

PO-CH/NL/0522

PART A

Part. A.

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PO CH | NL | 0522.
Pt. A.

Chancellor's (Lawson) Papers:
Environmental Labelling - Publication
of a Discussion Document.

DD's: 25 Years

Paulman

8/3/96

PO CH | NL | 0522.
Pt. A.



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mp

My ref:

Your ref:

Neil Thornton Esq
PS/The Rt Hon the Lord Young of Graffham
Department of Trade and Industry
Victoria Street
LONDON
SW1

CH/EXCHEQUER	
REC.	25 JUL 1989
ACTION	CST
COPIES TO	

24 July 1989
✓ 25/4

Dear Neil,

ENVIRONMENTAL LABELLING - PUBLICATION OF DISCUSSION DOCUMENT

Your Secretary of State and mine have considered the issue of the environmental labelling of consumer products and have noted in particular that the EC Commission is intending to make proposals for a Community-wide scheme, under which a single European label would be awarded to products - excluding food and drink - which had been assessed to have a more benign impact on the environment. The Commission's intention had been to bring forward proposals in the first half of the 1990. The French Presidency has indicated, however, that it would like to begin the political discussion of the issue in the Environment Council of Ministers later this year.

There is Ministerial agreement between our two Departments that there would be advantage in a positive move by the UK to support the formulation of a workable and effective Community-wide scheme, which could assist consumer protection and the protection of the environment, as well as avoiding the potential barriers to trade which might be represented by the emergency of several national schemes of environmental labelling. Our Ministers would like to make this view known at an early stage, through the publication of a discussion document which would point the way towards a Community initiative and also flag up a number of outstanding questions on which the Government would welcome comments as it prepares its contribution to the EC discussion.

Your Secretary of State and mine have now agreed the enclosed draft of a discussion paper on environmental labelling. I am circulating this to the private secretaries to E(A) members and to Sir Robin Butler with a view to very urgent clearance. My Secretary of State would like to make the Government's view known, and publish the discussion paper, by way of an inspired Parliamentary question to be

answered on Thursday. I would be grateful, therefore, to hear by Wednesday morning whether colleagues are content with what is proposed. I should perhaps underline that, while we recognise that the pre-recess period cannot accommodate all the announcements which Departments have in prospect, we are keen that this one should be made this week, to meet the level of interest that has built up.

Yours

CES Bush

KATE BUSH
Private Secretary

SECTION 1 - INTRODUCTION

1.1 Over the last year or so, increasing numbers of consumers have demonstrated that they are concerned to take environmental considerations into account in deciding on their purchases. A striking example has been the shift towards using unleaded petrol. The market share accounted for by this fuel has risen from an average of 1% in 1988 to over 20% in mid-1989. A recent MORI poll indicated that there are 18 million consumers in the UK - half the adult population - who claim to be guided by perceived environmental friendliness in choosing products.

1.2 Manufacturers and retailers have responded to these concerns rapidly. They have introduced environmentally more benign alternatives to existing product lines, and have highlighted products which meet the demands of the "green consumer". In particular, a variety of symbols and legends has appeared on products, emphasising their positive environmental impact.

1.3 These developments are not unique to the British market. The protection of the environment is high on the agenda of public concern in other member states of the European Community as well, and there have been similar effects on the attitudes of consumers and on the response of the market.

1.4 Both in this country and in the European Community, the experience of the last year has led to calls for the creation of a national or international system of environmental labelling for consumer goods, in order to provide an independent bench-mark for the guidance of consumers wanting information about the environmental impact of their purchases. Within the Community, such a system already exists only in the Federal Republic of Germany, where the so-called "Blue Angel" scheme has been in operation since 1978. Several other EC member states are however known to be considering setting up their own national schemes.

1.5 The Government has studied developments nationally and internationally and has sought the views of a range of interested parties in the UK in recent months, including consumer and environmental groups, retailers and producers. The Government is also aware of moves within the European Community to discuss environmental labelling, and has considered developments and prospects with the European Commission. It considers that the time is right to issue a discussion paper in order to seek views more widely.

1.6 The Government's view is that a plethora of national environmental labelling schemes in Europe would run the risk of fragmenting the Single Market and of creating new barriers to trade in the run up to the Single Market's completion in 1992. The Government therefore favours the establishment of an environmental labelling system within the European Community, provided that agreement can be reached quickly, and that this system is voluntary, flexible, simple, transparent and commands public respect. To this end, the Government intends to take the

initiative with the Commission and other Member States over the next few months to seek to establish a viable system of environmental labelling within the European Community. The Government considers that such a scheme should not include food and drink within its scope.

