

Prime Minister

SUNDAY TRADING

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Douglas Hurd &
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1. David Waddington spoke to me yesterday to report, with some concern, that he had had an unsatisfactory meeting with a deputation of Conservative backbenchers about the prospects in the House of Commons for any Shops Bill which de-regulated Sunday trading. The deputation included such disparate political bedfellows as Ivor Stanbrook and Robert Rhodes James. Bernard Braine was amongst them and declared unconditional parliamentary war against any Bill which might materialise; the deputation as a whole remained in the same mood throughout and departed as militantly as they arrived.

Graham Bright, who is David Waddington's PPS - and neutral about Sunday trading - also sought me out to warn me about growing backbench hostility to any draconian changes to the Sunday trading scene. He has deliberately spoken to a wide cross-section of backbenchers and all were now uneasy about what is in prospect. The overwhelming feeling was that we were stirring up increasingly widespread, conscientious, and passionate opposition to Government policies precisely amongst those who are our most natural and committed supporters, not least the Anglican and RC church-going community. The latter are now being actively mobilised against major changes in Sunday trading by even sensible and Conservative bishops (eg. Michael Baughen of Chester). Our backbenchers - even those who do not have strong views about Sunday trading - do feel strongly that the Government should think long and hard before it launches the parliamentary party into another

piece of legislation which could prove deeply divisive, even fratricidal, precisely at a time when we should be drawing together. The unhappy precedent of Resale Price Maintenance is on the lips and minds of colleagues.

2. Against this background, I wonder if some further analysis of the advantages of going all the way with Auld is not called for? The "Sunday" issue is in danger of losing the Government the credit for the sensible deregulation of "Monday to Saturday" trading! I asked Brian Griffiths and Hartley Booth to look at Auld again in the light of the backbench unease I have reported, and they make the following points:

- (a) The alleged benefit to jobs from wholesale Sunday de-regulation is far from clear cut. A new study carried out by the Institute of Fiscal Studies (at the request of the Federation of DIY Retailers) concluded that -
 - (i) if turnover stayed the same, there would be a net loss of between 5,000 and 20,000 jobs and,
 - (ii) that if turnover improved by 2%, 22,000 jobs would be created in the short term, falling back to 9,000 jobs in the long run.But it is far from clear that Sunday opening will cause a net increase in consumer spending, rather than a sharing out of unchanged spending over a longer shopping week.

- (b) The Auld Report failed to address the problem that Sunday trading will probably require further regulation such as "parking restrictions in

town centres". The Report was also thin on how many support services will be necessary for trading, eg DTI alone take the view that their "Trading Support Department" (3,500 workers) will have to open on Sunday.

- (c) The Auld Report "set great store by the preservation of the role of Wages Councils in fixing statutory minimum weekly rates, holidays and holiday pay for the retail trades. Shopworkers need their protection in this respect as much as ever, in fact more so now when jobs are harder to find and the already low membership of unions in the retail sector is declining." (Para. 287)

If we are proposing to abolish Wages Councils, we shall be in double trouble, both with a Sunday trading bill, and later with a Wages Council measure!

- (d) The Auld Report somewhat underestimates the practical and political effects of unregulated Sunday trading on small or village "corner shop" traders. The latter are very hard-working, but seven day trading would be a daunting prospect for them; they are mostly Conservative but powerful lobbyists!

3. Are there constructive alternatives open to the Government? You may care to invite some further thought and contributions in this area, eg. from Brian Griffiths. But the following ideas are being canvassed:

- (a) Provide for a revised list of exempt goods - in the context of some continuing overall regulation.

- (b) Provide for local exemptions from wholesale Sunday trading de-regulation (as with Sex Shops).
- (c) Provide for simpler, more effective enforcement procedures, including notices in shops open on Sundays to state what goods are saleable;
- (d) Concentrate on introducing special provisions for special areas or categories, eg. holiday resorts, tourist areas, ethnic minorities and so on.

I have not mentioned the thorny subject of "religion" in this note, because strictly speaking I do not think it arises. Sunday is not the New Testament equivalent of the old Sabbath, and Christians are at liberty to do what they want on Sunday. But there is perhaps a more fundamental point, as ideological as it is religious: the very ancient idea of one day in seven being set aside as a different day proves in contemporary terms to be profoundly anti-Marxist. It bears witness to the fact that man is not wholly an economic creature; work, output and production is not the whole story of his raison d'être. Thus a weekly discontinuity in this normal and necessary activity is not only physically healthy, but - more profoundly - an assertion that he does not live by bread alone! I think that this point needs to be borne in mind when we argue for de-regulation on grounds of "freedom": we must avoid, paradoxically, playing into the hands of the Marxists!

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