with our efforts to help industry in other fields, like energy costs.
- 2. The package already contains substantial concessions to the environmental lobby by saying no to 44 tons and to 34 tons on four axles. We do not think there is scope for further dilution or delay.
- A rejection of the package would be strongly criticised by industry and would receive a very temporary welcome from a few quarters who would quickly revert to complaining about existing lorries. Of course many local pressure groups have genuine problems but they can only be resolved by re-routing and, within public expenditure constraints, by-passes. Some of the more serious environmentalists should recognise that this package represents a step forward in terms of road damage, noise and fewer trucks. Any political benefits of rejectionwould in our view be very small and short-lived.
- 4. It is significant that the most vociferous opponents to the Armitage proposals are, in one guise or another, the railway lobby (for obvious reasons) and now the TGWU who realise that better, larger lorries will also mean fewer ones and thus fewer jobs for lorry drivers.

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From The Secretary of Erate for Wales

CONFIDENTIAL

22 September 1981

ARMITAGE REPORT

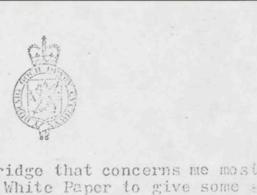
You wrote to Michael Jopling on 17 September about the political implications of your proposals for heavier lorries. I support the proposals but I should just draw your attention to likely reactions in Wales over and above the counter-arguments we may expect from those concerned with conservation and the heritage.

First, people in Wales (and industry in particular) will want to know what effect the measures will have on ease of transportation of goods in and out of the Principality. Your officials will no doubt be able to confirm the acute sensitivity of public opinion here to env suggestion of restrictions on the use of the Severn Bridge. Good communications are a big selling point in our drive for inward investment to replace declining steel and coal industries in South Wales, and any suggestion of uncertainty as to whether 40 tonne lorries could use the bridge and in general get to and from Wales easily would be presentationally very difficult from my point of view. (The timing of the provision of the new bridge at Chepstow will also be of public interest). There may well be regions other than Wales where this same point arises.

Secondly, I could not easily re-order my trunk road improvement schemes to deal with heavier lorries in the way you have in mind for England. As it is, most major schemes in my programme are aimed at improving the flow of industrial traffic and at the same time relieving towns and villages of the noise and congestion already caused.

The Rt Hon David Howell MP Secretary of State for Transport Department of Transport 2 Marsham Street LONDON

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It is however the Severn Bridge that concerns me most, and it would be very desirable for your White Paper to give some specific assurances that any necessary measures will be taken to enable the heater lorries to use the bridge freely (and indeed other cross border routes). I am not clear what technical safeguards you have in mind in paragraph 3 of your paper. Could we, for example, repeat your predecessor's assurance given last February (Volume 999 Col 144-5) that under normal traffic flow conditions the heavier vehicles will be acceptable?

I am sending copies of this letter to those who received yours.

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