1.7 The aim of this discussion paper is to invite a considered response from interested parties on current developments in the UK, and on options for future action. These views will assist in the formulation of the Government's policy in this area, and in shaping the approach which it adopts in future discussions in the European Community.

1.8 The paper is arranged in the following sections:

- 1 - introduction
- 2 - background
- 3 - objectives
- 4 - problems to address
- 5 - conclusions

Annex - environmental labelling in the Federal Republic of Germany

Section 5 sets out the main aspects on which the Government would particularly welcome comments, and specifies a deadline of 13 October 1989 for their submission. This will match the likely pace of discussion in the European Community.

SECTION 2 - BACKGROUND

2.1 The injection of environmental considerations into the development and, more particularly, the marketing of consumer goods has been led by the re-formulation of aerosols to exclude chlorofluorocarbons (CFCs). International understanding of the depletion of the ozone layer and of the part played by CFCs increased rapidly in the months following the signature in September 1987 of the Montreal Protocol to the Vienna Convention by the United Kingdom and the other EC member states. Producers moved quickly to phase out the use of CFCs as propellants in aerosols. The British Aerosol Manufacturers Association (BAMA) devised standard wordings for use on canisters specifying whether aerosols contained CFCs, or alternatively no propellant alleged to damage the ozone layer. In addition, many aerosols are now being marketed with labels bearing messages such as "CFC-free", "ozone-friendly" or "environment-friendly".

2.2 The trend towards environmentally orientated reformulation and marketing has spread to other product areas. Notable examples have been batteries containing no mercury or cadmium; disposable nappies made with non-chlorine-bleached pulp; and phosphate-free detergents. In addition, several major retailing chains have reinforced and complemented this trend by developing their own systems of environmental labelling, which may apply to own-brand or to branded goods, and also by preparing informational leaflets for their customers, presenting current environmental issues and explaining the purpose of their own labelling schemes.

2.3 The response of retailers and producers has largely been determined by the commercial importance of adapting their product offerings to changing demand, although environmental concern is undoubtedly a feature of corporate activity, as well as a matter for individuals. Commercial self-interest dictates that any claims made for products have to be carefully handled. Customers who buy a product labelled "environmentally friendly" which is later shown to cause environmental problems will be reluctant to trust other claims from the same source.

2.4 The growing availability of "green" products has been paralleled by increasing efforts by environmental and consumer groups to provide information to the public about the environmental implications of purchases. Newspapers and other media have increasingly included items of "green" consumer advice in their pages.

2.5 Alongside these individual initiatives, several environmental and consumer groups have called for an independent system of environmental labelling. They see the proliferation of producers' and retailers' own labels as confusing to the consumer, and they look to an independent scheme to provide a bench-mark assessment of the environmental impact of products. There is moreover concern in some quarters that a purely commercial response to consumers' demands for "green" products may lead to excessive claims being made.

2.6 There is no current legislation relating specifically to environmental labelling. However, under the Trade Descriptions Act 1968, it is an offence to apply false descriptions to a good or service. In addition, the Advertising Standards Authority has declared its intention to monitor environmental claims in advertising.

2.7 As noted in Section 1, while the Federal Republic of Germany is the only European country in which there is an established national scheme of environmental labelling, several other EC member states are now considering whether to launch their own national systems. The EC Commission has set work in train on the possibility of a Community-wide initiative, and discussion at the Community level is scheduled to begin later this year. A prime motive for a Community initiative is the aim of assisting in the completion of the Single European Market by overcoming the barriers to trade that could be represented by the operation of several different national schemes of environmental labelling.

SECTION 3: OBJECTIVES

3.1 Environmental labelling has implications for a number of important policy areas. These include in particular:

- consumer protection;
- environmental protection; and
- national and international trade.

3.2 The 1988 White Paper (DTI - the Department for Enterprise) said that "in consumer protection the policy emphasis will reflect the Government's belief that the best form of protection comes from consumers making well informed choices and acting in their own interests". The difficulty at present is that the consumer wishing to make an informed choice in favour of an environmentally friendlier product is often faced with a range of competing labels. Unlike, say, the cleaning power of rival washing powders, which the consumer can test empirically, it can be difficult for the consumer to assess the validity of environmental claims.

