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## PRIME MINISTER

# Lorries, People and the Environment (E(82)51)

#### INTRODUCTION

This paper by the Secretary of State for Transport seeks the agreement of the Committee to an early debate and vote in the House on proposals for increases in lorry weights, which he implicitly suggests should now be pared down to the minimum possible.

2. The White Paper "Lorries, People and the Environment" (Cmnd 8439) proposed the following increases in lorry weights:-

lorries with four axles: from  $32\frac{1}{2}$  tonnes to 34 tonnes lorries with five axles: from  $32\frac{1}{2}$  tonnes to 38 or 40 tonnes,

depending on the arrangement of the axles

When the Committee last discussed this issue (E(82)5th Meeting, Item 1) it accepted the Secretary of State for Transport's assessment that these proposals might have to be modified if they were eventually to find acceptance in the House; that the Government's minimum position should be an increase to 38 tonnes in the weight limit for five-axle articulated lorries and that, if necessary, the above proposals for other weight increases would have to be abandoned; but that even these modified proposals should not be proceeded with if further soundings suggested that they were unlikely to be carried through Parliament. The decision to abandon an upper weight limit of 40 tonnes, if necessary, has not been announced publicly. The proposed weight increases are, of course, paralleled by a number of other measures designed to make lorries more acceptable to the public and divert them from environmentally-sentitive areas, which are generally not in dispute.

3. The Secretary of State for Transport acknowledges in E(82)51 that the chances of even the Government's minimum position being endorsed by the House are still uncertain. But he argues that while there is a hard core of backbench

opposition to any increase in lorry weights which will never be won round, a substantial number of nominal backbench opponents are continuing to equivocate only in the hope of persuading the Government to make concessions. His judgement, therefore, is that faced with firm proposals, including the above compromise on lorry weights, much of the backbench opposition will disappear (especially since they will be able to point to further concessions by the Government), thus generating sufficient support for the Government's modified proposals to be carried in the House. I understand that the Chief Whip remains far from certain that even the Government's modified proposals will prove acceptable.

## European Community Aspects

- 4. Discussion in the Community is currently based on a Commission compromise proposal of 40 tonnes gross weight and 11 tonnes drive axle weight. There is a growing consensus around these proposals. There is no support for a gross weight limit of less than 40 tonnes and, indeed, the Italians are holding out for 44 tonnes. Similarly on drive axle weights, the French have shown no signs, as yet, of willingness to move from 12 tonnes.
- 5. It is not clear how the Danish Presidency will play this issue. In view of the difficulties involved they may not be keen to try to make much progress. There is, therefore, no immediate danger of the UK being totally isolated. But if it is clear that agreement is not going to be reached on lorry weights which other Member States regard as an important harmonisation measure the prospects of reaching agreement on other liberalising measures, to which we attach importance, will be reduced. The presentation to the Community of a decision by the UK to legislate for a 38 tonne maximum lorry weight will therefore require very careful handling. This aspect is not addressed in E(82)51. The Secretary of State for Transport and the Foreign Secretary will therefore need to be asked to give further consideration to it if the Committee endorses the Secretary of State for Transport's proposals.

## HANDLING

6. You will want to invite the <u>Secretary of State for Transport</u> to introduce his paper. You might then take comments first from the <u>Chief Whip</u> and the <u>Foreign Secretary</u> before seeking views from other members of the Committee. The <u>Secretaries of State for Industry</u>, the <u>Environment</u>, <u>Scotland</u> and <u>Wales</u> and the <u>Chief Secretary</u>, <u>Treasury</u> are all likely to wish to contribute to the discussion.

## CONCLUSIONS

- 7. You will want to record conclusions about:
  - i. whether there should be an early debate and vote on proposals for increases in lorry weights;
  - ii. whether the Government's proposals should now be limited to an increase to 38 tonnes for five-axle articulated lorries, with the weight limit for other lorries remaining at  $32\frac{1}{2}$  tonnes; and
  - iii. the need for the Foreign Secretary and the Secretary of State for Transport to consider the Community aspects further.

P L GREGSON

14 June 1982

Prime Mihirth IN E HOWEN PRIME MINISTER E: HEAVIER LORRIES We think David Howell makes the right recommendation in his paper. If the Government believes a policy to be right, and in the national interest, it should be prepared to put up with criticism from the backbenches - and it should be prepared to make considerable efforts to explain why it is right. Briefly, the arguments in favour of heavier lorries are these: (i) They will cut industry's costs by several hundred million pounds a year. It is a much easier way of achieving that objective than, for instance, lowering the NIS.

> (ii) There will in practice be less environmental damage than sticking to the present weight limits. The heavier lorries should have lower axle loads, and there should be fewer of them.

(iii) Because heavier lorries are already in use overseas, the introduction of them here should enable our manufacturers (Bedford, but also BL) to standardise production.

(iv) The solution to the problem of heavy lorries charging through Elizabethan high streets is not to be found in limiting the size of the lorries, but in building by-passes - and an internationally competitive road haulage industry will help to generate the tax revenue to pay for it.

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## LORRIES, PEOPLE AND ENVIRONMENT

I am sorry that neither the Foreign and Commonwealth Secretary nor any Minister of State will be able to attend E Committee tomorrow (15 June) owing to absence abroad, but I am writing in order that FCO views should be on record before the meeting.

I fully understand that in view of the domestic criticism the White Paper encountered we have no option but to modify the proposals. Indeed this was decided by the Committee in February. But I am concerned that we should not lose sight of the Community dimension, and that we should not give way to pressure to modify the proposals downward any further.

There has been intensive discussion of the Commission's proposals on this subject in recent months, culminating in discussion at the Transport Council last week. Although the Parliamentary Under-Secretary, Department of Transport was able to refer to the strong opposition in the UK to heavy lorries and the continued uncertainty over the White Paper proposals, it was evident that there is an emerging consensus on the key maximum weight figure of 40 tonnes and pressure from our partners for a decision in view of the benefits they see from harmonisation. Even if we can secure Parliamentary agreement to a package including a maximum figure of 38 tonnes, we will face an uncomfortable situation in Brussels at the next Transport Council. It is important that we



should have made up our minds on our domestic proposals by then. We shall also have to keep Commissioner Contogeorgis and the future Danish Presidency fully informed about our decision.

We should also do what we can to remind our supporters and public opinion of the very real advantages harmonisation in the Community would bring, in terms of market opportunities both for our vehicle manufacturers and for our road haulage industry in Europe.

For these reasons, I support the suggestion of the Secretary of State for Transport of putting the revised proposals with a 38-tonne maximum weight to the House and to arranging for a debate before the recess.

I am copying this minute to Members of E Committee.

(BELSTEAD)

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