CE 58

CONFIDENTIAL

PRIME MINISTER

S

POLICY UNIT

Environmental Pollution

Our paper last year stressed the serious policy and political difficulties which we are encountering in this area.

The review by officials which has taken place since then was marked by a lack of urgency and a defensive reaction by most Departments concerned.

We are rapidly losing public confidence and we must take steps to regain the initiative. Your meeting on Thursday provides an ideal opportunity.

The official report provides a basis for a positive programme but does not go nearly far enough. We need to identify a selective package of positive measures which meet genuine concerns about aspects of our policy and presentation.

General Policy Stance

The UK is continuously out of step with the rest of the EEC on the use of Environmental Quality Objectives (EQOs) versus fixed emission limits.

Although there is some merit in this approach, there are some classes of industrial pollutants where <u>reductions</u> in absolute terms are desirable on environmental grounds. Obvious examples are toxic substances which are persistent and bioaccumulative. Less obvious are pollutants which cross international frontiers.

We recommend

1) that Departments should identify those classes of pollutants where absolute reductions are desirable.

/Research

-2-

Research

We need to move closer to the concept of "the polluter pays". Industry should assume a greater responsibility for research into cause and effect as well as in meeting quality requirements.

We recommend

2) that Ministers should be presented with positive proposals on how to make the polluter pay and assume greater responsibility for research into the consequences of his pollution.

Secrecy

Departments claim that the general approach is already to eliminate unnecessary secrecy. The Royal Commission effectively demonstrates that this is not the case.

We recommend

3) that the Government should accept the proposals made by the Royal Commission and take effective steps to implement them. Legislation is required in some cases.

Reply to the Royal Commission Report

The Economic and European Summits in June provide an excellent opportunity to respond positively to certain selected recommendations in the Tenth Royal Commission Report.

We recommend

that the Government should respond to selected recommendations, e.g. secrecy, before June and that the full proposal should be published before the Summer Recess.

CONFIDENTIAL

-3-

Acid Rain

It is no longer enough for us to deflect calls for action with the argument that more research is needed to understand the problems. A cost-effective package can be drawn up which does not cost billions of pounds but would go some way to meeting criticism.

It is symptomatic that we have not yet prepared an assessment of the costs of various options for reducing emissions. This work must be completed as soon as possible.

We recommend

5) that Departments should provide the information needed for Ministers to take positive decisions in May.

Vehicle Emissions

The "clean burn" engine provides an excellent opportunity for a major initiative to follow up and commitment to removing lead from petrol. Cleaning up car exhausts during your Administrations would be a substantial achievement.

We recommend

6) that policy proposals on "clean burn" engines should be prepared for a major initiative on cleaning up car exhausts.

Radioactive Waste (Sellafield)

This is a genuinely worrying area. We must do all we can to meet public concern.

/For

For Sellafield, new stringent authorisations must be announced urgently. Pressure is mounting for a complete shut down at the plant while Departments argue about the need for cost-benefit assessments. We have no choice but to act now.

We recommend

7) that we should commit ourselves to making Sellafield as good in environmental terms as any in the world within five years.

Radioactive Waste (Disposal)

We are faced with a basic dilemma on the disposal of both low-level and intermediate-level nuclear wastes.

The ability to dump any nuclear wastes at sea is likely to be shortlived. Political considerations in the face of international opinion are likely to make dumping unacceptable irrespective of any scientific justifications.

Disposal on land is generating public concern. It may prove necessary to abandon the principle of safe disposal in favour of a policy of storage under surveillance. Appropriate treatment could then take place later when technologies are further advanced.

We recommend

8) that Departments should provide a review of all the options open to the Government including the implications of accepting that a safe means of disposal does not exist.

Pollution at Sea

The official conclusions are too defensive.

/We recommend

-5-

We recommend

9) that the difficult long term issues should be addressed in formulating our policy in advance of the North Sea Conference.

Agriculture and the Environment

This subject is likely to cause us some of our greatest political embarrassments unless we adopt a consistent and politive approach.

The Wildlife and Countryside Act is a particular example. It is leading to huge hand-outs for farmers to do nothing at great cost to the taxpayer. In many instances, farmers are being subsidised for not being subsidised. Recent cases range from annual payments of £100,000 to £360,000. The annual bill is likely to escalate at an alarming rate.

We recommend

10) that the Wildlife and Countryside Act is urgently reviewed.

Straw burning, pesticides, housed livestock, nitrate levels and fertilisers are all likely to be subjects of growing public concern.

<u>We recommend</u>, with the exception of pesticides where statutory regulations are being considered by OD(E) on 12 April

11) that Departments prepare a range of options open to Ministers before existing policy is endorsed.

/Legislation

CONFIDENTIAL

-6-

Legislation

The Pollution Bill scheduled for 1984/85 is largely an essential administrative bill on the protection of food and the marine environment. It will, however, focus public attention upon our policy for dumping at sea.

Furthermore, some of the issues discussed above could require primary legislation. One possibility is the Wildlife and Countryside Act.

We recommend

that the need for pollution legislation is considered in the context of the Pollution Bill proposed for 1984/85.

Economic Summit

The Government needs a clear policy line on several of our most vulnerable areas by the end of May in order to meet a series of international deadlines.

This provides an ideal oppotunity to raise our profile on environmental matters immediately before the Economic and European Summits in June.

We recommend

that you hold a second meeting in May to consider a positive programme of action on acid rain, radioactive waste, follow up to the Royal Commission Report, vehicle emissions and the Wildlife and Countryside Act.

/14) that you

-7-

14) that you consider whether you wish to chair a review of environmental issues at regular intervals.

Conclusion

There is considerable scope to regain the initiative and restore public confidence in pollution matters.

DIP.

DAVID PASCALL

30 March, 1984