3.3 Another mainspring for Government interest in this issue is its commitment to environmental protection, and the objectives of raising the level of awareness of environmental issues within business and of encouraging firms to take advantage of the growing world market for environmentally benign products, materials, and processes and environmental services.

3.4 A third important consideration is the Government's objective of promoting the growth of international trade, and working towards a Single Market within the European Community: in particular of working to prevent the erection of any new national standards, whether mandatory or voluntary, which might have the impact of fragmenting the Single Market.

3.5 Against this background, the objectives of the Government's policy on environmental labelling are as follows:

- (a) to encourage business to produce products which are more environmentally friendly:
 - as a contribution to protecting the environment; and
 - to help promote the competitive position of UK business;
- (b) to provide consumers with accurate information on the environmental consequences of products in order that they can exercise an effective and informed choice; and
- (b) to ensure arrangements are consistent with the creation of a Single European Market.

SECTION 4 - PROBLEMS TO ADDRESS

4.1 Any official environmental labelling scheme, whether on a national or European Community basis, would pose important problems of scope, operation, organisation and funding. The Government has considered these issues in informal consultations with a range of outside interests. The following section examines the main issues, and sets out a preliminary indication of the Government's views.

Basis of any Scheme

4.2 The German "Blue Angel" scheme is voluntary: companies are free to decide whether or not they wish to apply for a centrally awarded environmental label. They also remain free to continue to use other labels, if they so wish. Most of the parties consulted agree that this is the only basis on which any official labelling scheme could operate, whether in the UK or EC. Any mandatory labelling scheme would be undesirable, unworkable and unenforceable.

Product Coverage

4.3 The European Commission are currently examining a scheme which would be concerned with consumer products, but not food and drink for human consumption. The German Blue Angel scheme has a similar coverage although it also embraces certain services. Most of the people consulted thought that - on essentially pragmatic grounds - any environmental labelling scheme should not cover food and drink but should otherwise be open to applications for labels on an unrestricted basis.

4.4 The Government is also of the view that environmental labelling should not apply to food and drink. There is increasing consumer interest in organically produced food, and this has been recognised by the establishment of the United Kingdom Register of Organic Food Standards (UKROFS). In May of this year, UKROFS published the first national standards for organic food production which have been drawn up to offer a reliable basis for consumer choice in relation to organic products. The Government sees no reason to overlay that initiative with an environmental labelling scheme.

4.5 Even if a scheme were general in application, however, it would be necessary to concentrate at least initially on certain priority sectors. The European Commission has indicated that it expects to propose for priority consideration a short-list which would include products of particular relevance to Southern European markets, such as clothing, as well as others of greater significance to Northern Europe. The Government would welcome comments on which products should be priorities for assessment.

Assessment Criteria

4.6 The criteria for, and the scope of, the assessment of a product are fundamental to the process. Those who have commented on the issue are in agreement that the assessment needs to rest

on a firm scientific basis. Opinion is split, however, on whether the assessment should encompass all aspects of a product's life, from production through use to disposal, or whether it should focus more narrowly, eg, on its impact in use by the consumer, or on use and disposal.

4.7 Both approaches have their merits. A "cradle-to-grave" assessment would be more comprehensive and thus provide a more accurate basis for judging a product's environmental impact. On the other hand, it would take longer to complete than a less wide-ranging assessment and could unacceptably delay the award of a label. The comment has also been made that, since production processes are in any case subject to pollution control legislation, it would be wrong in effect to superimpose another layer of approval through a labelling system.

4.8 A more limited assessment could be seen to accord with the fact that a single characteristic is often of key importance in the environmental impact of products: the presence of CFCs has for example been the main cause of recent concern in the case of aerosols. It would also make the decision-making process simpler and quicker. Against this, however, too narrow an assessment would run the risk of overlooking an important aspect and of giving the consumer a deceptively partial account of a product's impact.

4.9 The Government's view is that, while decisions should not be rushed, consumers and producers would be poorly served by a system that failed to reach judgements and provide guidance over a relatively short timescale. On balance, therefore, the Government favours a comparatively simple system, in which the criteria for awarding any label should focus primarily on the direct impact of a product during use and disposal, with some attention paid to other aspects. The system would need to be transparent, so that the basis of judgement was clearly understood by those taking guidance from it.

Period of Award

4.10 Expectations of product performance are inevitably revised as technology changes. An assessment criterion which could be met initially only by a minority of examples of a given product group might well become the norm for most examples within a short space of time. The removal of CFCs from aerosols demonstrates how quickly such changes can take effect.

