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cc LPO MAFF  
 DIN TCO Gregson  
 DIM DTI Paskell  
 SO DSE Mr. Coles  
 DOT CO Nicholson  
 NO 17 May, 1984

FILE RM

cc Environmental Affairs: <sup>Sent 79</sup>  
 Effect of Acid Rain  
 10 DOWNING STREET

From the Private Secretary

ENVIRONMENTAL POLLUTION

The Prime Minister chaired a meeting after Cabinet on 17 May to discuss environmental pollution. The meeting had before it your Secretary of State's minute of 14 May, together with comments from the Secretary of State for Energy contained in his minute of 16 May. In addition to your Secretary of State, those present were the Lord President, the Secretaries of State for Energy, Employment, Scotland and Transport, the Minister of Agriculture, the Chief Secretary, Mr. Whitney (FCO), Mr. Lamont (Department of Trade and Industry), Mr Waldegrave (Department of the Environment) Dr Nicolson and Mr. Gregson (Cabinet Office).

The meeting noted that a decision had been reached the previous day to adopt a proposal from the Foreign and Commonwealth Secretary that a United Kingdom initiative on industry and the environment should be taken at the London Summit.

Introducing his paper your Secretary of State said that it started from the proposition that the Government needed to adopt a more positive stance on environmental pollution, for both domestic and international reasons. A draft statement had been prepared on the United Kingdom's record in this field, for publication before the Economic Summit. A text would be circulated to colleagues shortly. He proposed that officials should undertake further work on possible future action in four main areas:

- air pollution, in particular acid rain and vehicle exhausts.
- the environmental impact of nuclear power.
- the countryside and wildlife conservation.
- secrecy (in response to the recommendation on this subject by the Royal Commission on Environmental Pollution).

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In discussion concern was expressed about the costs associated with some of the measures included in your Secretary of State's paper, in particular the possibility of a commitment to join the 30% Club. Estimates varied, but the cost could be such as to add 3 per cent to electricity prices. Decisions of this magnitude should be reached only after thorough consideration of the cost implications, and with due regard to other priorities. On the other hand it was argued, in relation to acid rain specifically, that changes already in train could take us a long way towards qualifying for membership of the 30% Club; and it was quite possible that technical developments could reduce the residual cost very substantially. This possibility underlined the importance of obtaining a satisfactory research basis for decisions.

In relation to Sellafield, concern was expressed about the implications for the nuclear power programme if confidence in the cleanliness of the plant could not be restored. As regards disposal of nuclear waste, the position had arguably been reached where neither land nor sea disposal was a tenable option - instead it might be necessary to look again at the possibility of longterm monitored storage at existing nuclear sites.

Support was expressed for the 'lean-burn' approach to reducing vehicle emissions rather than the fitting of catalytic convertors as currently favoured by the German Government (who were under pressure from the Greens). The Secretary of State for Transport argued that there was a case for a separate research initiative on pollution from diesel engines.

On the Wildlife and Countryside Act, the Prime Minister said that the legislation was clearly defective in a number of respects. Compensation was expensive, and the case for paying it at all was questionable in some circumstances. The meeting recognised that it was a difficult time to propose changes in the Wildlife and Countryside Act which would be to the detriment of agricultural interests. But the Government could equally be criticised if it took no action to remedy manifest defects in the compensation arrangements.

The Royal Commission's recommendation on secrecy was already being considered interdepartmentally, in the context of the Government's response to the Report as a whole. It was important to bear in mind the danger of encouraging scaremongering about environmental issues as a result of premature or incomplete release of information.

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In summing up the discussion, the Prime Minister said that notwithstanding the urgency of the issues involved, it was essential to take considered decisions with due regard to relative costs and benefits. Your Secretary of State should prepare three further papers, in consultation with the Secretary of State for Energy, the Minister of Agriculture, the Chief Secretary of the Treasury and other Ministers involved. These papers should deal separately with acid rain, Sellafield, and the Wildlife and Countryside Act. They should consider a range of options and include a full assessment both of possible technical developments and the cost implications. The paper on acid rain was the most urgent, and should be circulated in good time to enable decisions to be reached before the Munich Conference and the EC Environment Council.

The Prime Minister added that she would arrange for a technical presentation on acid rain, to precede collective discussion of the Government's policy.

Copies of this letter go to the Private Secretaries to those Ministers who attended the meeting and to Colin Jones (Welsh Office) and Richard Hatfield (Cabinet Office).

(David Barclay)

J. Ballard, Esq.,  
Department of the Environment

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