4.11 Any system of environmental labelling would need to be flexible enough to keep step with technological advance. Too frequent revision of criteria would however make a scheme less attractive to manufacturers, who would expect a minimum period during which they could display an environmental award on their products. The Government's preliminary assessment is that a label should be awarded for a minimum period of 3 years, and could roll forward annually thereafter unless a manufacturer were notified of its withdrawal at a specified future date. The Government also considers, however, that any scheme should also allow a more

immediate withdrawal of a label in the exceptional case where improved scientific knowledge showed that a product had an unsuspected adverse impact on the environment.

Wording of Label

4.12 The message conveyed by an environmental label needs to be carefully considered. The term "environmentally friendly" is open to a range of interpretations, but it may suggest an absolute quality which is unattainable in practice. The Government's view is that any independent environmental label should avoid this and similar wording. It also considers that the transparency of the system would be increased by including in any label a brief explanation of why it had been awarded, eg, "made mostly from recycled material".

Organisation

4.13 There would be a significant organisational effort involved in running an independent scheme. The preparation of assessment criteria would require considerable technical expertise. The use of labels on products complying with these criteria would have to be controlled. In addition, most interested parties support the proposal that the assessment process should be guided by a widely based steering panel, consisting of representatives of concerned groups such as consumers, environmentalists, retailers and producers. The establishment and servicing of such a panel would also have organisational implications. The Government firmly supports the idea of bringing interested parties together in this way, and sees merit in this in the EC context.

4.14 The Commission's work has not reached the stage where it has identified a clear structure for a scheme. The organisational problems will not be easily solved. The key to the eventual structure will be the balance struck between centralised and de-centralised operation.

4.15 A highly centralised model would place responsibility for all elements of the scheme in a single location. Thus there could be a single international panel to steer product selection and criteria setting. The necessary technical advice would be obtained from a range of technical agencies and institutes. There would also be central control over the award and use of the common EC label.

4.16 A fully de-centralised model would deploy a single EC environmental label, but leave it to national arrangements to deal with product selection and criteria setting, the provision of technical advice and the control of label use.

4.17 Centralisation would mean that the criteria on which labels were awarded would be the same across the Community. Consumers would know that a UK-manufactured product would have had to reach the same standard to obtain the EC label as, for example, an equivalent product made in the FRG. In practical terms, however, it is not clear where responsibility for all the

elements should be placed, nor how quickly and flexibly a centralised model would deliver judgements as the basis for the award of labels. The arguments would be reversed for a de-centralised approach. Decisions might well be reached more rapidly, but there would be disparities in the selection of products and the setting of criteria which would be unhelpful to consumers faced with products from different countries and to producers selling goods across several national markets.

4.18 A workable model is likely to steer a course between the two extremes. There would have to be Community-wide agreement on the product groups to be assessed and the criteria to be applied. This in itself might not easily be achieved, and the Government would be concerned at any unacceptable delay. Ongoing control of the award and use of EC labels in national markets could however be exercised at the national level.

4.19 The Government will look carefully at the possible organisation of a Community-wide scheme. It would welcome comments on how best to mesh national concerns with international action on this issue, and in particular on what structural arrangements would be best suited to create a scheme that would work effectively and go furthest towards meeting the expectations of interested groups in the different member states.

Resources

4.20 The organisational support for a scheme would carry resource implications which cannot easily be quantified at this stage. The Government considers, however, that the costs of a scheme should be off-set by charges payable by companies using a label, who might expect to gain a commercial advantage from marketing a product with a mark of environmental approval. Over time, the aim should be for the scheme to become self-financing.

Other Official Labels

4.21 There are already a number of labelling requirements under domestic and EC legislation, eg, for dangerous and toxic substances, as well as established national labelling initiatives such as the Tidyman symbol. There is concern among retailers and producers that there should not be a proliferation of official labels, and that the links between the labels should be well considered. The Government shares this concern and will be guided by it in further discussions.

Summary of Government's Views

4.22 In summary, the Government would wish the following considerations to guide decisions on any independent scheme of environmental labelling:

- (i) companies' participation should be voluntary;
- (ii) the scheme should be applicable generally to consumer products, with the exception of food and drink;

- (iii) the process of judgement should be transparent, and based on assessment criteria that are comparatively simple and easy to understand;
- (iv) labels should be awarded for a minimum period and subject to annual review thereafter;
- (v) labels should highlight the reason for their award;
- (vi) any organisation should involve representatives of consumers, environmentalists, retailers and producers;
- (vii) a scheme should aim to be self-financing over time; and
- (viii) a proliferation of official labels needs to be avoided.

SECTION 5 - CONCLUSIONS

5.1 The Government has noted the greater weight now being given to environmental considerations in consumers' purchasing decisions and in the marketing of an expanding range of products. It has looked at the growing use, by retailers and producers, of privately developed environmental labels, and has sought the views of a number of interested parties. It has also studied international developments, especially early moves towards an initiative at the level of the European Community.

5.2 The Government takes the view that an independent system of environmental labelling could help to inform consumer choice, to improve the environmental impact of products, and to strengthen the competitive position of UK producers. It considers that a Community-wide scheme would offer greater potential benefits and would more directly assist the completion of the Single European Market. The Government intends actively to pursue the development of an appropriate Community scheme of environmental labelling.

5.3 In order to assist in the development of the Government's thinking, and the line to take in forthcoming EC discussions, the Government would welcome comments on the general issue of environmental labelling, and in particular:

- (i) the merits of any independent environment labelling scheme, at the EC or national level;
- (ii) its basis and whether the voluntary approach would be right;
- (iii) the coverage, and which products should be viewed as priorities in EC discussions;
- (iv) the assessment criteria; and
- (v) organisational issues.

5.4 Respondents are asked to submit their comments no later than **13 October 1989** to the following address:

Mr M Gardiner
Central Unit on the Environment
Department of the Environment
Room A302
Romney House
43 Marsham Street
London SW1P 3PY

and to send a copy of their comments to:

Mr P Dawes
Central Unit
Department of Trade and Industry
Room 555
1-19 Victoria Street
London SW1H 0ET.

5.5 Respondents are asked to indicate:

- whether they propose to publish their comments or make them available to the media; and
- whether they agree that the Departments may make their comments available to Parliament and open for public inspection by the placing of copies in the Departmental Library.

If the answer to both questions is no, comments will be treated as in confidence to the Government, but may be counted in any numerical summary which does not identify individuals' responses.

ANNEX

ENVIRONMENTAL LABELLING IN THE FEDERAL REPUBLIC OF GERMANY

THE "BLUE ANGEL" SCHEME

Summary

1. Since 1978, an official system of labelling certain products as "environmentally friendly" has operated in the Federal Republic of Germany (FRG). The label awarded is the "Blue Angel" (the symbol of the United Nations Environment Programme). Products assessed as environmentally more benign by comparison with alternatives may be eligible to receive the label.

2. By 1988, the "Blue Angel" had been awarded to nearly 3,000 individual products in some 50 product categories. Applicants for the label have to pay a small application fee. If a label is awarded, the producer is required to pay an annual fee for its use. The scheme is open to German and non-German producers alike. Some 10% of the firms marketing products awarded the "Blue Angel" are in fact non-German.

Operation of the "Blue Angel" scheme

3. Organisationally, the scheme is the responsibility of 3 bodies:

- the Federal Environment Agency ("Umweltbundesamt/UBA"), a Government technical agency and advisor to the German Federal Environment Ministry;
- the Institute for Quality Assurance and Labelling ("Deutsches Institut fuer Guetesicherung und Kennzeichnung", usually referred to as "RAL"), a private, non-profit-making certification agency; and
- the Environmental Label Jury ("Jury Umweltzeichen"), a high-level advisory panel appointed by the Ministry of the Environment.

4. Procedurally, there are 3 stages leading up to the award of a "Blue Angel" label to an individual product:

- at stage 1, the UBA makes recommendations on which product categories (eg, aerosols, lawn-mowers, batteries) should be selected for criteria formulation. The Jury decides on these recommendations;
- at stage 2, the UBA prepares a draft technical paper proposing the criteria for the award of a "Blue Angel" label to a product in any category agreed by the Jury. RAL organises "hearings" on the draft criteria, which are closed consultation meetings attended by representatives of industry, consumers, environmentalists and Government and other technical experts.

Once the criteria have been agreed in this forum, they are put to the Jury for consideration. After endorsement by the Jury, the criteria are published and producers are able to submit applications in respect of individual products;

- at stage 3, RAL receives producers' applications and checks that the products concerned comply with the published criteria. If compliance is confirmed, RAL draws up a contract allowing the producer to use the "Blue Angel" label. Contracts roll forward from year to year, unless before September in any year RAL notifies the producer that the "Blue Angel" label is to be withdrawn from a product, eg, because the UBA/Jury intend to revise the criteria in the light of technical advances.

5. Firms have to pay a one-off fee of 300 Marks in applying to RAL for a product to be considered. From 1 January 1989, the scale of annual fees payable for the use of the "Blue Angel" symbol ranges between 350 and 4,000 marks, depending on product turnover. Firms have to reckon with a minimum period of 8 weeks between applying to RAL and hearing the result; the process can however take longer.

6. Within the FRG, opinions on the merits of the scheme are divided. Criticism has been directed in particular at the "single-characteristic" focus of the assessment process. That process has now been modified to give more weight to other aspects of the product cycle.

7. There has been a sharp rise in the last 3 or 4 years in the number of products carrying the label. Recent market research in the FRG has shown that some 80% of German consumers recognise the "Blue Angel" symbol and understand its function.

Kate Bush
Private Secretary to the
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Direct line 215 5422
Our ref NP2AEZ
Your ref
Date 26 July 1989

Dear Kate

ENVIRONMENTAL LABELLING - PUBLICATION OF DISCUSSION DOCUMENT

Thank you for your letter of 24 July enclosing a draft discussion paper on environmental labelling which you propose to publish on Thursday 27 July.

My Secretary of State agrees that given the pressure for Government action on labelling, the evident organisational and funding problems of a national scheme, the need to avoid creating new trade barriers in the European Community and the imminence of EC discussions, we should support in principle a Community initiative on environmental labelling and seek to influence the Commission's thinking at this early stage.

Yours
Rosalind Cole

ROSALIND COLE
Private Secretary to the Secretary of State



10 DOWNING STREET

jmp

From the Private Secretary

26 July 1989

CONFIDENTIAL

Dear Kate,

ENVIRONMENTAL LABELLING - PUBLICATION OF DISCUSSION DOCUMENT

The Prime Minister has seen a copy of your letter to Neil Thornton of 24 July, enclosing a copy of the discussion document on environmental labelling which Mr Ridley and Lord Young had agreed should be issued. You hoped to publish it on Thursday in answer to written Parliamentary Question.

She has commented that she would prefer an idea to be worked out more than this before it is approved. She is concerned that unless the decentralised model for the organisation of such a scheme is established in the way set out in paragraph 4.16, a bureaucrat's paradise could be created at colossal expense.

I would be grateful if you could ensure that this is seen only by those with a clear need to know.

I am copying this letter to the private secretaries of members of EA and to Trevor Woolley.

*Yours sincerely,
Caroline Slocock*

CAROLINE SLOCOCK

Ms Kate Bush
Department of Environment



10 DOWNING STREET

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Purman

*Re X, yes
post: work in public*

FROM: MRS JUDITH CHAPLIN
28th July 1989
x4359

CHANCELLOR

cc Chief Secretary

SECRETARY OF STATE FOR THE ENVIRONMENT

You asked me to find out about Chris Patten's holiday plans. He will be at the Department until 3rd August when he goes to California. He returns from there the weekend of 12th/13th August. He will be in the Department during the week beginning 14th August and he will then be away until the beginning of September.

Publicity

2. He is thinking of putting out a Dear Colleague letter during the week of 14th August on the Community Charge. He would publicise it by, for example, writing it to the Chairman of his constituency. According to Patrick Rock, the special adviser (not always a totally reliable source of information), Mr Patten wants the letter to be "up-beat". It would stress that rates have been a bad tax, that the Community Charge was a fair tax, and that the Labour Party's alternative would involve a major increase in taxation.

X | 3. Do we need to tell the Department of the Environment that this letter must be agreed with the Treasury before it goes out? This would seem sensible in case there is any implication that more money could be made available which would lead to publicity for the suggestion that there is disagreement between the Treasury and the DoE.

Jc

JUDITH CHAPLIN



FROM: D I SPARKES
DATE: 31 July 1989

imp

BF 28/8

*[Letter not
to be sent
until September]*

MRS J CHAPLIN

cc PS/Chief Secretary

SECRETARY OF STATE FOR THE ENVIRONMENT

The Chancellor was grateful for your minute of 28 July concerning Mr Patten's holiday plans and the letter he intends to send to colleagues. He commented that it is most important that the letter is cleared with the Treasury before it is sent out; please can you make sure it is.

D.I.S.

DUNCAN SPARKES